PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 442 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FOURTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-FOURTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2005–06

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30 January 2006

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FOURTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 11 MAY 2005]

FIFTY-FOURTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES — VOLUME 442

NINTH VOLUME OF SESSION 2005–2006

House of Commons

Monday 30 January 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State was asked—

Casino Licences

1. **Mr. Edward Leigh** (Gainsborough) (Con): What the trend in applications for new casino licences under the Gaming Act 1968 has been over the past 12 months. [46090]

The Minister for Sport (Mr. Richard Caborn): The Gambling Commission received 43 applications under the Gaming Act 1968 for certificates of consent in respect of new casinos during 2005–06 compared with 25 in 2004–05. On 10 November 2005, my right hon. Friend the Secretary of State announced her intention to set a final date for such applications. We are currently consulting on a draft order, which will give effect to that commitment from 28 April 2006.

Mr. Leigh: Given that it is estimated that there are more than 300,000 problem addicts in the UK and that many of the people who will use the new regional casinos will be those who are least able to pay gambling debts, how soon after the first regional casino is opened will the Government institute an assessment of that casino's impact on problem gambling?

Mr. Caborn: That is not quite the same question, but I shall answer it. As the hon. Gentleman knows, only one regional casino will be set up, because the Opposition insisted that the figure be reduced from eight to one before the election. We are currently consulting on where the regional casino should be sited in the United Kingdom.

Mr. Lindsay Hoyle (Chorley) (Lab): The north-west.

Mr. Caborn: I have heard my hon. Friend the Member for Chorley (Mr. Hoyle). A prevalence study will be undertaken every three years, and we are currently examining the data on problem gambling. The UK has the toughest regime on gambling, and we shall retain it. The Budd report led to the development of a trust to examine the issues around problem gambling to which the industry is contributing £3 million a year. If the voluntary approach is not successful, the legislation contains reserved powers that allow the introduction of a statutory levy. Indeed, we will take the matter in-house to the Gambling Commission, if it is necessary to do so. Our regime on problem gambling is the strictest in the world.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Sun Casinos has proposed the setting up of a casino in east London. Much as I would welcome any jobs created by such a development, the Minister will be aware of local people's concern about the crime that inevitably accompanies such casinos. Will he provide an assurance that the regulations are stringent?

Mr. Caborn: As my hon. Friend knows, setting up a casino, whether it is large or small, involves a twofold licensing process. A casino requires a licence from the Gambling Commission and, importantly, a premises

licence and planning permission from the local authority. If a local authority does not want a casino to open in its area, that casino will not open.

Mr. John Whittingdale (Maldon and East Chelmsford) (Con): Given the increased opportunities for casinos, particularly since the increase in permitted stakes and prizes for gaming machines in casinos, does the Minister agree that that makes it all the more important to implement the recommendations of the Gaming Board on category C machines outside casinos? When does he intend to implement those recommendations?

Mr. Caborn: My officials are currently engaged in dialogue with the industry on stakes and prizes. We are not prepared to go any further on liberalisation until we receive clear assurances on the conditions laid down in the Gambling Act 2005 that the vulnerable—particularly children—will be protected and that the industry will be crime free.

Mr. Jim Cunningham (Coventry, South) (Lab): Will my hon. Friend say how many local authorities, and in particular how many Conservative local authorities, have asked for a change in the Government's policy? A regional casino is being prepared in Coventry, subject to Government approval.

Mr. Caborn: Many local authorities have asked for such a change. A few days ago, the front page of the *Financial Times* seemed to indicate shifting sands, so far as the Opposition are concerned. I was interested to read that the Opposition are prepared to revisit the issue of the number of regional casinos, and it would be interesting if they were to let us know how far they would go with liberalisation.

Mr. Don Foster (Bath) (LD): Does the Minister realise that his answer to the hon. Member for Maldon and East Chelmsford (Mr. Whittingdale) on uprating stakes and prizes for category C and D machines is a terrible blow for all those who run family entertainment centres, where more than 1,000 jobs have been lost in the past 12 months alone? Will he acknowledge that the industry has provided him with a great deal of evidence over the past few months, and will he make a statement on the issue in the next two or three weeks?

Mr. Caborn: I will not make a statement, but I will say that there has been no freeze on stakes and prizes—on the contrary, we propose that the stake on amusements with prizes machines be increased from 30p to 50p. We made it very clear—I am sure that the hon. Gentleman will agree, because he served on the Gambling Bill Committee, as did other Members in the House today—that we would continue with any liberalisation only as long as all the conditions were met, including protecting the vulnerable and children, and ensuring that activities are crime-free. Discussions with the industry on stakes and prizes for AWPs will continue. If those can be satisfactorily concluded, I have no doubt that we can move forward.

Kelvin Hopkins (Luton, North) (Lab): My hon. Friend will know of my concern about the impact of increased gambling on gambling addiction. Will he undertake to monitor levels of gambling addiction? If the more liberal regime leads to more gambling addiction, will he consider restraining and restricting casinos in future?

Mr. Caborn: The answer is yes. There has been a prevalence study. The difficulty with gambling is not with casinos or betting shops but with online gambling. That is why we introduced the Gambling Act 2005. Remote gambling and internet gambling are the major growth areas, but we cannot control them until the Act is fully operational.

I would go further and say that this cannot be addressed by just one member state. That is why my right hon. Friend the Secretary of State will this year convene a meeting with a number of Ministers with responsibility for gambling around the world to consider introducing international legislation whereby we can deal with problem gambling on the internet. There is a major issue with the credit card companies as well, and we will be engaging them in discussion. We are looking at the whole question of the new, modern gambling. Remote and internet gambling is a major issue facing this country and many others.

Mr. Malcolm Moss (North-East Cambridgeshire) (Con): Why has it been possible under the Gaming Act 1968 to apply for a new casino licence up until April this year, whereas if an existing casino has to cease operation for any reason, such as a fire, it cannot rebuild or reinstate its licence until well into 2007? What other business has to live with that level of uncertainty?

Mr. Caborn: Absolutely none. I admit that that is one of the problems with the legislation. We will address it with the industry, and if we can find a solution—[HON. MEMBERS: "You are in government."] Yes, I understand that. We have been in government for the past eight years, and we will continue to be so. We are rather enjoying it.

We will resolve this issue with the industry by applying the same common sense that we have applied to many other issues. As I said, it is nice to see in the *Financial Times* that sanity is prevailing among the Opposition, who played politics on regional casinos before the last election. We welcome them on board.

Elite Athletes (Funding)

2. **Richard Ottaway** (Croydon, South) (Con): If she will make a statement on funding for elite athletes. [46091]

4. Mr. Mark Lancaster (North-East Milton Keynes) (Con): If she will make a statement on funding for elite athletes. [46093]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): I am sure that the whole House will want to send good wishes and good luck to the 40 athletes who will shortly set off for the winter Olympics in Turin, representing the GB team.

We have allocated £98 million to support our world-class athletes for the Beijing Olympic and Paralympic cycle. We are also supporting the development of new, young talent and the so-called performance pathway in

non-Olympic sports such as rugby and cricket. For example, we are investing £17 million over four years in our most talented youngsters through the talented athlete scholarship scheme, which covers 46 able-bodied and disability sports. To date, 1,000 young people have participated in that programme, and among them will be the Olympic stars of the future.

Richard Ottaway: I am not sure that that answers the question. The Secretary of State is circumventing the whole issue. Can she get a grip on this? Having trailed the whole issue for several months now, is not she embarrassed that the British Olympic Association has had to open an overdraft facility to fund elite athletes? Can she explain the real reason for the delay in the announcement, not the one that she has just given us? Has she forgotten, has the Treasury changed its mind, or is there a spat between the Prime Minister and the Chancellor?

Tessa Jowell: I regard that as simply a bit of bluster. UK Sport funds elite athletes. Since 1997 and since Sydney, the rate at which our elite athletes are funded has increased by more than 33 per cent.

Let me deal with the question behind the hon. Gentleman's bluster. I suspect that he was groping towards asking what we intend to do about further funding for athletes up to 2012. We are negotiating with the Treasury about the proper and appropriate amount of funding but we are determined to invest for the long-term future performance of athletes—in 2008, 2012 and 2016. We shall not return to the Tory boom and bust—a bit of money now and none in the long term.

Mr. Lancaster: Elite sport is already established in Milton Keynes. The city is home to the national hockey stadium and the national badminton centre. Is the Secretary of State aware of the good work of SportsAid, an organisation that raises money from the private sector to help fund our athletes? What action is she taking to help promote such organisations, the work of which so closely complements the role that the Government should play?

Tessa Jowell: The hon. Gentleman makes an important point and I welcome the opportunity to congratulate SportsAid on its excellent work and the young athletes who benefit. We wish to pursue precisely that sort of model, which looks to private sponsorship and other sources of funding beyond Government to ensure that we continue the investment in our elite and our up-and-coming young athletes so that they have the best chance of success for themselves and their country.

Derek Wyatt (Sittingbourne and Sheppey) (Lab): It is stunning that there has been a 33 per cent. increase in elite athlete funding since 1997 and I commend the Department for that.

Before the Berlin wall fell, East Germany and Russia had by far the most successful Olympic athletes. One reason for that was that they tested their young children at school at the ages of seven and 11. Through the Department of Health's initiative, we have the opportunity to test our children at the age of 11 in the near future. Would it be possible to add a heart test for athletics—in the broadest sense—and a hand-eye co-ordination test at 11 so that we could begin to ascertain how many children could make the grade later?

Tessa Jowell: I thank my hon. Friend for that question. Work in schools, and the £1.5 billion that is invested in creating sporting opportunities and competitive sport for every child in school, allows precisely such talent identification and thus potential nurturing of children who show exceptional talent. My hon. Friend is right that one has to have the capacity to spot talent early and subsequently provide the resources and facilities that young people need to reach their potential. Our record since 1997 shows that we are doing that.

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): My right hon. Friend has already mentioned future talented athletes. What specific message can I take back to the likes of Brad Garside in my constituency, a very talented under-16-year-old, with a potentially great future ahead of him, to show that we are genuinely on the side of talented young athletes for the future?

Tessa Jowell: I thank my hon. Friend, who should point to the success of the talented athletes programme, under which young athletes are already beginning to win medals and perform showing enormous evidence of potential and talent in competitions in a wide range of sports. When I last examined the figures, some 46 sports were represented in the programme. That sends a clear signal to talented athletes throughout the country that we shall invest in them and remove obstacles, especially to families who cannot afford to fund their children's talent. We want to ensure that no talent is wasted. That will benefit the country and our prospects for 2012.

Hugh Robertson (Faversham and Mid-Kent) (Con): May I associate my party with the Secretary of State's good wishes to the GB winter Olympic and Paralympic teams? The London 2012 bid was won by a commitment to enable young people through sport, and if that commitment is to become a reality, two things need to happen. We need to put more athletes on the rostrum to act as role models, and we need to ensure that more young people are able to play sport. My hon. Friend the Member for Croydon, South (Richard Ottaway) has touched on the first issue, but why is the Physical Education Association today complaining that the number of PE teachers is to be cut by one fifth by 2007?

Tessa Jowell: I was right with the hon. Gentleman for the first 30 seconds of his question; we share that analysis. However, I find his figures on PE teachers hard to sustain against the evidence that we now have 400 school sport partnerships right across the country, with PE teachers who have been properly trained in the art of teaching physical education, rather than teachers who double up with their other subjects—as has happened in the past—and who see PE as a kind of voluntary extra to which they contribute their time. I would be very happy to meet representatives of the Physical Education Association to discuss their concerns, but this does not for a moment detract from

the fact that we have school sport for two hours a week in 64 per cent. of our schools. That is a record to be proud of and on which we intend to build.

Mr. Sadiq Khan (Tooting) (Lab): Funding for elite athletes is one criterion for measuring how supportive the Department is being, and I congratulate my right hon. Friend on the 33 per cent. increase to which she referred. Does she agree, however, that the funding of facilities is equally important? Will she tell the House what help the Department is giving to facilities around the country?

Tessa Jowell: My hon. Friend is absolutely right. The evidence shows that, as we try to get more young people taking part in sport, good quality facilities are an absolute prerequisite to their willingness to do so, and to sustain the habit of participating in whatever sport they have taken up. We will have spent £1 billion of lottery and Exchequer money over the past three years. New sports halls and school facilities are being built across the country, and old swimming pools are being replaced by new ones. Facilities play a critical part in the Government's drive to get more young people taking part and excelling in sport.

Lottery Funds

3. **Mr. David Amess** (Southend, West) (Con): What steps she will take to ensure that lottery funds are distributed to the four original good causes. [46092]

The Minister for Sport (Mr. Richard Caborn): The share of national lottery funding for all four good causes is guaranteed until 2009, and each cause will continue after 2009. But the public also want community learning and health projects, and we will not let them down by going back to the 1993 priorities.

Mr. Amess: That is splendid news. In the light of the Minister's answer, will he confirm that the National Lottery Bill will not erode the traditional independence of the way in which the lottery spends its money, that there will be no political interference, and that the Big Lottery Fund represents additional funding entirely based on the core principles on which the lottery was founded?

Mr. Caborn: Absolutely. The hon. Gentleman's first question was about independence. At the time of the Report stage and Third Reading of the National Lottery Bill, which is now in another place, we spoke to all the lottery distributors. They have agreed to show in their annual reports how they have delivered additionality. That information will be made available in both Houses of Parliament—*[Interruption.]* If hon. Members would like to commit the Opposition's time to a debate on that additionality, we should be more than pleased to respond to it. On the hon. Gentleman's second point, the lottery was set up under the previous Conservative Government led by John Major, and it is a first-class institution. However, it needs to be refreshed from time to time, and we have conducted a wide consultation on the issues. The MORI poll of 2000, and a subsequent YouGov poll, have shown that health, education and the environment were the areas that the general public wanted to see their lottery money spent on in future. So that is what we are doing in the new Bill; those three themes will be the main recipients of the money from the Big Lottery Fund.

Rosie Cooper (West Lancashire) (Lab): In my constituency of West Lancashire, the national lottery has supported 266 wide-ranging projects, from the Dark Horse Venture educational programme to the renovation of play areas and, very importantly, brighter future workshops in which disabled young people refurbish mobility equipment. That is all very welcome, but does my right hon. Friend agree that it is essential to make it easier for constituents such as mine to access lottery funds and to ensure that they get their fair share? Will the guidance provided by the proposed lottery funding website play a part in spreading the benefits of the lottery right round the country, and especially to places such as West Lancashire?

Mr. Caborn: The answer is yes, and my hon. Friend makes a valid point. As good as the lottery was in 1993, one of the big problems was the fact that it was very much capital driven and driven by the big schemes. Systematically, we have been bringing the lottery fund distributors more in tune with what people want and making things easier. The Big Lottery Fund will be, as it were, a one-stop shop. I hope that the information on the website will enable people and organisations to apply for lottery funding. Whatever the answer is to an application, it will be found by going through that one-stop shop, which is what the Big Lottery Fund will be. I hope that the new forms that are being designed will give assistance too. Even the smallest organisation should be able to apply with some ease to access lottery funding in future.

Mr. Mark Field (Cities of London and Westminster) (Con): In the week when the Under-Secretary of State for Culture, Media and Sport, the hon. Member for Tottenham (Mr. Lammy), has argued that our public libraries should not be allowed to close, why is the Minister not insisting on lottery funds being used for the arts and heritage? The Government have promised us many times that we are engaging in a big conversation, so will he explain why he has ignored voices not only from Parliament, but from communities across the country, which want the Big Lottery Fund to target expenditure on the four original good causes?

Mr. Caborn: That is interesting, because on the one hand the Conservatives say that there has to be independence, but on the other the hon. Gentleman says that the Government should instruct. However, let us park that one and I will answer the question. I should inform him that we have been out on the widest consultation and that what he has said is just not true. About 69 per cent. of those in the MORI poll said that they wanted spending on health and 55 per cent. said they wanted spending on education. The YouGov poll also involved the question of the environment. These are the concerns of the British people; that has been tested by MORI, YouGov and, indeed, a very wide consultation.

The hon. Gentleman has been listening too much to the Centre for Policy Studies and his colleague, Ruth Lea, who got it totally wrong. Mind you, that is not new conservatism, is it? He is fundamentally wrong.

Mrs. Madeleine Moon (Bridgend) (Lab): People in my constituency are concerned about the sustainability of good-quality projects that have been funded through the national lottery. In a recent national poll, Kenfig Pyle Community Youth was acknowledged as the most inspirational project involving working with young people, but it will close later this year unless new funding can be found. Can we look at opening up those unclaimed prizes and making that money available to help projects such as KPCY, which has been critical to cutting crime in my community?

Mr. Caborn: On the specific issue, with which I am not au fait, if my hon. Friend wants to come to the Department for discussions I am more than willing to meet her. Prize money is recycled back into the good causes, as is the interest accrued on the underspends in the distributors' bank balances. On both counts, we are ensuring that the money goes to good causes.

Public Swimming Pools

6. **Mr. Rob Wilson** (Reading, East) (Con): If she will make a statement on provision of public swimming pools. [46095]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): There are more than 4,400 swimming facilities of variable quality across England that are open to the public: 72 per cent. are owned by the local authority or education sectors, and more than half are pay-and-play facilities. Since 2004, 131 pools have opened across the country. More local authority pools have opened than have closed. Since 1997, the Government and lottery distributing bodies between them have invested more than £3 billion in physical activity and sport, and in that time £249 million of lottery investment has gone to swimming, which is the largest amount that has gone to any single sport.

Mr. Wilson: I thank the Secretary of State for her answer. Is she aware, however, that two swimming pools in my constituency are due to be closed with no certainty of like-for-like replacement? In addition, recent reports in the press indicate that 10 per cent. of swimming pools in schools have already closed. Given the proximity of the 2012 Olympics and the importance of swimming as a life skill, what steps are the Government taking to prevent further pool closures?

Tessa Jowell: On the hon. Gentleman's constituency, I understand that the Arthur Hill pool is scheduled for closure, but the local authority has given a clear commitment that a new facility will be built with the capital receipt, and that the Arthur Hill pool will remain open until the new facility is ready. If that is not the case, I am happy to pursue the matter with the hon. Gentleman. More generally, however, as my hon. Friend the Member for Tooting (Mr. Khan) raised in an earlier question, we need more modern facilities. The average age of swimming pools is about 25 years, and many are simply not of the standard that people are prepared to use regularly. That is why we are asking local authorities to review their stock and make decisions where appropriate about how they might reinvest in modern, new facilities, with coaches. Such opportunities, and the right-to-swim programme, are ways of increasing participation in swimming.

Kate Hoey (Vauxhall) (Lab): Will the Secretary of State comment on the position in London, where a number of boroughs are either in the process of closing swimming pools or talking about closing them, and many are not replacing them? Does she accept that we will increasingly face that problem as swimming pools get older, and that perhaps local authorities should take an all-party approach to the issue? All local authorities, whatever their politics, are having to close swimming pools, and they should not have to do so, given that we will host the Olympic games in 2012.

Tessa Jowell: On balance, more pools have opened than closed, but I take my hon. Friend's point about the poor quality of many local authority facilities, which are old and for which we estimate the national maintenance backlog as something like £500 million. We therefore need to take steps. We have commissioned the Audit Commission to provide us with an assessment of the state of local authority facilities. However, we must also work with local authorities. The performance assessment will provide leverage to hold them to account in relation to leisure and sporting facilities, and to make the case for planning for the long term, divesting, selling off or pulling down those facilities that are too old to be serviceable again and, critically, reinvesting the money in the kind of modern facilities that people will want to use.

Dr. Vincent Cable (Twickenham) (LD): What progress have the Government made in removing the long-standing discrimination operated by official funding bodies such as Sport England against open-air pools, including those that are heated and operate all the year round, such as the extremely popular Hampton pool in my constituency?

Tessa Jowell: That is a very good question. As someone who swims periodically in the open-air Hampstead ponds, I am happy to take up that important matter for the hon. Gentleman.

Mr. Neil Turner (Wigan) (Lab): Wigan council recently agreed to fund free access to all its pools for those under 16. Does my right hon. Friend agree that that is an extremely exciting and bold initiative, which will encourage young people to join swimming clubs for health, safety and athletics purposes? Will she join me in congratulating the Labour-led council on that bold initiative?

Tessa Jowell: I am delighted to congratulate my hon. Friend and his local authority. I hope that others will follow the excellent example that he and his Labour colleagues have set. Right-to-swim schemes are beginning to develop around the country: there is at least one in every region, and wherever they operate they are very successful in encouraging more young people to take up swimming regularly.

Angela Watkinson (Upminster) (Con): My constituency does have a new swimming pool, but—and it is a very big but—a great opportunity was missed. Although the total sum available was enough to fund the building of an eight-lane, competition-size pool, there were so many strings attached to the lottery funding element, involving the provision of additional community facilities, that the result was only a six-lane, 25 m pool with less water space than the old pool which it replaced.

We could have had the only Olympic-size swimming pool in Greater London. Will the Minister think carefully about the strings attached to lottery funding? There are occasions on which local decisions are best. Had all the money been devoted to that pool, we could have had an Olympic-size pool in Harold Hill in Upminster.

Tessa Jowell: Obviously the hon. Lady is right. It is important constantly to ensure that application to the lottery fund is as simple and straightforward as possible. As for her point about the size of the pool, we will shortly have 19 50 m swimming pools, at least one in every region. Consultation with the Amateur Swimming Association, the governing body, and Sport England leads to a decision on whether a 50 m, a 30 m or a 25 m pool should be built. I think that their judgment is much better than mine in this instance.

Alison Seabeck (Plymouth, Devonport) (Lab): We are losing a swimming pool in Plymouth because the landowner wants to redevelop the site. Almost in parallel, the city council is trying to establish a life centre which would meet the Government's emphasis on the health aims of sport and leisure, and which would include a swimming pool. As a former swimming coach and lifeguard, I well understand the value of swimming pools for health and leisure purposes, but will my right hon. Friend confirm that her Department is offering design advice to local authorities to ensure that pools meet not just leisure standards but competitive standards? I agree with the hon. Member for Upminster (Angela Watkinson) that there ought to be an eight-lane pool.

Mr. Speaker: Order. I think that the Secretary of State will be able to answer.

Tessa Jowell: She will do her best, Mr. Speaker.

I take my hon. Friend's point. Advice of that kind is available through Sport England.

Natascha Engel (North-East Derbyshire) (Lab): How will the Secretary of State ensure that the Olympics and Paralympics legacy is spread a little more widely, and not confined to the south of England and big cities? May I suggest that a good start would be the building of an Olympic-size swimming pool in one of the coalfield areas, in North-East Derbyshire or perhaps in Bolsover?

The Minister for Sport (Mr. Richard Caborn): There is one in Sheffield.

Tessa Jowell: My right hon. Friend points out that there is one in Sheffield, which may not be surprising.

My hon. Friend has made an important point. We want the benefits of the 2012 Olympics in London to be felt across the country, which is why we held the first Olympics business summit last week. It was attended by 250 businesses from all over the United Kingdom. The sporting legacy must also be shared, however, through the development of preparation camps and of facilities funded by Sport England and the lottery. I am sure that my hon. Friend will be an excellent advocate of that cause on behalf of her constituents.

Sport and Leisure Facilities

7. **Laura Moffatt** (Crawley) (Lab): What assessment she has made of the contribution of high-quality sport and leisure facilities to improving the health and well-being of the populations they serve. [46096]

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): Research has demonstrated the positive impact that sport has on the health of individuals and communities. That is why we have a public service agreement target to increase the number of people who participate in active sport by 3 per cent. in the period to 2008.

Laura Moffatt: I thank my hon. Friend for that answer. Will he congratulate Labour-run Crawley borough council, which last week opened second-to-none leisure and sports facilities, including a 50 m pool, which has been sited in the area of the town that most needs help and support in making sure that people are active? Not only will we be able, we hope, to play our part in the Olympics, but we have facilities second to none for our community. Will my hon. Friend also come and have a swim in our lovely new pool?

Mr. Lammy: I definitely congratulate Labour-run Crawley council and the constituency's hard-working Labour MP who has fought hard to ensure that the best sports facilities are there for her constituents. I am not a great swimmer, but I will endeavour to get to Crawley to make an attempt.

Michael Fabricant (Lichfield) (Con): The Minister will know that Chasetown football club recently did very well in the FA cup round. [HON. MEMS: "Which round?"] Well, you know, that's a detail.

Does the Minister agree that the money can be used to help promote sport in the club's area. Will he join me and the club in supporting its lottery bid to try to get a training area for the team and for the people of Chasetown?

Mr. Lammy: We cannot interfere with individual lottery decisions, but I congratulate all the small clubs who have made it through FA cup rounds, particularly Leicester, who beat Spurs.

Christine Russell (City of Chester) (Lab): Does my hon. Friend agree that not only sports facilities but public libraries can make a significant contribution to the well-being of local communities? Will he join me in

urging the Conservative-controlled Cheshire county council to have a rethink on its proposal to close three branch libraries, all well used by all age groups, in my constituency?

Mr. Lammy: My hon. Friend is absolutely right. Libraries play a very important role in the well-being of communities up and down the country. Reading is a key part of our communities' arts and cultural heritage. That is why I have written to every local authority, including Cheshire, to remind them of their obligation, under the Public Libraries and Museums Act 1964, to provide a comprehensive and efficient library system.

Mr. Hugo Swire (East Devon) (Con): As a recent survivor of the 50th Anglo-Swiss parliamentary ski race, in which Members from both sides of the House took part—some were injured, but perhaps we shall come to that later—may I associate myself with the Secretary of State's remarks as our team speeds towards Turin for what I am sure will be victory after victory?

We can all agree on the importance of sport and leisure facilities in improving the health of the nation. That means, however, that facilities themselves need to be financially healthy. Given the importance of amateur sports clubs in improving the health of the nation, why do 56 per cent. of clubs fall within the highest three bands—C, D and E—for club licensing fees, and what possible incentive is there for any club to improve its facilities if it will then be assessed at an even higher rate?

Mr. Lammy: The hon. Gentleman should know that there is mandatory rate relief for those uplifts. I shall be happy to write to him with more detail if he has not considered the matter carefully.

Mr. Brian Jenkins (Tamworth) (Lab): I am not particularly interested in or worried about people who use high-quality sport and leisure facilities. What concerns me is the people who go nowhere near leisure or sports facilities, particularly youngsters who walk the streets. What plans has the Minister to engage those young people in organised sporting activities, or in any organised activity whatsoever, in order to look after their well-being?

Mr. Lammy: My hon. Friend makes a central point. First, our target is that, by 2008, most people will live within 20 minutes of a good multi-sports facility. Secondly, we need to ensure, again by means of our target, that we are dealing with obesity, including ensuring that there is no increase in obesity in children under 11. Thirdly, Sport England must be restructured to ensure that all its staff are dedicated to increasing participation across all our communities, which must be key, especially for our young people.

Stanbrook Abbey

8. **Sir Michael Spicer** (West Worcestershire) (Con): If she will make a statement on the future of Stanbrook Abbey in Callow End. [46097]

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): My right hon. Friend the Secretary of State has received an application to upgrade the church from its grade II listing and to list the remaining buildings on the site. She is seeking advice on that from English Heritage and will decide once that advice is received.

Sir Michael Spicer: It has already taken 14 months to make the decision. When will the Secretary of State make the decision about upgrading this very important Pugin building?

Mr. Lammy: The hon. Gentleman may not be aware that it was necessary to ask for further information. That information was received and it is right and proper that English Heritage undertakes appropriate site visits so that it can make correct recommendations to the Secretary of State. On receipt of that, my right hon. Friend will be able to come to a view about the listing arrangements.

CHURCH COMMISSIONERS

The hon. Member for Middlesbrough, representing the Church Commissioners, was asked—

Churches and Cathedrals (Charging)

21. **Michael Fabricant** (Lichfield) (Con): What the Commissioners' policy is on charging admission to churches and cathedrals; and if he will make a statement. [46110]

The Second Church Estates Commissioner (Sir Stuart Bell): For the most part, access to church buildings is free. In relation to cathedrals and a statement, the General Synod passed a motion urging the Church to continue to exercise sensitivity in raising money, but ultimately the decision to charge rests with individual cathedrals.

Michael Fabricant: The hon. Gentleman will know that Westminster cathedral has a mandatory charge for people wishing to go in and look round. At Lichfield cathedral, the charge is voluntary, although the majority of visitors pay the recommended amount. Does he agree that a voluntary payment is always preferable to a mandatory payment when visiting a cathedral?

Sir Stuart Bell: The hon. Gentleman knows that three of our major church buildings are the focus of world heritage sites: Durham cathedral, Canterbury cathedral and Westminster abbey. It is a privilege for the Church to take responsibility for their upkeep and one that the whole nation should share. On whether charges should be voluntary or mandatory, I have seen the queues outside Westminster abbey, but I have also visited Lichfield cathedral. They are both splendid buildings and a great joy to the Church.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): I have great sympathy for cathedrals and the need to maintain ancient buildings, but does my hon. Friend agree that it is slightly tacky to be unable to enter a cathedral, such as York, without having to pay? That creates a bad impression in people's minds. In

comparison, Chester cathedral has a quiet dignity. I hope that he will be able to persuade the cathedrals to think again.

Sir Stuart Bell: As my hon. Friend knows, English Heritage announced last week £1 million in grants for 2006 for 25 cathedrals. She refers to a profound dilemma for Church and state. The state should contribute more to our cathedrals, because they are part of our national heritage. It is a debate that we are having with the state.

Mr. Philip Hollobone (Kettering) (Con): Do the Church Commissioners notice any difference in attendance numbers between cathedrals that have a compulsory charge and those that have only a voluntary levy?

Sir Stuart Bell: We have not made a study of that, but there are queues a mile long outside Westminster abbey every day and my visits to Lichfield show the same thing. The Church's dilemma in keeping up its buildings is profound: £900 million a year is spent on keeping up churches, which is an enormous amount. How the Church deals with that in relation to the state is a matter that I shall take up shortly with the Chancellor of the Exchequer.

Hugh Bayley (City of York) (Lab): The 600-year-old great east window of York minster is the biggest and greatest expanse of medieval stained glass anywhere in the world. Its restoration has just begun and will cost about £23 million. Does my hon. Friend agree that the charges that my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) criticised would be lower, or not made at all, if the Government provided more support for our great national heritage in our cathedrals?

Sir Stuart Bell: I return to my original point. How to handle the charges is a matter for each cathedral, but York minster shows just how much work cathedrals will continue to need to keep their fabric in good repair. The major project on the east front will take time, effort and money.

Ecclesiastical Committee

22. **Robert Key** (Salisbury) (Con): What proposed measures from the General Synod of the Church of England have been rejected by the Ecclesiastical Committee as not expedient since 1981; and if he will make a statement. [46111]

Sir Stuart Bell: Since the Synodical Government Measure 1969, the Ecclesiastical Committee has not expressed the view to Synod that a Measure was inexpedient. In relation to a statement, there have been a number of occasions when the Committee has objected to aspects of a Measure, leading to the withdrawal and subsequent resubmission in a different form of the Measure in question.

Robert Key: Does not that suggest that, when a two-thirds majority in the Synod produces a request for legislation, the Ecclesiastical Committee's record is to take it with a light touch and to respect the will of the majority in the Synod, as might happen, for example, with the coming Measures on women bishops?

Sir Stuart Bell: As a member of the Ecclesiastical Committee, the hon. Gentleman knows that we are a long way from women bishops. Although it is true that we have not declared any Measure inexpedient, two Measures—the Churchwardens Measure 2001 and the Church of England (Pensions) Measure 2003—were sent back from the Committee and returned in amended form. In 1984, the Appointment of Bishops Measure was actually turned down by the House after the Committee deemed it expedient.

Octavia Hill Estates

23. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What representations the Church Commissioners have received in relation to their planned disposal of the Octavia Hill estates in south London. [46112]

Sir Stuart Bell: We have received representations from individual tenants and their associations, local clergy and elected representatives, as well as from other parties with an interest in the housing sector.

David Taylor: Some of my fellow Waterloo residents are concerned that the estates will be sold off to the highest bidder, even if the new owner had policies that were diametrically opposed to the purposes for which the charity was created. What type of restrictive covenant is being considered to ensure that the properties will continue to form a key part of London's much needed social housing stock, especially south of the river?

Sir Stuart Bell: As my hon. Friend is aware, the decision to sell the estates has been taken and a final decision will be made shortly. The Church has an obligation under responsibilities conferred by the House to act in accordance with the law when selling off its estates. All aspects of the law will be fully considered in the sale. The restrictive covenant to which my hon. Friend referred is a legal matter and I shall write to him about it.

Simon Hughes (North Southwark and Bermondsey) (LD): What help will the hon. Gentleman give me and my neighbours, the right hon. and learned Member for Camberwell and Peckham (Ms Harman) and the hon. Member for Vauxhall (Kate Hoey), and our constituents in respect of the letter we sent to the Archbishop of Canterbury making it clear that selling into the private market, and not keeping estates as social housing, will be entirely unacceptable? Is the hon. Gentleman aware that the previous disposal retained some lower cost housing, but that that has already been lost, so the likely outcome of anything that does not guarantee social housing is that there will be market rents and ordinary south Londoners will have no chance to live in those houses?

Sir Stuart Bell: I welcome to our Question Time my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman), who, with the hon. Gentleman and my hon. Friend the Member for Vauxhall (Kate Hoey), has a strong interest in this issue. I congratulate all three of them on participating in the consultation.

The Church has an obligation to its wider community. We contribute 18 per cent. to the Church's running during the year, and it has a statutory obligation to the House to make the best possible arrangements in relation to the sale of the Octavia Hill estates. Clearly, those arrangements involve consultation and we are aware of the concerns of the people there, but the decision is one for the Church. I read with interest the letter that the hon. Gentleman and his parliamentary colleagues wrote to the archbishop. We welcome that letter and we will listen with great interest to what the archbishop says, but the legal duty rests with the commissioners.

Housing (Selling Policy)

24. **Kate Hoey** (Vauxhall) (Lab): When the Church Commissioners will make a decision on to whom to sell its housing in Walworth, Waterloo and Vauxhall. [46113]

Sir Stuart Bell: During the first half of this year.

Kate Hoey: My hon. Friend must realise just how much anger there is in the communities represented by my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman), the hon. Member for North Southwark and Bermondsey (Simon Hughes) and myself. This is a shocking state of affairs and it has gone on for far too long. Does he realise that this is doing the Church no good whatsoever; that, legally, it could sell to a social landlord tomorrow if it wished; and that it seems to all of us who represent those very strong communities in inner-city London that the Church is only interested in profit?

Sir Stuart Bell: On the latter point, the Church, of course, has an obligation to the wider Church, as well as to the people of the Octavia Hill estates, and it recognises that responsibility. The commissioners, however, are unwilling to ignore the statutory duties conferred on them by Parliament to manage their investments in such a way that they provide the maximum sustainable support to the wider Church.

Chris Bryant (Rhondda) (Lab): Does my hon. Friend understand that many hon. Members and many of the wider public find this policy extremely odd, especially when the Church Commissioners are planning to buy a new palace for the Bishop of Oxford for £2.4 million? I mean no disrespect to the Bishop of Oxford—indeed, he is a very fine man, who will retire soon—but do bishops really need so many bedrooms in their palaces?

Sir Stuart Bell: I had anticipated that the question of princes' palaces would arise, but I would not wish to incur your wrath, Mr. Speaker, thus spoiling your sunny disposition, by widening the question from the Octavia Hill estates to the Bishop of Oxford. Let me simply say that we are talking about the sale of the freeholds only of the Octavia Hill estates. Existing tenancy agreements will remain in place after the freeholds are sold.

Inspired Campaign

25. **Ben Chapman** (Wirral, South) (Lab): What discussions the Church Commissioners have had with English Heritage on its Inspired campaign. [46114]

Sir Stuart Bell: The Inspired campaign is convergent with the Church of England's own work to demonstrate the potential of church buildings and the pressures upon them. The Church Heritage Forum is in regular contact with English Heritage.

Ben Chapman: Given the importance of places of worship in general, and cathedrals and parish churches in particular, at the heart of the community for centuries, will my hon. Friend ensure that English Heritage is given every possible support in its campaign to ensure that action is taken to keep those facilities not just in good order, but alive and thriving?

Sir Stuart Bell: I congratulate my hon. Friend on his continuing interest in this subject. In my forthcoming letter to the Chancellor of the Exchequer, I can draw on his support and that of other right hon. and hon. Members to indicate the need for better state funding arrangements for Churches of different faiths and denominations, and the point that he makes will be taken to the Chancellor in the Treasury.

Church Repairs

27. **Miss Anne McIntosh** (Vale of York) (Con): What recent representations the Commissioners have received on the level of grants for church repairs from English Heritage. [46116]

Sir Stuart Bell: The Church Heritage Forum, of which the Church Commissioners are a member, is aware of concerns from many quarters on the constraints on the funding received by English Heritage.

Miss McIntosh: It seems unfortunate that not only did the Chancellor not negotiate a reduced rate of VAT on church repairs, but that less money is going from the lottery into English Heritage and less money is going from it into church repairs. What representations is the hon. Gentleman making in that regard?

Sir Stuart Bell: We are aware of the imbalance between the funding of the Church from English Heritage and through the moneys from the lottery. On the back of questions such as those from the hon. Lady and my hon. Friends, we are seeking a fresh partnership that we can enter into with the Government that ensures greater funding in the interests of the Church and of our heritage. According to the latest opinion poll, 86 per cent. of our population actually visit a church each year.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for Gosport, representing the Speaker's Committee on the Electoral Commission, was asked—

Electoral Commission (Costs)

28. **Mr. John Spellar** (Warley) (Lab): What was the cost of the Electoral Commission for the last year for which figures are available. [46117]

Peter Viggers (Gosport): The Electoral Commission's accounts for 2004–005, which were laid before the House on 27 October 2005, show that its expenditure in that year in resource terms was £28,824,000.

Mr. Spellar: Is that not a considerable sum of money and probably more than it costs to run the central headquarters of the Conservative, Labour and Liberal Democrat parties combined? Does the Electoral Commission not seem to be straying into all sorts of areas way beyond its original remit, and is it not time that we started to look at whether it represents proper value for money?

Peter Viggers: The Electoral Commission undertakes duties that have been laid upon it by Parliament. Before each financial year, the commission submits to the Speaker's Committee an estimate of the commission's income and expenditure for that year and the Speaker's Committee takes account of the latest report by the Comptroller and Auditor General on the commission and it also consults the Treasury and considers any advice that the Treasury may give before the Speaker's Committee lays the Electoral Commission's estimates before the House.

Health and Social Care Services

3.31 pm

The Secretary of State for Health (Ms Patricia Hewitt): Today, we publish a White Paper outlining the Government's proposals for further improvements to health and social care services in the community. We are nearly six years through a 10-year programme of NHS improvement that has seen waiting lists dramatically reduced and more people treated faster and better than ever before. At the same time, social care services have been supporting more elderly people than ever before to live at home and maintain their independence.

Our unprecedented investment in the NHS—made possible by strong economic management and our decision to ask people to pay increased national insurance contributions—means that, by 2008, we will have caught up with the historic underfunding of the NHS and caught up with the health care funding of other European countries. What matters is not simply how much we spend, but where we spend it. As a nation, we invest less than comparable countries on preventing people from becoming ill and less on services in the community. For instance, just 2 per cent. of our health care budget is devoted to prevention, half the level in Germany.

I think that all of us know that our health and well-being depend at least as much on what we do ourselves as on what the NHS and social care services do for us. As Sir Derek Wanless said in his landmark report on the future of the NHS, people need to be "fully engaged" in their own health if we are to offset the challenges posed by an ageing population and ensure the sustainability of the NHS and social care, so the views of the public themselves were the starting point for this White Paper.

More than 100,000 people responded to the consultation on last year's Green Paper on adult social care, "Independence, Well-being and Choice". Then we embarked on the innovative, "Your health, your care, your say" public engagement programme, which culminated in a 1,000-strong citizens' summit in Birmingham. I am grateful to everyone who was involved in that, particularly the 10 members of the citizens' panel who worked with us throughout the development of the White Paper.

Four themes emerged clearly from our public consultation: we need more emphasis on prevention, with earlier intervention; we need to give people more choice and more say in the services they receive; we need to provide more support for those who need it most, particularly people with long-term needs; and we need to do much more to tackle inequalities and provide more services conveniently within local communities.

The White Paper makes clear our desire to focus on prevention. It outlines the work that is now being done in the partnerships for older people pilots to help older people to remain independent in their own homes. It sets out our commitment to large-scale pilots covering at least 1 million people in which health and care services will work closely together, with the intensive use of new technologies—including, for instance, the telecare assessment of people's conditions in their own homes that is being trialled in some parts of the country—to improve people's well-being and dramatically reduce emergency hospital admissions. The pilots will provide further evidence of the benefits of new approaches and help the NHS and local councils to spread best practice much faster.

Of all the proposals that came to us from the public themselves, the most popular was the idea of a health MOT. We have responded to that by setting out in the White Paper our proposal for an NHS life check at key points in people's lives. The NHS life check will ask people about their lifestyle and family history, with a follow-up from a health trainer and, if necessary, a nurse or GP, for people in high-risk categories. We will pilot the new health check, starting with parents of very young children and people in their early 50s, and introduce it initially in the areas with the worst health inequalities where we can make the biggest difference. I know that the proposal will be warmly welcomed by the public and by hon. Members, at least on this side of the House.

People also said that they wanted more emphasis on mental well-being. The White Paper sets out how we will improve people's mental well-being through greater use of psychological therapies and a focus on mental well-being in preventive work with older people and by giving people more information and support on how to stay mentally and emotionally well.

By giving people more choice and more say in the services that they use, we will ensure that people themselves become the main drivers of service improvement and that services become increasingly personal and built around the different needs of different individuals and their communities. In theory, people have always been able to choose their GP. We will make that choice a reality for far more people by simplifying the registration system and giving people an entitlement to far more information about the services available in their area. Starting from April this year, the GP contract will link an element of GPs' pay to patients' satisfaction with the practice, including the appointments system, thus providing a real incentive for more convenient opening times.

In social care, we will increase the take-up of direct payments by introducing legislation to extend their availability at the earliest opportunity. We will pilot the introduction of individual budgets and bring together several different income streams from social care, community equipment, independent living funds and other programmes so that individuals can get the services that they need in the way in which they want them.

Those who make the most use of our health and social care services are those with long-term needs: frail elderly people, those with serious disabilities and people with conditions such as asthma and diabetes. Many of those people need the support of several organisations, but are frustrated that, too often, those different agencies seem to work in isolation. We know that it makes sense for everybody if the local NHS and the local authority work more closely together. For instance, if elderly people's homes are adapted to reduce the risk of a fall, they are less likely to end up in hospital, which is far better for them and better, too, for the NHS. If proper rehabilitation occurs after an operation, a patient is less likely to need social care.

By giving local authorities and the NHS stronger incentives to work together, we have already reduced the number of patients who stay in hospital with delayed

[Ms Patricia Hewitt]

discharges because no arrangements are in place to support them in the community. Now we will strengthen that joint working by introducing a single assessment of health and care needs and a joint care plan for people with the most complex needs. By 2008, we will expect primary care trusts and local authorities to establish joint health and social care teams. A common budgetary and planning system will support more of those organisations in jointly commissioning services.

Six million people care for relatives or friends with long-term needs. Many of those carers, who are doing a wonderful job in our communities, have to reduce or give up their own work to do so and, often, their own health suffers as a result of the responsibility that they take for others. In future we will ensure that short-term home-based respite support is established for carers, to deal with emergencies. In response to what carers themselves have told us, we will establish an expert carers programme, similar to the enormously popular expert patients programme, to support carers with the skills that they need to look after their own health and that of the people whom they care for.

Despite the fact that we have 4,300 more GPs than we had in 1997, there are still fewest in the poorest areas that need them most. The White Paper will ensure that care is more closely matched to need. We will tackle that inequality in two ways. First, over the next two years, as NHS funding continues to increase by unprecedented amounts, we will ensure that, as every area gets more, those who need most will get the most. Moving traditionally underfunded areas rapidly towards target means that, by 2008, when average NHS funding will be nearly £1,400 per head, primary care trusts in the worst-off areas will receive on average £1,552 per person: fairer funding across the NHS.

Secondly, we will ensure that, where people are dissatisfied with the care that they receive and cannot get a better choice of services, primary care trusts will bring in additional services. Already, in six areas that are short of doctors, including inner-city communities in Barking and Bradford, we are supporting the local NHS to bring in new providers that will offer extended opening hours and a full range of services. Whether services are organised by traditional GPs, by nurse practitioners, by private firms or by social enterprises and the not-for-profit sector, the test will be simple: to get the best services for patients with the best value for money, all free at the point of need in accordance with the founding principles of the NHS.

Modern medical technology is making it possible to deliver in people's homes or neighbourhoods health care that in the past was available only in hospitals. A kidney patient can now receive dialysis in a local health centre, or even in their own home. Minor surgery can be done in a well-equipped GP practice or a modern community hospital. Yet in contrast to what happens in Germany, where most out-patient appointments take place in local health polyclinics, we continue to expect most out-patients to travel to an acute hospital.

As part of our strategy to provide care more conveniently, closer to the patient and with better value for money, we will work with the royal colleges to demonstrate how far more out-patient care and day-case procedures in medical specialties such as ear, nose and throat, and dermatology, can be carried out in the community, while high clinical standards are maintained.

We have already opened or are building 79 new acute hospitals, with more to come. Now we will also develop a new generation of community hospitals—modern facilities, with the latest diagnostic technology, able to provide a full range of out-patient and day-case treatment, and in many cases with intermediate beds as well.

Some primary care trusts are planning to close local cottage hospitals. Where these closures are due to facilities that are clinically not viable, or which local people do not want to use, local reorganisation is right. But community facilities that are needed for the long term must not be lost in response to short-term budgetary pressures. So we will expect primary care trusts to reconsider such proposals against the principles of the White Paper.

This White Paper marks a strategic shift in how we provide care, moving services out of acute hospitals into community settings, with more investment in prevention and far better management of long-term conditions. People have talked for decades of a primary care-led NHS. We will now deliver it. Because of our reforms, with stronger primary care trusts, practice-based commissioning, more freedom for GPs and payment by results, more work than ever before will be done locally. As NHS budgets continue to increase, more of that growth money will go into local community services.

The White Paper sets out a vision for health and social care that will give people more choice and more control over their health and well-being and the local services that support them. It is the next stage in creating an NHS that is truly patient led—fair to all, but increasingly personal to each. I commend it to the House.

Mr. Andrew Lansley (South Cambridgeshire) (Con): I am grateful to the Secretary of State for giving me two-hour advance notice of the statement and a copy of the White Paper. I will not be so churlish as to say that it was more useful to read three days of briefing in the newspapers beforehand.

It is clear what Members on both sides of the House want to achieve: more accessible, high-quality health care available to all on the basis of need, not ability to pay and NHS staff and professionals who are increasingly enabled to deliver the care that they want to deliver in response to patient choice and patient voice. I welcome some of the Secretary of State's proposals in the White Paper. In 1996, before the 1997 election, the Conservative party was the first to legislate for direct payments. Today, under a Labour Government, only 2.25 per cent. of people eligible for direct payments have taken them up. The Secretary of State says that such payments should be more accessible and that she will legislate accordingly, which I welcome. She said that there should be more respite care. We all very much agree, but I hope she will be more specific about the entitlements to respite care that will be provided.

In the election, we all promised and intended to deliver increased resources for palliative care. The White Paper makes it clear that that will be delivered through end-of-life care networks, but the Secretary of

State has not made it clear how much additional money that palliative care support represents. In particular, she did not say how much of that will go to support children's hospices which, at the moment, must survive with just 5 per cent. of their resources derived from statutory or Government sources. East Anglian Children's Hospices in my own area has recently had to make 25 staff redundant, so it would be very interested to hear the Secretary of State's answer.

I welcome the U-turn on community hospitals. On 15 November last year, my hon. Friends will recall an Opposition debate in which we pressed Ministers to review the closure of community hospitals. Indeed, our motion stated that we should not allow short-term measures to be taken for budgetary reasons, because that would prejudice the delivery of care in the community in the long term. The Secretary of State now says that she will do precisely what Government Members voted against on 15 November.

The statement comes just five days after the Secretary of State sent financial hit squads into 18 NHS trusts. The NHS Confederation threatened "painful decisions" and a £1 billion deficit across the NHS. That is not what we hear from the Secretary of State. Instead, we hear about the sunlit uplands of future health care with happy patients, doctors waiting in supermarkets for patients to drop by and hospitals that are empty for lack of patients. It is rather like "Yes, Minister"—the NHS and hospitals would work perfectly if only patients did not keep turning up and wanting treatment. The Secretary of State must acknowledge reality before she embarks on a Patricia in Wonderland adventure.

Does the Secretary of State understand that primary care trusts have cut the precise services on which her White Paper plans depend? How can palliative care be improved if Macmillan nurses have been transferred to other duties for budgetary reasons? How can consultants offer out-patient clinics in the community or minor operations locally if 90 community hospitals are being closed? How can young people using mental health services be supported as the White Paper promises if those services are being cut, as is the case in my constituency? How can she criticise GPs for lack of access to their surgeries when it is just under two years since the Government contract removed Saturday morning surgeries? It is Government targets that have turned the GP appointment system into chaos.

The Secretary of State has not dared to tell the House what she is proposing to do to hospital services. Last Thursday, her Department published the document that I have in my hand. She did not tell us about it today and she did not make a statement last Thursday, but it makes it clear that, in 2006–07, NHS costs will rise by 6.5 per cent., but the tariff in hospitals will rise by 1.5 per cent. Labour Members should read that document before they read the White Paper. The squeeze on hospitals will continue next year—hospitals that have deficits this year will have larger deficits next year. The Secretary of State is planning a £4 billion shift from hospital care, but she has not told the House which wards and which hospitals will close, and perhaps she will address this point in her reply. NHS staff think it madness to engage with some of the additional proposals in the White Paper while the wards and hospitals that patients need are being closed.

The Secretary of State is taking an immense gamble, because unless patients can be more effectively and comprehensively cared for in the community, the hospital sector will be under-resourced to handle rising demand, and it will be patients who suffer. At least she understands that she must adopt the previous Conservative Government's policies to make progress in community and primary care. Market mechanisms with increased private sector involvement, direct payments in social care and GP fundholding are essential if we are to have success after eight years of failure to reform the service.

The White Paper fails to spell out how the reforms will work. Will the Government legislate to allow direct payments to extend across health and social care, so that patients with long-term conditions can control the management of their care? Will GPs in practice-based commissioning—new Labour-speak for GP fundholding—be given real budgets as Professor Julian Le Grand, the former health adviser at No. 10, has recommended? Will GP budget holders be able to use the savings that they generate to improve their patients' care or will such savings be siphoned off to meet PCT deficits? Will GPs be given the freedom to refer rather than being constrained by PCT decisions? Will the Government actually deliver real patient choice, given that their choose-and-book system is already 15 months late? Finally, will GPs be able to hold and negotiate contracts? If the answer to those questions is yes, then the Opposition will support the White Paper and the legislation to bring back fundholding.

I hope that the Secretary of State makes it clear that no more community hospitals will be shut. If the PCTs must review community hospitals, will she ensure that those PCTs that have deficits and that have nowhere else to go are supported to keep community hospitals open until additional resources are provided? In particular, will she introduce a split tariff to allow patients who are treated in a community hospital as part of a spell of hospital care to obtain part of the tariff for that treatment?

On health MOTs, more screening is, of course, required—for example, ultrasound screening for abdominal aortic aneurisms and bowel cancer screening have not been implemented, although they have been recommended and are needed. We are also 20 per cent. below the target level on diabetic retinopathy.

We need more opportunistic health screening. As the Secretary of State knows, the pharmacy contract permits pharmacies, which are visited by 90 per cent. of the public, to provide cholesterol tests, blood pressure tests, blood sugar level testing and body mass index assessments. Pharmacies can provide such services to GPs, who can follow up on people with certain risk factors. Where will the so-called life checks come from, and why should they take place at 11, 18 and 50? Why did the Secretary of State go down that route rather than the one being developed and piloted in the NHS today?

If the Government are confident that Tesco, Boots, companies such as United Healthcare and social enterprises want to provide primary health care, especially in areas that lack GP services, then we will support them. However, the market must be genuinely competitive, and community health services should not be so concentrated in one provider's hands as to represent a monopoly. Of course, there is no reason why

[Mr. Andrew Lansley]

PCTs should not continue to provide services, as long as they, too, are subject to competition. However, if they are providers of services, that undermines the case for them to become more distant strategic bodies instead of local providers that are more locally accountable. As the Select Committee on Health made clear, the whole process of PCT reorganisation has been a shambles. Even now, we do not know the future structure of commissioning, and the Government say that it will not be published for some months, yet that is the basis on which reorganisation should proceed. We should know the function of PCTs and then determine what their structure should be, not the other way round.

This White Paper should have been about commissioning. It should have set out how patients can have more choice, more control and a stronger voice. We have had the Government's sham consultations, and many of them, but where is the genuinely accountable patient and public involvement system for the NHS? That has not happened, and there are no proposals in the White Paper to do it. It should have explained how GPs can use real GP budgets to access the whole patient pathway; how we break down the barriers between health and social care, with individual budgets, including for those with long-term conditions; how we break down the barriers between primary care and hospitals instead of institutionalising, as the White Paper does, the idea that money can be shifted between hospitals and primary care rather than devoted to the needs of individual patients; and, most of all, how we can improve the effectiveness of public health and reduce the widening health inequalities in terms of life expectancy.

The Secretary of State said that the White Paper is about a primary care-led NHS. It is not, because GPs are at the heart of primary care, and this does not put them in the driving seat—it puts primary care trusts in the driving seat. A PCT-led NHS is not what we should be looking for. We should have a patient-led NHS that does not try to manipulate from the top down, as the Government have done in the past and are proposing to do again. That approach has failed. There is much that we can applaud in the ideas behind the White Paper, but far too little to applaud in the mechanics of its implementation.

Ms Hewitt: I welcome the hon. Gentleman's support, albeit rather grudging support, for many of our proposals in the White Paper. He mentioned several issues, including palliative care, which we specifically deal with. That is enormously important. As a result of the increased funding over the next few years, including the money that we will shift from reduced administrative costs at a local level into front-line services, more money will go into local networks for palliative care, including better provision at home and in hospices for children who are terminally ill.

The hon. Gentleman referred extensively to GPs, particularly in relation to the target for appointments. I remind him that, when we were first elected, patients were rightly complaining that they often had to wait days, and sometimes weeks, to get an appointment to see their GP. We introduced the target of 48 hours maximum to see a GP and 24 hours to see a nurse practitioner. That has improved the situation for very many patients. The hon. Gentleman still has not told us whether he would scrap that target, along with the other targets that have helped to achieve enormous improvements in NHS services. There are still problems, as I am the first to acknowledge. People sometimes find it difficult to get through to the GP service or to book an advance appointment. That is why we have already negotiated with the British Medical Association, as part of the new GP contract, the agreement that part of GPs' pay in future years will be linked to an independent survey of patient satisfaction. That is part of putting patients in the driving seat. If they are not happy with the appointments system and their ability to get appointments when they need them, that will be reflected accordingly in their GP's pay.

The hon. Gentleman talked extensively about a return to GP fundholding. We are not going to return to fundholding, because it was unfair, created a two-tier system and ended up with hospitals trying to compete on price and undercutting each other to try to persuade GPs to enter into contracts with them, resulting in the most enormous administrative costs and unnecessary bureaucracy. We will do none of that. However, through practice-based commissioning, which will extend to every part of the country and every GP practice by the end of the year, we will give GPs and primary care practices much greater freedom and responsibility for the money that is spent on behalf of their patients in acute hospitals, including, of course, emergency admissions.

The result is an enormous incentive to GPs and primary care practices to deliver much better care closer to home, reduce emergency admissions to hospitals, keep their patients healthier and save money, which will then be available to the practice to reinvest in better services.

The hon. Gentleman mentioned the open contest for services in areas where they are inadequate. I said that, in six disadvantaged areas and many more to come, we are already holding open tenders through primary care trusts for the new primary care services. Applicants may be an existing GP practice that wants to expand, a nurse practitioner who wants to leave the service, a private firm, a not-for-profit organisation or a social enterprise, but the criteria—indeed, the whole process—will be open and transparent. Getting the best services for patients, with the best value for public money, will be the only thing that matters. I hope that the hon. Gentleman supports that.

The hon. Gentleman referred to primary care trusts. Local consultations are currently taking place in many parts of the country where primary care trusts propose to merge and change their boundaries. There is no doubt that, as we get more primary care trusts that are coterminous with a local social services authority, it will make joint working, which people rightly want, between social services and the local NHS much easier to achieve. It will mean stronger commissioning, especially of acute services, from primary care trusts, linked to much more choice for individual patients about health and social care, and a much stronger voice for them. I refer the hon. Gentleman to the chapter in the White Paper that covers the way in which we will strengthen

the say of patients and users, including through independent surveys and a much stronger role for overview and scrutiny committees.

The hon. Gentleman mentioned funding. There has been overspending, sometimes for some years, by a minority of organisations, and a small number consequently have serious financial problems. Of course, we must get those under control. Last week, I set out the way in which we shall support those organisations even further to deal with their problems.

I hope that the hon. Gentleman accepts that it makes no sense to force patients to go to an acute hospital for an out-patient appointment, diagnostics or minor procedures if they can be done with good clinical quality safely, effectively and more conveniently for the patient in the local community. That is why the Royal College of Physicians and especially the Royal College of General Practitioners have worked with us closely to identify initially six specialties in which we will redesign the patient pathways to deliver more clinical care in the community. We set that out in some detail.

The hon. Gentleman twice mentioned the extension of direct payments, not only to social care but to health. That sounds like the revival of the patient's passport. It appeared in the Conservative manifesto only nine months ago and was recently dropped, but I fear that it will re-emerge.

The Conservative party voted against increased funding for the NHS. We have heard nothing from the Opposition spokesman about the crucial issue of health inequalities and ensuring fair funding for patients throughout the country. I fear that the hon. Gentleman's responses suggest that his leader's recent changes amount to all words and no substance. The Conservative party has not moved on one bit.

Sandra Gidley (Romsey) (LD): I, too, would like to thank the Secretary of State for giving us advance notice of her statement. I was going to say that we had already seen a lot about it in the press, but a great deal of that was clearly speculation, and much of it has not appeared in the White Paper. It would be churlish not to welcome the broad thrust of the document, and I particularly welcome the proposal to deliver more services closer to people locally, the greater combining of health and social care—although it is not clear that the barriers between the two will be broken down completely; perhaps the Secretary of State could elaborate on that point—and the greater provision for carers. Surely, however, that last proposal would result in an increase in social services funding, which is already stretched. Funding for older people is often one of the first things to be squeezed.

I must question the amount of money that was spent on the consultation. After spending money on gathering 1,000 people together, I am not sure that the Government have come up with anything of which we were not already aware. What new information was gained as a result of that expenditure?

As always, the devil is in the detail, and we have a number of questions to ask the Secretary of State. We strongly support the principle of community-based care, but how will these services be accountable to local people? It is all very well to say that the overview and scrutiny committees will be beefed up, but ultimately they do not have any say over the health services, so where is the greater accountability? Regarding the proposal to expand the use of private profit-making companies in the running of GP services, how will those services be accountable to the taxpayer and the patient? What guarantees can the Secretary of State give that existing GPs will not be poached by private firms offering higher salaries? Will such proposals not mean that we could end up paying more for almost the same level of service?

These proposals constitute an admission that the Government got it badly wrong when negotiating the GP contract. Should not they have predicted that the public would want access to their GPs at weekends and in the evenings? How does the Secretary of State plan to fund and staff the proposed greater access desired by the public? Reliance on the patient satisfaction survey will account for only a small proportion of what is at present in the GP contract. Does this not mean that the GP contract will effectively have to be renegotiated if the Secretary of State is to achieve her aims?

The public clearly liked the idea of health MOTs, and this is where the consultation seems to have been something of a sham. The Liberal Democrats believe that there is some merit in targeted health checks where there is evidence that they could be helpful. The public seem to want a more general health MOT, however, at various times of life. What they will actually get is an online tick-the-box exercise—a sort of "health MOT lite". So, despite these checks being targeted at areas of deprivation, there is no guarantee that they will reach the people who most need them. Will they not be just a sop to the worried well? What incentives will there be to ensure that the people who would most benefit from them will take them up and have their cases followed up?

We welcome the idea of individual budgets, but the present take-up of direct payments is small. For the system to work, it must be sustained by a system of support and advocacy. Will the Secretary of State tell us more about that? She has also announced the introduction of a single assessment of health and care needs. Will she explain how that will differ from the single assessment process that is supposedly already in place but has not been fully implemented across the country?

I echo the comments made about community hospitals. There have been reports that the private finance initiative budget is to be cut. Will the Secretary of State clarify that? Having acknowledged that community hospitals are a good thing and should not close due to budgetary pressures, will she ensure that some of the PFI budget is transferred to community hospitals, so that they can be brought up to date to enable them to deliver the testing and other local services on which she is so keen?

The Secretary of State started by stating that the Government were six years into a 10-year programme of NHS improvement. Some would say, however, that they were six years into a 10-year programme of reorganisation, reorganisation, reorganisation. A primary care-led NHS has been promised before, but not delivered. Combining health and social care has been promised before, but not

[Sandra Gidley]

delivered. And increased health promotion has been promised before, but not delivered. When will the Government stop dithering and start delivering?

Ms Hewitt: I was going to thank the hon. Lady for the welcome she gave to at least some of our proposals. She welcomed in particular the intention much better to integrate health and social care, but rightly said that there are some barriers to that. We acknowledge those very readily in the White Paper, in particular the fact that there are different funding systems for health and social care, with NHS care continuing, as it must, to be free at the point of need.

Social care, of course, is offered on a different basis. We readily acknowledge that that is a problem, but, within that framework, we can still do far more: the single joint assessment of health and social care needs for people with complex conditions; the single health and care plan; far more joint commissioning by primary care trusts and local authority social services departments, in some cases pooling their budgets; and the requirement that, by 2008, local authorities and the local NHS should have joint health and care teams. All that will result in real improvements for some of the most vulnerable people in our community, who depend on those different organisations working together to meet their individual needs.

The hon. Lady raised a number of issues on local accountability. We set out in chapter 7 of the White Paper exactly what we intend to do to strengthen the local accountability of health and social care services. Overview and scrutiny committees, which already play an important part, will have more power, including the ability to institute their own review of a service where they believe, perhaps from their constituents, that a service is not doing well enough. That will be one of the triggers, to which we refer, that lead to a primary care trust needing to put in place an improvement programme or, in some cases, find a different provider for a particular service that is simply not satisfactory. Linked to that are not only independent surveys of patients and users—and not just for GP practices, but for other services—but the possibility of, for instance, user petitions and so on. All that will give people a much stronger say in the services they are getting.

Building on what was a most successful public engagement that helped to bring forward new ideas from the public in the "your say" consultation—I am sorry the hon. Lady dismissed it so readily—we need at local level to achieve far more effective engagement of local people, particularly at an early stage, where there are proposals to reorganise hospital services. In doing that, we need to build on the success of many patient and public involvement forums.

The hon. Lady mentioned the GP contract. It was a major concern of GPs and the British Medical Association that they did not want to be forced to continue to provide out-of-hours services. The new contract gave them that choice, with the responsibility falling back on PCTs if the local GP practice does not want to provide the out-of-hours service. For the first time, that new contract, which was negotiated three years ago, links the pay of GP practices to higher quality and the work they are doing, particularly to manage people with long-term conditions. That is an enormous step forward.

On the health MOT, of course we have looked at the evidence, which makes it clear that we do not want to be screening everyone in the population ever year with all the different tests that can be done. That would not be a sensible use of NHS resources. Our proposal, which we have already discussed with members of our citizens panel and which is undoubtedly welcome, will result in people in high-risk groups getting the additional support and advice, and in some cases further tests, that they need. By piloting it in the most disadvantaged areas in the spearhead PCTs, we will ensure that it reaches the people who are most in need. I regret that the hon. Member for Northavon (Steve Webb), who was busy criticising it in the press this morning, is not here. Perhaps he is also in the Liberal Democrat leadership contest.

The hon. Member for Romsey (Sandra Gidley) ended by criticising the NHS improvement plan. I remind her and others on the other side of the House that we have not only reduced hospital waiting lists to the lowest level since records began, but ensured that nobody has to wait more than six months for operations such as hip replacements, for which people used to wait more than 12 or 18 months, and sometimes more than two years, not so long ago.

As a result of the NHS treating more people better and faster than ever before, death rates from breast cancer and, for men, from lung cancer, are falling faster in our country than anywhere else in the world. We will continue to deliver that kind of improvement.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. I note that the Front-Bench spokesmen have taken more than 40 minutes. I note, too, that many right hon. and hon. Members wish to be called. I ask that all supplementaries are brief, and the answers equally so.

Mr. Kevin Barron (Rother Valley) (Lab): I very much welcome my right hon. Friend's statement in terms of strengthening primary care and particularly ill health prevention. In relation to the action that she proposes to strengthen GP surgeries in areas of high health inequalities, it is about time that that was done. After 50 years, when we consider the national health service—

Hon. Members: Short question.

Madam Deputy Speaker: Order. I have asked for brief questions.

Mr. Barron: Does my right hon. Friend agree that after 50 years of the NHS being seen as just waiting for people to turn up at hospital, it is about time that we introduced the preventive agenda to stop that happening in 50 years' time?

Ms Hewitt: I entirely agree with my right hon. Friend. I am particularly proud that, over the next two years, as we continue to increase massively the funding of the NHS, we will also reduce massively the inequalities in

funding in relation to the wealthiest areas, which are usually the healthiest areas, and ensure that the poorest areas, with the greatest health needs, get the funding that they need and deserve.

Sir George Young (North-West Hampshire) (Con): Members on both sides of the House will commend the Secretary of State's statement that we need to do more to provide more services within local communities. She must know, however, that the gravitational pull of the district general hospital, coupled with budgetary pressures, is leading to those local services leaving local communities. Andover hospital, for example, is about to lose general anaesthetics. Can she now answer the question that my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) asked: what will she do to ensure that, in her words, "community facilities that are needed for the long term are not lost in response to short-term budgetary pressures", when those pressures actually come from her Department?

Ms Hewitt: Those financial pressures come from the fact that in a few areas of the country, there has been over-spending on NHS budgets, even at a time when, year on year, the NHS is receiving more money than ever before, including in north-west Hampshire. As well as publishing the White Paper, I am ensuring that primary care trusts that are considering the closure of community facilities, and particularly community hospitals, review those in the light of the clear strategy that we have spelled out in the White Paper to ensure that they have the facilities that will be needed as more services are moved out of acute hospitals into the community. That is not only better for patients, which must be our No.1 concern, but provides better value for money.

Mr. Michael Meacher (Oldham, West and Royton) (Lab): While the general thrust of my right hon. Friend's proposals is extremely welcome and clearly right, does she accept the estimate of the King's Fund care and support inquiry that the extra investment required in care and support services is likely to be at least of the same order as that currently being injected into the NHS—a growth of about half in cash terms, or one third in real terms, in five years? Must that not also include a significant improvement in pay and terms and conditions for care and support workers who are currently in short supply, many of whom are paid even less than those who stack shelves in supermarkets?

Ms Hewitt: My right hon. Friend raises an enormously important point. We are all awaiting with great interest the report on which Sir Derek Wanless is working for the King's Fund. The larger long-term issues that he raises about levels of funding for social care services, however, must await the next comprehensive spending review.

Mr. James Gray (North Wiltshire) (Con): Will the Secretary of State give some attention to a case in point, my constituency, where community hospitals, particularly Malmesbury, as well as those that serve the constituency of my hon. Friend the Member for Westbury (Dr. Murrison)—Bradford-on-Avon, Warminster, Westbury, Melksham and Trowbridge—are under threat? Listening to the Secretary of State's statement, I believe that she is beginning to say that we ought to think again about closing those community hospitals. Since we are one of the 18 primary care trusts into which she has sent the heavy mob, will she tell us how the heavy mob will save money, if we are to believe her that community hospitals will be saved?

Ms Hewitt: The hon. Gentleman rightly reflects the fact that parts of Avon, Gloucestershire and Wiltshire have some of the most serious problems of overspending, and hence of deficits, in the country. That is why I announced last week that they would be helped by a new turnaround director. We, and they, will need to consider in more detail what is the right way to get spending under control. I very much hope that they will involve all NHS staff in identifying the waste and inefficiency that need to be rooted out to secure better value for money. It is in that context that they need to decide whether specific proposals relating to cottage or community hospitals are indeed the answer, or whether those settings represent future paths that need to be extended rather than diminished or closed.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): I welcome the key role for social services and social care in the White Paper, but will my right hon. Friend liaise with local authorities which, as she has acknowledged, are under enormous and growing pressure to deliver social care on the ground? They want to be full partners with health representatives in the delivery of the White Paper's proposals. Will my right hon. Friend ensure that that happens?

Ms Hewitt: I certainly will. My hon. Friend has made an extremely important point. We want to avoid the short-term shuffling of responsibilities from one part of the system to another. The system works best when local authorities and social services departments work closely with the NHS, often pooling budgets and commissioning services jointly. More emphasis on prevention and supporting people in their homes and communities can prevent health crises and emergencies that would be much worse for those people, but also far more expensive to treat.

Mr. Simon Burns (West Chelmsford) (Con): I welcome any further moves to build on the work of this Government and the last Conservative Government by enabling health and social services departments to work more closely together and provide a seamless service. However, given the abandoning of the ring fence in 1997, how can we stop the practice of pilfering money that should be spent on social care to meet statutory requirements for children's care? That happens in the case of too many social services budgets, and has an adverse impact on the elderly.

Ms Hewitt: I think that it was absolutely right to remove the ring fence. Local responsibility and local accountability are important when it comes to decisions about priorities. We are strengthening local area agreements, however, to ensure that local authorities—in partnership with other agencies, including the NHS—achieve the targets to which they have committed themselves, so that their objectives are realised and resources flow to where they are needed.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): How will the Secretary of State's proposals affect the voluntary sector, especially services such as the senior citizen link line based in Bilston, in my constituency, which was visited recently by her colleague the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne)? The service, run by volunteers, telephones 1,000 elderly people in Wolverhampton on a weekly basis. It supports patients who come out of hospital, accompanies them to the GP's surgery, and performs a series of other services which enable them to look after themselves in their own homes. What will the Department do to support such services in Wolverhampton and elsewhere?

Ms Hewitt: My hon. Friend has made an important point. I am delighted to congratulate the link line on its excellent work in supporting elderly people in particular.

We have already announced the investment of an additional £80 million in telecare services that will make it even easier for elderly and, indeed, disabled people to be supported in their homes. I believe that there is an increasing role for the voluntary sector and social enterprises in providing services for, in particular, groups in the community to whose needs they may be especially attuned. The social enterprise unit that we are creating in the Department will help to support those third-sector providers.

Mr. Paul Burstow (Sutton and Cheam) (LD): What steps does the Secretary of State plan to take to end the confusion that exists between NHS and social services departments about what constitutes free care and what constitutes means-tested care, given last week's judicial review judgment that the Department's NHS continuing care guidance was flawed and was resulting in frail and vulnerable people being charged for care that should be free?

Ms Hewitt: As we say in the White Paper, there are two different systems of funding, which can sometimes cause confusion in the agencies themselves and among people receiving care. However, the personal health and social care plans that we shall put in place, starting with the 250,000 or so people with the most complex needs, will help to make much clearer to everybody what services are being provided within the NHS, free at the point of need, and what may need to be charged for within the framework of the local authority assessment. We shall publish a national framework shortly, which will also help to clarify matters.

Dr. Howard Stoate (Dartford) (Lab): I welcome my right hon. Friend's statement, particularly her aim to create a primary care-led, prevention-oriented NHS, especially as regards chronic diseases and inequalities. In my area, however, the acute trust employs 611 nurses while the primary care trust, which covers roughly the same area, employs only 176 community nurses and 49 practice nurses. What steps will my right hon. Friend take to address the huge inequality and imbalance between the secondary care and primary sectors so that we can start to make a real difference to primary care?

Ms Hewitt: I very much welcome my hon. Friend's comments. He is, I think, the only general practitioner in the House at the moment, and he makes an important point. As more services are delivered in the community and as resources shift towards prevention and support in the community for people with long-term conditions, we should expect more of our staff, particularly nursing staff, to be employed in the community rather than in acute hospital trusts. Many nurses across the country would welcome that, and both the stronger commissioning role of primary care trusts and practice-based commissioning will help to ensure that that shift in resources takes place.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): The Government were elected on a manifesto promising encouragement of community hospitals in our national health service. If the Secretary of State's words today are to mean anything, will she consider the situation in my constituency, where two out of four community hospitals have already closed their in-patient facilities and where the other two are in a parlous predicament? Whatever the arguments are about finance and deficits, that is simply unacceptable to my constituents.

Ms Hewitt: The hon. Gentleman will, I know, welcome the fact that there are more than 1,800 more nurses and more than 1,400 more doctors in Avon, Gloucestershire and Wiltshire than there were eight years ago. On proposals for local service reconfiguration, I can say that the proposals need to be developed locally by the primary care trusts in consultation with local people. They need to be subject to extensive local consultation, and they would come to me if they were referred to me by one of the overview and scrutiny committees. I believe that that is the right process. The important thing is for the primary care trusts to examine their proposals in the light of our White Paper and to ensure that they consult local people on the best way forward.

Mrs. Sharon Hodgson (Gateshead, East and Washington, West) (Lab): I, too, welcome the patient-centred approach to health care and the much-needed focus on prevention. May I draw the Secretary of State's attention to the all-party group on breast cancer's report on screening, which recommends increasing flexibility for breast screening services? It found that one in six women who miss an appointment do so because the appointment was not convenient. They never get around to rearranging it. Will the Secretary of State outline what will be done to ensure that breast screening is more patient-centred?

Ms Hewitt: My hon. Friend raises an enormously important point that underlines the importance of designing services as much as possible around the needs of the individual. With hospital appointments, for instance, we are already giving people a choice of at least four hospitals or clinics for an acute operation. As choose and book is rolled out, it will be possible to book a convenient appointment for the patient through the electronic system.

As we move of the screening services into the community, it will be much easier for patients to get an appointment at the time they need it, rather than one that they are simply told to turn up for.

Dr. Richard Taylor (Wyre Forest) (Ind): I welcome the emphasis on mental well-being and the greater use of psychological therapies, but I am puzzled as to how that can happen. Shortages of clinical psychologists are extreme: in my patch, patients can wait up to a year and I understand that appointments for clinical psychologists are not subject to targets.

Ms Hewitt: The hon. Gentleman raises an important point. Of course we need to do more to train and recruit people, not only at consultant level but at psychotherapist and counsellor level, to support people who need more support in dealing with depression and other forms of mental illness. We will shortly announce the location of two demonstration sites, where we will trial some of the new approaches—in particular, a more extensive use of cognitive behavioural therapy.

Charlotte Atkins (Staffordshire, Moorlands) (Lab): I welcome the statement, but does my right hon. Friend agree that the best primary care trusts, such as Staffordshire Moorlands, are already pioneering much preventive work? For instance, the trust has introduced community matrons to work with vulnerable patients to prevent emergency admissions to hospitals, deep vein thrombosis testing, prevention of falls programmes and GPs' surgeries every Saturday and Sunday in the local community hospital.

Ms Hewitt: My hon. Friend is absolutely right. The work that her primary care trust and many others are doing in developing exactly that approach is the foundation on which we have created the White Paper. Many examples of excellent practice are given throughout the White Paper, including the use of community matrons—one of our innovations—to support people who need long-term care. What we now need to do is seize the opportunity that stronger commissioning and practice-based commissioning give us to ensure that the best practice in some parts of the country becomes the norm in every part of the country.

Mike Penning (Hemel Hempstead) (Con): The Secretary of State talked about fully engaging the local community. In my constituency, tens of thousands of people have been fully engaged in opposing the cuts to the acute hospital. Will the statement today mean that those cuts will be reversed or will they go ahead because of the deficits in our trust?

Ms Hewitt: As the hon. Gentleman knows, there are financial problems in Bedfordshire and Hertfordshire. There has been overspending even within a substantially increased NHS budget—a budget against which his party voted. There has been extensive consultation in that area on a reorganisation of services that will make much better use of NHS resources, give people high quality acute and emergency care, and give them better services within the community.

Michael Jabez Foster (Hastings and Rye) (Lab): How will my right hon. Friend ensure that the target intentions that she mentioned affect Hastings, which is a very poor area within a rich region? Will the changes to the PCT mean that that will be diluted? How will she ensure that poor areas within rich areas benefit in the way that she intends?

Ms Hewitt: My hon. Friend makes an important point. When we set out the criteria for PCTs that were looking at new boundaries, we said that they needed to satisfy themselves and us that they would be able both to have effective commissioning of acute hospital services and to maintain the focus on local communities, especially the most disadvantaged. Where there is general public support for a proposal to merge several primary care trusts into a much larger area, one of the issues we will consider is how we may sustain that local focus and, in particular, how we may ensure that funding continues to go to the areas that need it most.

Dr. Vincent Cable (Twickenham) (LD): Will the Secretary of State confirm that the Government's health checks do not involve checks by doctors or nurses but people filling in self-assessment forms supported by health trainers? Who are those health trainers and will they be clinically qualified?

Ms Hewitt: I am happy to make it clear that in the first instance the NHS life check will not be carried out by GPs or nurses. That would not be the best use of those resources, so the first stage will be the self-assessment process. Then people in the higher risk categories will be offered the help of a health trainer—a proposal that came from the public and was in the "Choosing Health" White Paper—and the first of them are being employed in the most disadvantaged areas, in the spearhead primary care trusts where we shall be piloting the NHS life check. For people in high risk categories who may need more than the support of a health trainer, there would be follow-up by a nurse practitioner, a GP or some other qualified clinician.

Points of Order

4.35 pm

Bob Russell (Colchester) (LD): On a point of order, Madam Deputy Speaker. Can the Speaker give help and guidance to provide more time for Members who have questions on the Order Paper? During Department for Culture, Media and Sport Question Time only seven Members whose names were on the Order Paper were called, whereas during Church Commissioners questions eight names on the Order Paper were called. Is it possible either that Ministers responding could be asked to give briefer answers or that the time for Church questions could be reduced so that the time for questions to the Department for Culture, Media and Sport could be increased? That would give me an opportunity to mention Colchester's success in the FA cup.

Madam Deputy Speaker (Sylvia Heal): As hon. Members know, Mr. Speaker is always keen to have contributions from as many Back Benchers as possible. Although we only got to Question 8 on the Order Paper, in fact 30 questions were asked and answered in total. However, it is always helpful if supplementaries are kept short and answers from Ministers are equally short.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): On a point of order, Madam Deputy Speaker. In a sense, I am the wrong Member to raise this point of order, as you were kind enough to call me during the statement, but I noticed that Front Benchers' questions and answers took almost three quarters of an hour of the hour and five minutes for the statement, which is unprecedented in my 14 years as a Member of Parliament. Will you, Madam Deputy Speaker, be kind enough to draw that to Mr. Speaker's attention to see whether discussions between the usual channels could take place so that ministerial statements and questions could be kept a little shorter to give the large number of Back Benchers who could not get in today the chance to speak in future on important subjects such as the statement that we heard today?

Madam Deputy Speaker: The hon. Gentleman will no doubt recall the statement that I made immediately the Front Benchers sat down. I have noted the matter; it is on the record and it will be brought to Mr. Speaker's attention. Despite that and the programme motion, I allowed the debate to continue for some considerable time. I have every sympathy.

Mr. Charles Walker (Broxbourne) (Con): Further to that point of order, Madam Deputy Speaker. If Front Benchers have long statements to make on serious subjects, would it be possible to agree with them that Back Benchers could have longer for questions, so that, for example, I could raise important issues about the possible closure of the accident and emergency department at Chase Farm hospital?

Madam Deputy Speaker: The point has been well made. I have noted it, as have many Back Benchers.

Mike Penning (Hemel Hempstead) (Con): On a separate point of order, Madam Deputy Speaker. I have no criticism of the Lobby—I sat upstairs with my friends in the Lobby for many years—but it received copies of the statement long before Members, so we had no opportunity to appraise what was being said. The Lobby receives the statement immediately the Minister stands up, yet we do not receive it in the Chamber. Can you look into that matter, Madam Deputy Speaker?

Madam Deputy Speaker: I understand that members of the Lobby receive the statement when the Secretary of State stands up. As the hon. Gentleman will be aware, the statement is brought into the Chamber fairly soon afterwards. That is a comparatively recent practice that has been adopted.

NORTHERN IRELAND GRAND COMMITTEE

Motion made, and Question put forthwith, pursuant to Standing Order No. 116 (1) (Northern Ireland Grand Committee (sittings)).

That—

1. the draft Budget (Northern Ireland) Order 2006 be referred to the Northern Ireland Grand Committee;

2. the Committee shall meet at Westminster on Tuesday 7th February at four o'clock; and

3. at that sitting—

(a) the Committee shall take questions under Standing Order No. 110 (Northern Ireland Grand Committee (questions for oral answer)), and shall then consider the instrument referred to it under paragraph (1) above; and

(b) at the conclusion of those proceedings, a motion for the adjournment of the Committee may be made by a Minister of the Crown, pursuant to paragraph (5) of Standing Order No. 116 (Northern Ireland Grand Committee (sittings)).—*[Kevin Brennan.]*

Question agreed to.

[Interruption.]

Madam Deputy Speaker: Order. Somebody clearly has a mechanical instrument of some kind. Perhaps they could immediately leave the Chamber and switch the instrument off. If it is a microphone, my apologies to hon. Members present.

Orders of the Day

Government of Wales Bill

[3RD ALLOTTED DAY]

Considered in Committee [Progress, 24 January].

[SYLVIA HEAL *in the Chair*]

[Relevant documents: The First Report from the Welsh Affairs Committee, Session 2005–06, Government White Paper: Better Governance for Wales, HC 551, and the Government's response thereto, Third Special Report from the Committee, Session 2005–06, HC 839.]

Clause 103

PROPOSAL FOR REFERENDUM BY ASSEMBLY

Amendment proposed [24 January]: No. 110, in page 57, line 13, to leave out subsection (3) and insert the words—

'(3) The Secretary of State must—

(a) within the period of 120 days beginning immediately after the day upon which it is received consult upon—

(i) the voting system, and

(ii) the number of Assembly members of an Assembly after the Assembly Act provisions have come into force, and

(b) within the period of 180 days after the end of the consultation—

(i) lay a draft of a statutory instrument containing an Order in Council under section 102(1) before each House of Parliament, or

(ii) give notice in writing to the First Minister of the Secretary of State's refusal to do so and the reasons for that refusal.'.—*[Ian Lucas.]*

4.40 pm

Question again proposed, That the amendment be made.

Mr. Paul Murphy (Torfaen) (Lab): Six days ago, I was stopped mid-sentence when referring to Splott market, and hon. Members may or may not recall that the purpose of my mentioning the market in Splott or any other marketplace in Wales was to try to bring to the House's attention the fact that constitutional matters, such as those that we are discussing, may be of enormous interest to us, as politicians, and perhaps to academics, but the Bill and any legislation passed by the House of Commons and the House of Lords refers to people's lives. Hon. Members will recall that, over the past one and a quarter hours, the House has been dealing with an extremely important matter regarding the health service. So I make no apology to the House for saying that the basis for every Bill that we consider must be an improvement in the services that our people receive in Wales. However, we must understand that the way in which the Assembly Members are held to account by the people of Wales through the ballot box is also of great interest to our constituents. The amendment refers to the need to have proper consultation in the months ahead on the nature of the electoral system—in particular, the so-called top-up system—under which the National Assembly for Wales is elected.

If hon. Members look at clauses 8 and 9 or paragraph 57 of the explanatory notes, they will see a rather convoluted and complicated description of how the so-called top-up Members are elected. That is for us to consider, but I recall that when I left the polling station after voting during the first election to the Assembly, a little old lady came out with me, clutching what she thought was a manifesto or an election address from a political party. As it turned out, it was the second ballot paper for the top-up Members. She asked me what to do with it, and I suggested that she should go back into the polling station and vote according to her conscience. But she did not know what that paper represented, and there had been plenty of publicity about the nature of the second electoral system.

The figures speak for themselves about how it is that our constituents do not understand what it is that they do when they go into the polling station to vote in the second ballot. For example, my constituency is in the South Wales East region, which has almost 500,000 electors. At the last election—this applies to all parties other than mine—the Liberal Democrat, Mr. Michael German, won. He gained 17,661 second votes out of 500,000—3.76 per cent. of the people in South Wales East. At the same time, he stood for my constituency—Torfaen—and received 2,746 votes. Of course, he did not win, but he did win in the ballot for the top-up seats. It is virtually impossible for people in our constituencies to understand how it is that they pile up their votes—for example, in South Wales East, for Labour—yet none of them count in determining the second group of people who are elected to the National Assembly for Wales. Therefore, we need to take a very serious look at that system. Proportionality seems to be the answer for the second ballot. Why do people who elect Assembly Members not have them elected on the basis of proportionality and according to the votes that they cast?

4.45 pm

Mark Tami (Alyn and Deeside) (Lab): I have had the same experience as my right hon. Friend. People at the count have asked me how many candidates we have had elected only to find out that, despite topping the poll, we have had none. That is the same for any political party. Clearly the longer this flawed system goes on, the more it will act as a disincentive for people to take part in the second vote. They think that a vote for whatever party will not deliver them anything.

Mr. Murphy: There is complete confusion among the electors of south Wales, north Wales and middle Wales about the whole question of how votes are distributed.

Hywel Williams (Caernarfon) (PC): How does the right hon. Gentleman reconcile the statement that he has just made with the evidence provided by the Electoral Commission to the Welsh Affairs Committee that this was not a contentious issue? Certainly it was not a topic of conversation on the bus in Dowlais.

Mr. Murphy: I disagree with the Electoral Commission, and I do so on the basis that I have been elected to various bodies in Wales for the past 40 years. The people in this Chamber have been elected by the people who send them here and we talk to our

[Mr. Murphy]

constituents. The Electoral Commission is absolutely wrong and it is about time that it started listening to the people whom we represent.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I appreciate that the right hon. Gentleman is making the point that there is widespread and large concern among his constituents and, indeed, throughout Wales. However, would he care to share with the Committee all the letters and e-mails that he has had about this system over the years that the Assembly has been in existence? I would like that large body of evidence to be made available to everybody. If he has such a large body of evidence, we will all be able to understand it. However, the Electoral Commission says that there is no such body of evidence.

Mr. Murphy: If the hon. Lady came to Wales and asked people—whether in Pontypool market, Splott market or anywhere else—what they thought about the second system of electing Members of the Assembly, I have not the slightest doubt that they would show confusion and a complete lack of understanding.

Mr. Wayne David (Caerphilly) (Lab): Obviously, democracy depends upon understanding, so can my right hon. Friend tell us what percentage of the population understand the d'Hondt system?

Mr. Murphy: I suppose that I am one of the few people in the world who does because, as my hon. Friend knows, the d'Hondt system has been used in Northern Ireland after the Good Friday agreement.

Mrs. Gillan: I must admit that the d'Hondt system is enough to confuse anybody; I am not necessarily supporting a system. However, surely the right hon. Gentleman would not expect me to rely on prompted questions to his constituents or people in Wales. If the concern is widespread, there must be some spontaneous evidence of that in the form of letters and e-mails to all the hon. Members in Wales. I can assure him that my hon. Friends who represent Wales have not received enormous postbags containing concerns about this issue, so we would very much like to see his evidence.

Mr. Murphy: Those Members did not receive such postbags because only one of them was elected to the Assembly under the first-past-the-post system. *[Interruption.]* We do not need e-mails and letters. Let us walk around the streets and go to the markets in our constituencies to talk to the people whom we represent and who know about politics. Despite what the Electoral Commission, academics and e-mails say, those people will say that the system is flawed and discredited. They will certainly say that it is unloved.

Much against my better judgment, I supported the system when I was a member of the Government. In the early days when we discussed the best system for the National Assembly, my personal preference would have been for first past the post. There is no better system than one that has a direct link between the Member in the Assembly or Parliament and those who elected him. If we are to have a different system—I accept that there is a case for having a slightly different system for the devolved institutions—it is right to consider the alternatives. However, I simply think that the one that has been chosen is the worst of the lot.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I have been to Splott market, as a matter of fact, because my daughter lived in Splott until very recently, but I have not heard anyone in Splott showing any concern about the subject, and much less in the part of north Wales that I represent. May I take the right hon. Gentleman back briefly to the point about the d'Hondt system made by the hon. Member for Caerphilly (Mr. David)? The right hon. Gentleman says that the existing system is complicated, outmoded and flawed.. Would he thus support our amendment to clause 29 that would stop the use of that system for determining the composition of Committees?

Mr. Murphy: I will have a look at the amendment when it comes up, but we are dealing with something totally different at the moment. The hon. Gentleman will recall that I referred to the markets when talking about the way in which the Assembly relates to people in Wales and their lives, whether that is due to its impact on the health service, education or any other matter. An electoral system that cannot be, and is not, understood by people is flawed. The problem is that the second system that we are using does not produce a result that is proportionate to the votes cast for the second group of Assembly Members. I could live with it if the system was properly proportionate, but those Members are added to first-past-the-post Members and people simply do not understand how their votes can pile up, yet be useless.

Lembit Öpik (Montgomeryshire) (LD): I am listening to the debate with great interest, although I suggest that we might be pre-empting a later group of amendments about the process. As we are having such a discussion, may I ask the right hon. Gentleman a question? If he thinks that the public are so dissatisfied because people who do not win an election in a constituency can nevertheless be elected, will he explain why he does not feel ashamed of being a member of a party that refuses to change an electoral system that is such that his party can become the Government of the United Kingdom with one third of the vote? Two thirds of the electorate voted against Labour, yet it formed the Government. The logical consequence of what he says is presumably that he would also like to change—

The First Deputy Chairman of Ways and Means (Sylvia Heal): Order. The hon. Gentleman's comments are very wide of the amendment.

Mr. Murphy: As tempted as I am to comment on the hon. Gentleman's points, I shall leave that for another debate.

Amendment No. 110 is precisely about consultation. I am expressing my personal views to the Committee. The hon. Member for Chesham and Amersham (Mrs. Gillan) talks about e-mails and other hon. Members mention letters and a lack of consultation, but the amendment would allow us to find out people's opinions. I am not prepared to listen to the Electoral

Commission so that it can make up my mind on what the people of Wales think. There should be a properly co-ordinated and constituted consultation on the nature of our electoral system. That might result in agreement with the system that we have. I simply say that if a system is not understood, it is not a good system.

Mrs. Gillan: Does it follow that the right hon. Gentleman will support our amendments to the provisions in clause 7 that will bring about changes to the electoral system with absolutely no consultation of the people of Wales whatsoever?

Mr. Murphy: I assume that the hon. Lady is referring to the proposed changes regarding dual candidacy. One of the bad effects of the present system is that it creates problems of dual candidacy, which I shall not discuss now because that is for another time this afternoon. Such problems result directly from the existing system. That is why I think that it should go, but that is not the purpose of the amendment. The amendment would establish consultation. We should ask the people of Wales what they think about the system.

There are a number of alternatives. Some years ago, several of us suggested that there should be 80 Assembly Members, with two elected for each constituency. That would have solved the problem of gender balance in my party. We would have been able to elect those Members by the alternative vote, which would have been a different method from the first-past-the-post system. Lord Richard recommended using the single transferable vote. I am not too keen on that, but it would produce something that was more understandable than the existing system. I would not support it, but at least I can see the sense behind it, which is not the case for the existing system. That is why I support the amendment. I hope that the Secretary of State and the Minister will consider it carefully and reflect on the need to ask people in Wales what they think about the current system. There is a risk to the legitimacy of the Assembly and to solid, firm, sound and strong government because of the results that the current system produces. Worst of all is the fact that the system is not easily understood by the people. That makes it a bad system.

There are many ways of reforming the arrangements—a single vote, a single constituency for the top-up Members from the whole of Wales, or some other system— but the present system is not doing the job. In my view it should go, but at least we should examine it.

Albert Owen (Ynys Môn) (Lab): I too shall speak in favour of the amendment in the name of my hon. Friend the Member for Wrexham (Ian Lucas), and I shall take up a couple of the points made by my right hon. Friend the Member for Torfaen (Mr. Murphy) about the confusion in the current system. The amendment is sensible because, as we are asking for a referendum about more powers, and the Assembly creating Acts, it is only right and proper that we should consider how Members are elected to carry out that new responsibility, and also how many Members are needed to conduct proper scrutiny of the additional responsibilities and powers that will be bestowed if the referendum supports them.

One concern about the amendment is that it curtails the consultation to 120 days. That is a little ambitious. However, if the Assembly and the two Houses of Parliament allow additional powers, I presume that the debate will already have begun, and people will be finding out how the scrutiny works, and whether additional Members are needed.

In my opinion, additional powers and responsibilities will mean additional Members. The part of the Bill that will come into force is about enhanced powers, and I believe that there is flexibility within the current arrangements for the National Assembly to deal with those powers. However, for full primary legislation we need to examine the number of Assembly Members who will undertake that work, so I am grateful that the amendment was tabled.

The present electoral system is flawed and confusing to members of the public. In 1999 I was a candidate in the Ynys Môn constituency. I was the runner-up, I have no complaint about the fact that the people voted for their candidate. That time was the high-water mark for nationalism in Wales, and the nationalists had a runaway success; ever since then they have been in continuous decline, and I think that that will go on into the next Assembly elections. The winner won, and the first-past-the-post system clearly identified who the people of Ynys Môn wanted as their Assembly Member. I was the runner-up, yet through the list system the Conservative, who came third, was elected as an Assembly Member. The runner-up was out of the game, but the candidate who came third was elected. If that is not confusing for people, I do not know what is.

Lembit Öpik: I apologise for being out of order before, Mrs. Heal, but given the nature of the hon. Gentleman's argument, I am sure that I will be in order if I now ask him to explain how he justifies to people who are confused the fact that a party that two thirds of the electorate voted against formed the Government. How would he justify that, according to the democratic principles that he is now supporting?

Albert Owen: You said that the hon. Gentleman was wide of the mark when he first asked that question, Mrs. Heal, so I presume that you would be consistent and say that if were to stray into that area, I would be wide of the mark as well. However, the honest response is that we are talking about proportionality. When people vote for the National Assembly for Wales on a second ballot, they are voting for a party to represent them in that region, so many thousands of people are disfranchised because of the current d'Hondt system, which is there to help the minority parties and other parties that do not win constituency seats. That is a serious flaw.

Ian Lucas (Wrexham) (Lab): Is my hon. Friend aware that at the most recent Assembly elections in north Wales, the Liberal Democrats put out a leaflet telling people not to waste their second vote by voting Labour, because the person for whom they would be voting would never be elected? They were absolutely right, because despite topping the poll in north Wales, no Labour top-up Members were elected.

5 pm

Albert Owen: My hon. Friend, who has raised this matter before, is right. The inconsistency in the Liberal Democrats' argument does not surprise me in the least.

[Albert Owen]

What does shock me, however, is the fact that many people are disfranchised, and we need to address that. The consultation can be used to demonstrate the arguments and allow people to have their say, which would lead to greater clarity.

Hywel Williams: Is the hon. Gentleman arguing against proportionality as expressed in the d'Hondt system, or against proportionality in general? If he is in favour of proportionality, which system would he like?

Albert Owen: I was coming to my preference, but I am against the d'Hondt system, because it is confusing and people do not get what they want. When electors vote in a region for a particular party which is identified as a second vote, distinct from the first vote, they should get proportionately what they voted for. I would prefer the additional Member system to be one of strict proportionality if the single transferable vote is used.

Lembit Öpik: On a point of order, Mrs. Heal. I do not wish to interrupt the hon. Gentleman's argument, but I am desperately concerned that we are deep in a debate which, in fact, relates to the group of amendments on the way in which we elect Assembly Members. I therefore seek your guidance, as there is a danger that if we conduct such debates on each group of amendments we will never reach that particular group.

The First Deputy Chairman: I thought I made it clear that hon. Members must confine their remarks to the amendment under discussion. Despite the temptation, they should not go far beyond that.

Albert Owen: I accept your guidance, Mrs. Heal, but I am referring to the amendment, which talks about changing the voting system and the number of Assembly Members. In response to the hon. Member for Caernarfon (Hywel Williams), my preference is for 80 additional Members, with two for each constituency, in an alternative vote system, as that would give people a choice. If we increased the number of additional Members and kept the constituencies, I would prefer to have a straight STV, because that would be a simpler and quicker method and people would understand the proportionality involved. That is the way forward. The current system is flawed, and I do not understand why hon. Members are afraid to consult the people of Wales. If we accept, as the result of a referendum, that people want additional powers we should consider how we will elect Assembly Members.

Mr. Roger Williams (Brecon and Radnorshire) (LD): The hon. Gentleman is rightly talking about consultation on the powers, the method of election and the number of Assembly Members. Does he not agree, however, that there was such a consultation recently under the cross-party commission chaired by Lord Richard? What weight does he give its recommendations?

Albert Owen: I certainly give greater weight to the general election that has just taken place. The manifesto of the party that received the greatest number of votes in Wales made provision for the Bill. That is democracy. At the top of the agenda of Plaid Cymru, the nationalist party, were full law-making powers equivalent to those in Scotland. That was rejected in my constituency and many other constituencies, so I give a great deal of weight to what the people of Wales say. When the time is appropriate, we should conduct a consultation.

Mr. Llwyd: As I recall, the Welsh Labour manifesto did not say that the party would gerrymander the voting system at all, but that is what the proposal amounts to. More importantly, on the question of consultation, I remind the hon. Gentleman that the Electoral Commission was consulted, but its view was thrown away. The Arbuthnot commission in Scotland has been consulted, but its advice has been rejected out of hand. The thousands of people, including myself, who gave evidence to the Richard commission count for nothing in the eyes of the Government—again, our views are just thrown away.

Albert Owen: Nothing has been thrown away. I repeat that we had a general election in which the Conservative party advocated no change in Wales. However, the Labour party is the single biggest party in Wales, and the general election provided us with an important mandate, which we must carry out.

When we consider enhanced primary powers for the National Assembly, we must consult to ensure that we get the right number of Members, who should be elected under a less flawed system. I will listen to the Secretary of State with great interest, because this is our only opportunity to vote on additional Members. If the referendum concerns only primary powers, then the opportunity will be lost.

I want to improve the way in which Members are elected, and I want Members to be more accountable. The biggest difference between me and my right hon. Friend the Member for Torfaen (Mr. Murphy) is that I want the additional Members, whom we need, to be appointed regionally, because the additional Members should consider regional interests and take a strategic view.

I will listen to the Secretary of State, because the amendment is important and this is our only opportunity to consider the subject. I also look forward to the winding-up speech by my hon. Friend the Member for Wrexham (Ian Lucas).

Mrs. Gillan: I do not want to delay the Committee and shall make a couple of brief points.

I have some sympathy with amendment No. 110. The hon. Member for Wrexham (Ian Lucas) wants to empower the Secretary of State to consult the people of Wales on the voting system for the Assembly and on the number of Assembly Members, if we reach the stage at which the people of Wales are afforded a referendum on the granting of full legislative powers. I approve of consulting the people of Wales, but I wish that he had been more supportive when Conservative Members made that point.

Methinks they doth protest too much; make no mistake that the voting system is the Labour party's voting system. The hon. Member for Wrexham was in a significant position when the proposal was introduced, so I do not sympathise with his pre-empting the people of Wales by imposing his will on the situation.

The amendment is dishonest. Although it mentions the number of Assembly Members, it does not refer to the reduction in the number of Members of Parliament in this House if full legislative powers were given to the Welsh Assembly after a referendum.

Ian Lucas: Will the hon. Lady give way?

Mrs. Gillan: I will not give way, because I have intervened enough.

I would have been more inclined to support the amendment had it involved an opportunity to discuss representation in this House, as well as representation in the Assembly, and if the change to the voting system had not been selected by the Labour party.

Mr. Dai Havard (Merthyr Tydfil and Rhymney) (Lab): It is shame that we do not have time to continue to explore the Opposition's arguments.

On Second Reading, I mentioned my concern that the Bill refers to the referendum question. Part of my motivation in supporting the amendment is having this debate. Without the amendment, we would not have had this debate, which is important for the people of Wales.

Opposition Members have referred to my constituency, because on Second Reading I mentioned what people on the bus in Merthyr said. As my hon. Friends have said, people are confused, because in my constituency 47 per cent. of them voted for a second representative and got nothing. People do not feel that that is fair, which is the usual claim made on behalf of the system. The system engineers a situation between the parties in the institution of government, which is why I oppose it. It breaks the link between the people and their representatives, but I do not have time further to explore that argument.

My motivation was to stress that we needed to discuss this at some point, because I feared that the Bill closed the argument down instead of opening it up. The amendment would facilitate that discussion, but in a particular context; that is, assuming that there will be a referendum about primary law-making powers. The present situation is unhealthy in terms of democracy and of the institution's ability to build its capacity and gain its own legitimacy. At some point, the dog's breakfast that is the current voting system must be sorted out.

Lembit Öpik: I understand that there are some arguments in favour of this change, but we have not heard them tonight. The extraordinary revelations in certain contributions by Labour Members underline the fact that this is political opportunism. This is not about finding the best system, because if Members wanted to do that, they would be able to answer this question. Why do they think that it is absolutely fine for the Government to have a large majority although two thirds of the British electorate voted against them in the general election? Sadly, they do not have an answer.

Without going too far into the debate that we will have later on the merits and demerits of the voting system, I hope that the Minister can explain the contradiction between what his Back Benchers said and what those Opposition Members who secured a majority of the vote in Wales, and who are opposed to this change, said at election time and are saying now.

The Secretary of State for Wales (Mr. Peter Hain): I pay tribute to the measured way in which the Committee has approached the scrutiny of the Bill. The Committee will be aware that much of the Bill—indeed, 140 out of 165 clauses—is carried over, with only minor modifications, from the Government of Wales Act 1998, or implements changes on which all parties are agreed. We have properly focused our scrutiny on those clauses—just 25—that are new or controversial instead of reopening debates that were settled six years ago and procedures that have worked well since. I am particularly pleased with the detailed consideration of parts 3 and 4, which form the core of the new provisions. I hope that we can make good progress on the initial clauses of part 1, which include the remaining key provisions of the Bill.

The amendment ably moved by my hon. Friend the Member for Wrexham (Ian Lucas) and supported by my right hon. Friend the Member for Torfaen (Mr. Murphy) touches on two separate but related issues; the system of voting used to elect the Assembly and the number of Assembly Members.

On the voting system, I understand and respect the position of my hon. and right hon. Friends; indeed, I share many of their concerns about the operation of the present system. In retrospect, all Labour Members would have preferred a different option. However, achieving the necessary consensus on a new electoral system would not be easy. For example, a return to first past the post, with a man and a woman elected from each constituency, would ensure equal representation, but it would also decimate representation for minor parties, including the Welsh Conservatives. That would be seen as deliberately partisan; politically desirable from our point of view, perhaps, but constitutionally very difficult, to say the least.

I believe that the best way forward is to seek to fix the flaws in the current electoral system through a ban on dual candidacy. I know that my hon. and right hon. Friends strongly support that. I hope that they also support clause 36(6), which requires the establishment of a code of conduct to ease some of the tensions between constituency and list Members. I hope that the Assembly Committee that is considering Standing Orders will also consider allowances for the different categories of Member.

With regard to the number of Assembly Members, I recognise my hon. Friend's concerns about the Assembly's increased workload, but there is plenty of scope for it to reorganise; for example, by changing the way in which it considers secondary legislation and by sitting longer hours for more weeks of the year. The Presiding Officer has made that point publicly in agreeing with me.

A fundamental difficulty with the amendment is that it would require unspecified further primary legislation to resolve the issues that my hon. and right hon. Friends have rightly highlighted. There is no guarantee that a Government sympathetic to their views would be in power at the time of such a review. Perhaps a different amendment would be appropriate to achieve my hon. Friends' proper objectives but I am not inciting them to table one on Report.

[Mr. Peter Hain]

In the light of my comments, I hope that my hon. Friend will feel able to withdraw the amendment.

5.15 pm

Ian Lucas: I am grateful for my right hon. Friend's measured response, which I contrast with the rather graceless contribution of the hon. Member for Chesham and Amersham (Mrs. Gillan). She suggested that the amendment was somehow dishonest because it did not make clear the fact that there would be a reduction in the number of Welsh Members of Parliament if Assembly membership increased. It was especially graceless because the hon. Lady intervened on me in our debate last Tuesday to ask me a question to which I gave a straight reply; she is clearly not accustomed to that. It is therefore unfortunate that she would not allow me to intervene on her to remind her of that fact. Never mind.

I respect the position of my right hon. Friend the Secretary of State. My concern about the Bill has always been that we are contemplating a position that is some years ahead and we do not know how successful the Order process will prove. We do not know exactly how the Assembly will perform between now and then. In those circumstances, it would be sensible for us to have at least an opportunity to consider the voting system and the number of Assembly Members. More important, the people of Wales should have that opportunity.

The amendment was clearly a probing amendment at this stage. My right hon. Friend has heard that there is a great desire on Government and Opposition Benches for a debate on the issue. I assure him that that extends to the people of Wales.

I am sure that we will return to the matter but, at this stage, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 103 ordered to stand part of the Bill.

Clause 104

COMMENCEMENT OF ASSEMBLY ACT PROVISIONS

Hywel Williams: I beg to move amendment No. 124, in clause 104, page 57, line 38, at end add—

'(5) This section is subject to section [Commencement of provisions relating to Welsh language].'.

The Temporary Chairman (Mr. Roger Gale): With this it will be convenient to discuss the following: Amendment No. 13, in clause 35, page 21, line 35, leave out from 'effect' to 'to' in line 36 and insert

'save in exceptional cases where it is not reasonably possible to do so'.

Amendment No. 16, in clause 61, page 36, line 10, at end add

', including the implementation of any of the provisions of the Welsh Language Act 1993.'.

New clause 10—*Commencement of provisions relating to Welsh language*—

'(1) Sections 106 to 112 and 114 shall come into force on 1st April 2007 in respect of paragraph 20 of Schedule 7 (the Welsh language).

(2) Section 102 shall not apply to the commencement of subsection (1).'.

Hywel Williams: I begin with amendment No. 13, which would delete the words

"so far as is both appropriate in the circumstances and reasonably practicable"

in clause 35 and replace them with,

"save in exceptional cases where it is not reasonably possible to do so".

The wording in clause 35 comes from the Welsh Language Act 1993. I hope that hon. Members of all parties recognise that there is a great deal of dissatisfaction with its operation. One reason for that is the wording that the amendment would delete. We argue that it places Welsh speakers at a disadvantage. Because of the clause, Welsh is not equal with English but is to

"be treated on a basis of equality",

which is entirely different and has led to the Welsh language being treated less equally. The provision has been characterised as meaning that all languages are equal but some are more equal than others.

I should like to make a few brief points about the long and gradual journey of the status of the Welsh language to its current position. Welsh was used in government as an official language until the Act of Union 1532. Three measures in the past century—the Welsh Courts Act 1942, the Welsh Language Act 1967 and the Welsh Language Act 1993—have covered the subject.

David T.C. Davies (Monmouth) (Con): On a historical point, there was no Wales-wide Government prior to the Acts of Union. There were various Marcher lordships, which were pretty much a law unto themselves, and Welsh-speaking feudal lords, who controlled other areas. There was no Wales from the point of the view of government and it is therefore not correct to say that Welsh was the language used in government before the 1532 Act.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): It was used.

Hywel Williams: I thank my hon. Friend the Member for Meirionnydd Nant Conwy (Mr. Llwyd) for making the point that the Welsh language was used, although perhaps not exclusively. We can avoid having these historical discussions simply by recognising that, at one time, Welsh had a different status from the one that it enjoys today. Perhaps we can also agree that progress has been made as a result of the three pieces of legislation that I have mentioned, most recently the Welsh Language Act 1993, which was passed by the Conservative Government.

David T.C. Davies: Supported by Labour.

Hywel Williams: Not all of them.

The Welsh Courts Act 1942 allowed the use of Welsh in the courts, while the Welsh Language Act 1967 provided for the equal validity of anything said in Welsh or English. It conferred a kind of honorary status on the Welsh language. I have already mentioned the 1993 Act.

Our amendment would provide not for full equality, but for a reasonable and gradual move in that direction. It would allow for circumstances in which Welsh need not be used on the same basis as English, but that would involve exceptional cases in which it would not reasonably be possible to do so, in contrast to the provisions in the 1993 Act. We hold that that would be entirely reasonable, because we do not want the language to be used when it would be unreasonable to do so.

I shall give the House a brief example, involving some work that I did before I was elected to the House. I was proof-reading a quality assurance manual in Welsh, although it was going to be superseded in four months. I was paid quite well for doing the work, but it was a complete waste of time. We would not want to see the Welsh language being used if it were unreasonable to do so. However, we believe that such cases would be exceptional.

Given the exemplary development of the Assembly's simultaneous translation service, the quality of its translations, the large number of Assembly Members who speak Welsh or who have learnt it—very well indeed, to their credit—and the growing number of Assembly staff who speak Welsh, it would be entirely possible to introduce the provisions in our amendment. It would be quite proper for the National Assembly for Wales to treat equally the two languages that are widely used in Wales.

A growing number of young people speak Welsh as the result of educational changes introduced by the previous Conservative Government and by this Government, and I pay proper tribute to those Governments for doing that. Changes in the demography of Wales mean that more young people than older people speak Welsh, and there is a growing use of the Welsh language by private businesses. The National Assembly could give a clear lead by treating the Welsh language more equally, if I can put it like that. I shall be interested to see whether the Minister argues that the present situation—which is characterised by the Welsh language being treated unequally—is acceptable, given the advantages of our amendments. They would provide for the principle being breached in exceptional circumstances.

I note that amendment No. 16 is also supported by the Conservatives. It would add to the list of subjects that the Welsh Ministers may consider it appropriate to support:

"the implementation of the provisions of the Welsh Language Act 1993."

Clause 61 contains a long list of subjects that the Minister might care to support, starting with "archaeological remains in Wales" and ending with "the Welsh language". The Welsh language certainly should not be classed as archaeological remains; it is a living language spoken by a quarter of the population as a whole, and by a third of young people in Wales. Welsh is getting younger. The amendment would add

"the implementation of the provisions of the Welsh Language Act 1993"

to that list, so that Ministers could do anything that they considered appropriate in respect of culture, including the implementation of the Act.

As I said earlier, the principle behind the Welsh Language Act 1993 was to treat the Welsh and English languages on a basis of equality, but there has been dissatisfaction with the way in which the Act has been operated. However, given that we have the Act, even in its present form, it would seem reasonable that Ministers should be able to act to support its implementation.

This amendment should also be considered in the context of the First Minister's decision to bring the Welsh Language Board into the Welsh Assembly Government. It is entirely unclear to me and to a great many others how that will be done. Perhaps the Secretary of State will explain.

The 1993 Act set up the board, which carries out certain functions. It seems to me that, for the board to disappear, we might need another language Act. If it were set up by an Act, it should be taken into the Welsh Assembly Government by another Act. On that, the First Minister is equally unclear.

There is then the question of the regulatory functions of the board. The First Minister talks about setting up an office of y dyfarnwr, which means the adjudicator or the referee. It is unclear to me on what legal basis that office would be set up, as there is no reference to such a person in the 1993 Act. What power will he or she have to ensure the proper implementation of that Act? Where are these ideas laid out? I have no idea; perhaps the Secretary of State has. Whatever the fate of the Welsh Language Board in 2007, given that uncertainty, we would argue that it is feasible for Ministers in the Welsh Assembly Government to be able to support the implementation of the 1993 Act.

Lastly, amendment No. 124 and new clause 10 are more contentious, or perhaps less. They would allow for the commencement of Welsh language provisions in respect of Assembly Acts that begin on 1 April 2007; that is, the Assembly could pass one of its measures in respect of the Welsh language immediately in 2007, without having gone through a referendum. That is a peculiar exception. It would apply only to the Welsh language and to no other field. There are several reasons for proposing it.

I have already referred to the widespread dissatisfaction with the 1993 Act. By the way, that Act was introduced in the face of much opposition from no other person than the First Minister, Mr. Rhodri Morgan, who was a Member of Parliament at that time and, I think, shadow Secretary of State. He promised the House that the new Labour Government would introduce a proper Welsh language Act, but, eight years later, we are still waiting.

In those circumstances, why should not the Assembly have the opportunity to use its power to introduce such a measure? The First Minister and, I think, the Culture Minister in Cardiff, as well as, possibly, the Government here, have already said that they will not expend a single moment of Government time on introducing a new Welsh language Act. If the Government will not do it, although they promised through Mr. Rhodri Morgan in 1992 to do so, why should the Assembly be prevented from doing so in 2007, without having to wait?

I will not go much further into the reasons for a new Welsh language Act. As I said, there is a great deal of confusion and some mystery as to the probable fate of

[Hywel Williams]

the Welsh Language Board. Interestingly, there is a coalition of thought across Wales, across a number of groups in Wales and across a number of political parties in Wales that we need to look again at the 1993 Act. We need to do so in the new circumstances that are being brought about by Mr. Rhodri Morgan.

The 1993 Act was an answer of sorts in 1993, but we contend that it has run into the buffers and needs to be considered carefully. The Secretary of State, in other arguments, talks about the need for the National Assembly to bed in. He has said that we need some time for it to prove its worth. The 1993 Act has had ample time to do so. I do not want to discuss the merits or otherwise of that Act, and I pay tribute to Lord Roberts for his work on it, but the day has come to look at it again. Given its deficiencies and the pressures for reform, and given the Government's refusal to make time here, there is a strong case for the Assembly to have the power to pass a measure on this quintessentially Welsh issue.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): Given the time pressures, I do not intend to reiterate what the hon. Member for Caernarfon (Hywel Williams) said in relation to amendments Nos. 13 and 16, which we have supported. At the very least, those are important probing amendments, to which the Secretary of State should respond.

5.30 pm

We are less inclined to support amendment No. 124 and new clause 10. Our interpretation is that proposed new subsection (2) makes it clear that the referendum would have no effect on the commencement of full law-making powers in respect of the Welsh language, and that if a future referendum were lost, that would likewise have no impact on full law-making powers in this area. Amendment No. 124 therefore makes it clear that, effectively, none of the commencement provisions in clause 104 apply to the assumption of full law-making powers in respect of the Welsh language, which would come into effect on 1 April 2007 should new clause 10 be passed.

We would prefer all the subjects set out in schedule 7, including the Welsh language, to be subject to a referendum. We see no case for stripping out the Welsh language from that list of subjects.

Mr. Hain: We all support, on a cross-party basis, the increasing progress made in relation to the Welsh language in recent years. However, as the hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) has just explained, amendment No. 124 and new clause 10, which would give the Assembly primary legislative powers in relation to the Welsh language, are both unnecessary and undesirable.

If the Assembly identifies a need for legislative competence on matters relating to the Welsh language, or if the Welsh Assembly Government identify such a need, the Order in Council procedure under part 3 of the Bill would enable such competence to be sought. It would not make sense to grant the Assembly primary powers in relation to the Welsh language alone, but then to have a referendum on whether it should have primary powers at all in relation to all the other subjects listed in schedule 7. That was the point argued by the hon. Member for Dumfriesshire, Clydesdale and Tweeddale. The electorate rightly would feel that they had been bypassed on an important subject. A referendum vote must be on the whole package, not one that has already been broken into.

The amendment would also have the complication that, in relation to this one area of legislative competence, the Assembly would have to have procedures in place—for example, under its Standing Orders—for the passing of both Acts and Measures at the same time. On amendment No. 13, what is the point of deleting a reference to the Assembly treating English and Welsh equally

"so far as is . . . appropriate in the circumstances"?

Is the suggestion that the Assembly should act inappropriately, if necessary, to comply with that obligation? Whatever the intention behind amendment No. 16, its actual effect is unclear. The amendment as worded would seem to add little if anything to the existing wording of clause 61 and the powers that Welsh Ministers have under the Welsh Language Act 1993, because they have already been transferred to the Assembly.

Certain functions under the Welsh Language Act 1993 have not been transferred to the Assembly and therefore are not currently exercised by the Welsh Assembly Government. The most important of those concerns the use of Welsh in legal proceedings. As England and Wales are a single legal jurisdiction, however, it is entirely appropriate that this issue should rest with the Lord Chancellor. The Bill is already clear in giving Welsh Ministers the power to do anything that they consider appropriate to support the Welsh language, and in enabling the Assembly to acquire legislative competence in relation to the Welsh language beyond that which it has at present. I therefore invite the hon. Gentleman to withdraw the amendment.

Hywel Williams: I thank the Secretary of State for his response, and I take many of his points. He will accept that there is still dissatisfaction among Opposition Members, and a great deal of worry, about the consequences of the steps that the First Minister proposes to take in respect of the Welsh Language Board. We might want to revisit the issue on Report, but in the meantime, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clauses 104 to 107 ordered to stand part of the Bill.

Schedule 7

ACTS OF THE ASSEMBLY

Hywel Williams: I beg to move amendment No. 33, page 115, leave out line 17.

The Temporary Chairman: With this it will be convenient to discuss the following amendments: No. 149, page 116, leave out line 6.

No. 34, page 116, line 19, leave out from beginning to 'monopolies' in line 20.

No. 36, page 116, leave out lines 44 to 47.

No. 37, page 117, leave out lines 1 to 7.

No. 44, page 117, line 15, at end insert—

'Energy

5A Energy.'.

No. 38, page 119, leave out line 2.

No. 39, page 119, leave out lines 38 and 39.

No. 40, page 119, leave out line 42.

No. 43, page 120, line 17, at end insert—

'Police, probation and prison service

13A Police. Probation. Prison service.'.

No. 275, in clause 120, page 65, line 6, after 'State', insert 'or any other person'.

Hywel Williams: Amendment No. 33 refers to hunting with dogs, which has been the subject of much controversy in this place. I had the dubious pleasure of serving on the Standing Committee that considered the Hunting Bill for many weeks. We discussed the issue very fully, and one of my amendments proposed that the Assembly should have responsibility for hunting in Wales. I shall briefly rehearse the arguments that I presented.

Agriculture is a devolved matter, and I think it fair to say that the Welsh Assembly Government and the Assembly have established amicable relationships with the farming unions in Wales. Farming in Wales has profited greatly from the existence of the Assembly. Agriculture in Wales differs from agriculture in England in that we have a great deal of upland farming, and fox predation is a considerable problem. Hunting, too, is different: there are many farmers' hunts and, I understand, miners' hunts in the south. Farmers' hunts are essentially a co-operative activity. The co-operation is similar to that between farmers at harvest time.

A number of practical issues have come to my attention since the passing of the Bill that became the Hunting Act 2004. I think that that is a good argument for a change so that the Welsh Assembly can take a view. One of the issues is the effect of fox predation. We have a number of forests in Wales, run by the Forestry Commission and others. The commission lets contracts for hunting, because it recognises the difficulties caused by fox predation to upland farmers in particular. The hunts are finding it extremely difficult to control fox numbers in upland areas where there is forestry. There is a strong feeling in the country that the issue needs to be revisited. I think it appropriate for the Assembly to deal with it, at least in respect of upland farming, and to take the heat out of the problem.

Amendment No. 38, another amendment tabled by members of my party, refers to railway heritage. There are many small lines in Wales—great little lines. There are three in my constituency. I have no idea why the Assembly should not have some say in the development of the lines. That would accord with its control over tourism. I favour an integrated approach.

Lembit Öpik: Amendment No. 33 makes sense to us on purely devolutionary grounds. I accept that there were different views on whether hunting with dogs should be curtailed, but—leaving aside the position that each of us took at the time—surely anyone who feels that Wales should have parity with Scotland in terms of powers will recognise that the matter was devolved to the Scottish Parliament. Therefore, it seems reasonable that this issue, too, should be devolved to the Welsh Assembly.

The hon. Member for Caernarfon eloquently described farmers' specific concerns about the Hunting Act. Notwithstanding his arguments on that point, even if one supported a ban on hunting with dogs, one should recognise the principle of allowing Wales to make the decision for itself.

Mr. Roger Williams: I, too, wish to speak about hunting with dogs. The points have been well made by the hon. Member for Caernarfon (Hywel Williams) and my hon. Friend the Member for Montgomeryshire (Lembit Öpik), but hunting in Wales is not just about fox hunting as we know it; hunting with dogs involves flushing out foxes to guns, and it has been conclusively demonstrated that the element of the law that limits the number of dogs that may be used in that pursuit to two is quite inadequate and does not achieve the intended object. Given that different ways and means can be used to achieve things in Wales, it is appropriate that the matter be devolved.

The amount of land in Wales owned by the Ministry of Defence has been brought to my attention. The MOD has responsibility for pest control in those areas. How will it carry out that duty if the letter of the law as currently expressed is adhered to?

Finally, there is the question of energy. As we go towards the energy review and the possibility that nuclear power will be part of the recipe for providing energy for the United Kingdom, I believe that the question of whether nuclear plants are allowed in Wales should be within the Assembly's planning powers. For those reasons, I support the amendments.

David T.C. Davies: I have some sympathy with the amendment. I have made it fairly clear that I do not in general favour more powers for the Welsh Assembly, but there is the occasional circumstance in which there might be some logic to them. An active agriculture Department is already up and running in the Welsh Assembly, which is responsible for payments to farmers. The payments may at some point be affected by whether farmers allow hunts to take place on their land, particularly if the hunts are found to be doing anything illegal, which I am sure will not happen in Wales and which certainly does not happen in Monmouthshire among the hunts with which I am closely connected. On this occasion, there is a good reason for considering whether a power might be best devolved to Wales and dealt with by the agriculture Department there and by the many Assembly Members who have first-hand experience of agriculture.

Mr. Llwyd: I shall speak to amendments Nos. 39, 40 and 43. We had a debate on similar matters last week, and I do not propose to speak for long—I see the Secretary of State grinning at that. I merely restate that it is high time to consider devolving the probation

[Mr. Llwyd]

service, the police service and the prison service. It does not make a great deal of sense to have them stand out as reserved matters, but since I made a longer speech last week, suffice it to say that I once more put down a marker on that subject.

Mr. Dominic Grieve (Beaconsfield) (Con): I have some sympathy with the amendment on hunting with dogs. The difficulty, which we must face up to and which comes even more to the fore on the amendments to do with prisons, probation and the police, is that if we are to have a unified legal system, as England and Wales do, then while it is possible to have diversity within regulatory frameworks, to start to move towards dealing with fundamental issues of law and to have a divergence would mean that the principles of a unified legal system became increasingly difficult to operate. Of course, that applies more strongly to the police than to issues such as hunting with dogs. It could be argued that hunting with dogs falls within the regulatory framework, not that of fundamental legal principles. It is a difficult area, but as long as the people of Wales wish to see the maintenance of the union between Wales and England, with a measure of devolution and the retention of the principle of a unified legal system—which is one of the underpinnings of that union—we should be wary before we split the responsibilities for certain legal areas between London and Cardiff.

5.45 pm

Adam Price (Carmarthen, East and Dinefwr) (PC): I apologise for not being here for the beginning of the debate, but I had a meeting with the Secretary of State for Work and Pensions.

The amendments seek to expand the competency of the National Assembly in various areas. On broadcasting, there is an anomaly in the devolution settlement: cultural policy is devolved and will continue to be so, but broadcasting remains entirely a reserved matter. That is not acceptable, because broadcasting is arguably one of the most important and far-reaching cultural media we have.

David T.C. Davies: I understand the principle behind the hon. Gentleman's argument, but given the way in which the Welsh Assembly has behaved with the Arts Council for Wales and the creeping politicisation of the arts, does he really think that it would be a good idea to give even more potential influence to the Welsh Assembly over areas such as broadcasting?

Adam Price: The hon. Gentleman's point is well made in the context of recent events—it would be inappropriate to go into detail at the moment. The issue of the arm's length principle in cultural policy is a broader question. I have some sympathy for the continental European model of Ministries of Culture, but in that instance it is for the Ministers involved to use those powers responsibly. That may not have happened in the case to which the hon. Gentleman refers.

In the European Union, local television and radio are not reserved under the Spanish constitutional settlement and that has allowed the Basque region some flexibility in developing a Basque medium television service in the different regions of the Basque country. Broadcasting will need to remain a competency at the UK level, but these proposals do not even allow for the possibility of shared competency. Given the likelihood of further developments, such as television through the internet, the clear dividing line in legislative competence in this Bill will not be conducive to such developments.

Competition policy is a wholly reserved matter under this Bill, as it is under the Scotland Act 1998, but there are areas of confusion where competition policy has an impact on devolved matters. One example is the confusion over changes in pharmacy regulation that the Office of Fair Trading wanted to introduce some years ago to give supermarkets the power to increase their market share and to deregulate the sector. There was confusion about where legislative competence lay, as obviously there was an impact on health, which was devolved in Wales and Scotland, yet it was also a competition matter. Allowing some degree of shared competence in competition policy would clarify where legislative competence lies.

The proposals for the postal service are probably the most bold and radical in the group of amendments. As the Liberal Democrats have raised the spectre of Post Office privatisation, perhaps we should devolve responsibility for postal services or give the National Assembly the ability to get involved in their regulation. There is no guarantee about the future operation of postal services and we are all well aware of what has happened under the recent closure programme for urban and rural post offices.

Finally, I return to the St. David's day public holiday—an issue that I have raised with Secretary of State on several occasions. It is part of the wish list that the Welsh Assembly Government have sent as part of their legislative demands. Unfortunately, the Government at Westminster have not seen fit to accede to those demands. It should not be a matter of wish lists; it should be the right of the elected representatives of the people of Wales through their Government to decide whether we, like most other EU nations, should have an annual public holiday on our national day.

There may be a case for a public holiday on St. George's day, although this is not the time for that debate, but we in England and Wales have only eight public holidays by right, which is the lowest number in any EU country apart from the Netherlands. Of course, workers in the Netherlands are entitled to more annual leave, so there is a compensatory allowance. As the Secretary of State will know, there are 10 annual public holidays in Northern Ireland. We are asking only for one extra day, not two.

Bank holidays are entirely devolved to the Scottish Parliament and discussions about creating a national day are ongoing there. I understand that there has been reference to the possibility of creating a new annual British national day—for example, on Trafalgar day—so, surely, under the Bill the National Assembly for Wales and the Labour Government in the National Assembly should be given the right, for which they have asked, to have the same devolved competence as the Scottish Parliament so that, like most EU countries, we can have a public holiday on our national day.

Mr. Hain: I am grateful for the discipline that Members have shown in general in this debate.

I respect the position of the hon. Member for Carmarthen, East and Dinefwr (Adam Price). He wants many matters to be transferred to the Welsh Assembly, but they are outside the terms of the devolution settlement. He cannot just toss off in the middle of a speech a series of powers for devolution, ranging from energy, the police, probation, the Prison Service, public holidays, hunting with dogs, broadcasting, the generation, transmission and supply of electricity, oil and gas and Sunday trading, to licensing the sale and supply of alcohol.

Chris Ruane (Vale of Clwyd) (Lab): It sounds like something the Liberal Democrats would do.

Mr. Hain: I shall not go there.

All those matters may have points in their favour, but they must be considered properly on their merits and there are proper procedures under existing transfer of function orders and arrangements and there will be machinery, under the Bill, to take such matters forward if the whole of Parliament desires it.

I shall resist the temptation to get into arguments about hunting with dogs or about public holidays, although in respect of the request for a public holiday on St. David's day there was never a bid from the Assembly for legislation and there was never any consultation with business or anybody else who might have been affected by Wales having a different public holiday from England when cross-border trading and business arrangements are so highly integrated.

The Bill does not alter, and is not intended to alter, the boundaries of the current devolution settlement. Any proposals to adjust the boundaries should be left to the machinery for that purpose contained in the Bill. Indeed, the National Assembly for Wales has not asked us to adjust the settlement in the way Members propose.

Mrs. Gillan: Did the Secretary of State say that there has never been a request from the Welsh Assembly to look at making St. David's day a public holiday, or did I mishear him?

Mr. Hain: As I hope *Hansard* will show, I was careful to say that the Assembly passed a motion to that effect, which was transmitted to me, quite properly, by the First Minister—in fact, I think it was transmitted to my predecessor, my right hon. Friend the Member for Torfaen (Mr. Murphy)—but the Assembly has never made a bid for a Bill to that effect. That is the point. The Assembly has never made a specific request for a piece of legislation to take its place in a hierarchy of bids over and above other bids.

Mrs. Gillan: I appreciate the fact that the Secretary of State chose his words carefully, because I was led to believe that the matter was one of the points of issue in bringing in the Order in Council mechanism. It was one of the matters on which the Secretary of State had refused to grant legislation requested by the Assembly. I understood that from the First Minister himself; I hope I do not misinterpret him.

Mr. Hain: There has been no specific request for legislation. The motion passed by the Assembly was transmitted to me by the First Minister and I said that I did not think it appropriate to take it forward. I was particularly concerned that there had been no proper consultation with the business community in Wales.

For all those reasons, I hope that hon. Members will withdraw the amendment.

Hywel Williams: The Secretary of State may say that there is a colourful miscellany of requests and a huge variety of aspirations, but that is a measure of the ideas among Plaid Cymru Members about how the devolution settlement could be developed, and will be developed in future.

In the meantime, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Schedule 7 agreed to.

Clause 108

LEGISLATIVE COMPETENCE: SUPPLEMENTARY

Adam Price: I beg to move amendment No. 159, in page 59, line 18, after 'Parliament', insert 'or

(aa) has been laid before each House of Parliament and has been approved by a resolution of the House of Commons, but has been rejected by the House of Lords,'.

The Temporary Chairman: With this it will be convenient to discuss amendment No. 160, in page 59, line 21, at end insert—

'(4A) If subsection (4)(aa) applies, the Order in Council shall not take effect until one year has elapsed since the date on which the House of Commons came to the resolution.'.

Adam Price: The amendments refer once again to the position of the House of Lords in relation to proposals in the Bill, so I do not want to detain the Committee unduly.

There are proponents of bicameralism and of unicameralism, but what the Bill seems to propose throughout is tricameralism. There are sets of proposals whereby measures such as demands for a referendum or any changes in the competency of the post-legislative powers of the National Assembly would still have to go through three hoops: the Assembly, the House of Commons and the Chamber down the Corridor. That is not acceptable to my party, nor probably—privately—to many democrats on the Labour Benches.

As some Members of the Assembly have said, it is almost as though we are returning to the dark days of the Poynings law when the Irish Parliament had to send its proposals to Westminster for approval. On several occasions, Catholic Members of the Upper House who came to Westminster to support those proposals ended up in the tower. I am not suggesting that that would happen nowadays, either under the Labour Government or a future Government of another hue.

I reiterate the point that we have made throughout proceedings on the Bill: it is unacceptable for the democratic wish of the national, representative institution of the people of Wales to be frustrated by an unelected Chamber. Self-government is ours by right. We have a right to self-determination; it is not

[Adam Price]

something that should be doled out through the largesse of an unelected institution. Therefore, we argue that the House of Lords has no proper role—certainly not after an affirmative vote by the people of Wales to set up a properly constituted law-making Parliament. We therefore ask the Government to remove the House of Lords from that role.

6 pm

As Lord Livsey has said, such a role could fan the flames of Welsh nationalism—so perhaps arguing against that could be contrary to our own interests if that interpretation is correct. If the House of Lords ever frustrates the democratic wishes of the Welsh people, it would certainly lead to a constitutional crisis, and I am sure that the Secretary of State would not want that to happen.

Mr. Hain: We have covered this ground in some detail earlier in our proceedings, but I congratulate the hon. Member for Carmarthen, East and Dinefwr (Adam Price) on making a speech that he had not expected to make and on doing so very competently. As I have said before, we cannot in the middle of the Government of Wales Bill overturn the whole constitutional relationship between the House of Commons and the House of Lords and, in effect, pre-emptively apply the Parliament Acts to the House of Lords on Welsh legislation alone. I ask the hon. Gentleman to withdraw the amendment.

Mr. Grieve: I am pleased to hear the Secretary of State say that. I heartily agree with him, although I am bound to point out that substantial parts of the Bill—particularly part 3, which we considered previously—implement remarkable constitutional innovations and the Government do not seem to be troubled by that at all. On the basis of the Government's approach, I am a little startled, but rather reassured to hear the Secretary of State adopt such a constitutionalist position.

Adam Price: Yet again, I am disappointed, but hardly surprised and certainly not shocked by the Secretary of State's rejection of our restatement of the Welsh people's democratic right to self-determination. However, on the basis that we will not finish the unfinished business of the House of Lords reform this evening, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 108 ordered to stand part of the Bill.

Clause 109 ordered to stand part of the Bill.

Clause 110

PROCEEDINGS ON BILLS

Mr. Grieve: I beg to move amendment No. 192, page 60, line 15, leave out subsection (2).

The Temporary Chairman: With this it will be convenient to discuss amendment No. 193, page 60, line 29, leave out from 'Welsh' to end of line 31.

Mr. Grieve: We return to a subject that we touched on when we considered part 3. I am mindful of the fact that different criteria will apply to each part. Nevertheless, it would be helpful if the Minister could take this opportunity to explain to the House how he considers that the Standings Orders will operate to expedite proceedings on Bills and what checks, if any, will exist if the view is that the way in which the Assembly conducts its business is preventing full debate from taking place.

Even if the Assembly gets its part 4 powers, it will still be a subordinate legislature. People are entitled to some reassurance that the Assembly will conduct its scrutiny in a manner that the House finds acceptable. I am sure that the Minister will appreciate that there is at least a risk that Standing Orders could be introduced that short-circuit the full consideration of Bills. If that were to happen under part 4, what redress would individuals have if they wanted to challenge the decisions that the Assembly made within its sphere of competence? I should like the Minister to address his remarks to that issue in particular in dealing with amendment No. 192.

Again, amendment No. 193 revisits the use of English and Welsh. That issue was raised in identical terms in part 3, and the only reason why I raise it again is to find out whether the Minister has anything to add to my suggestion on that occasion that the Bill confined the text used to English and Welsh, whereas the Minister mentioned the possibility that one might wish to write part of the text in Latin—for example, to identify medicinal products. The current wording prohibits that, however, and I do not think that that is what the Government intend.

Mr. Llwyd: I rise very briefly to support amendment No. 193, as I did last week in support of a similar amendment. There is no point dwelling on the subject: it is a proper amendment, and I hope that the Government will give due consideration to it.

As for the use of Latin words, I am sure that we could accommodate Latin words in a Welsh text. There were times—for example, in the laws of Hywel Dda—when laws appeared in both Welsh and Latin, to the exclusion of English, of course.

Mr. Grieve: I can claim no expertise in Welsh, but my recollection is that Welsh includes a number of Latin words anyway.

Mr. Llwyd: It probably does—the Welsh were a very scholarly people and would have taken in a few useful words from Latin, as and when necessary. I shall not spin things out—my Latin is not that good—except to say that I fully support amendment No. 193, and I hope that the Government will give a full response to it in due course.

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): May I welcome you to the Chair, Mr. Gale?

The hon. Member for Beaconsfield (Mr. Grieve) is right to say that we rehearsed these arguments last Tuesday. In fact, I wrote to him to clarify some of the points that he wanted clarifying. The purpose of the clause is to ensure that, in emergency circumstances, the Assembly can introduce Bills to address a problem. The hon. Gentleman expresses concerns that perhaps the Standing Orders could be used to truncate the

proper scrutiny of the legislation. I am sympathetic to the view that Assembly Acts must receive proper scrutiny, but clause 110(2) will not circumvent that. Instead, it recognises that there may be circumstances in which the Assembly's standard scrutiny procedures may not be appropriate, because the Bill under consideration requires urgent attention.

The important thing is that the Assembly should be able, as the House is, to introduce legislation to address a particularly urgent problem. In my letter to the hon. Gentleman, I referred to the fact that the House had to pass a new Act to delay the local government elections in England because of practical problems that related to foot and mouth disease. That is a good example. I assure him that I am absolutely certain that the Standing Orders will ensure proper scrutiny, although it may well be truncated in order to pass emergency legislation, as happens in the House.

On amendment No. 193, both the hon. Member for Beaconsfield and the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) make interesting points, but I assure them that the wording will not prevent an Assembly Act from including words in languages other than English and Welsh if their use proves necessary.

Bearing in mind that we had a good debate on the issue when we were considering part 3 and following my letter, I urge the hon. Gentleman to withdraw the amendment.

Mr. Grieve: I am most grateful to the Minister for his response. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 110 ordered to stand part of the Bill.

Clauses 111 and 112 ordered to stand part of the Bill.

Clause 113

POWER TO INTERVENE IN CERTAIN CASES

Mr. Llwyd: I beg to move amendment No. 45, page 61, line 38, leave out paragraph (a).

The Temporary Chairman: With this it will be convenient to discuss the following amendments: No. 148, page 61, line 41, leave out paragraph (b).

No. 46, page 61, line 43, leave out paragraph (c).

Mr. Llwyd: We had a full if not lengthy debate on these issues last week. In my view, clause 113 gives the Secretary of State almost carte blanche to prevent Assembly Bills from going forward if he is so minded to do. In the debate last week, we considered in detail the provisions in subsection (1)(a), which are very broad. It says that a Bill could be stopped by the Secretary of State if it

"would have an adverse effect on any matter which is not listed under any of the headings in Part 1 of Schedule 7 (or falls within any of the exceptions specified in that Part of that Schedule)".

Paragraph (c) is also very broad and says that a Bill could be stopped if it

"would have an adverse effect on the operation of the law as it applies in England".

I took even greater exception, however, to paragraph (b), which refers to water resources. In the debate last week, I took an intervention from the hon. Member for Chesham and Amersham (Mrs. Gillan) and we discussed the issue. I continue to be of the view that what I said about water resources is legally correct. I was hoping that I would be proved wrong by letter or by advice, but I am afraid that I am right and that, in future, if the National Assembly decided as a matter of policy that it would not sanction the creation of any further dams for water resource purposes, that Bill could be overridden by Parliament.

Nick Ainger *indicated dissent.*

Mr. Llwyd: The Minister shakes his head, but one of us is right. I am not saying that I must be right but if I am wrong, prove me wrong. He need not do that tonight; he can do so between now and Report. I will gladly accept an explanation and I will fully and humbly apologise if I am wrong. However, I think that I am right, so we need to get the matter clear. The clause could be far reaching and damaging. Members from throughout the Assembly have said that it does not treat them in an adult manner and used other quite flowery language. They, like us, are owed a full explanation so perhaps the Minister will take advice from parliamentary counsel. If I am wrong, I will gladly admit it.

I will not delay the Committee any further, because we had a debate last week and even had a Division on the issue. I would be grateful if the Minister could respond in due course, if not necessarily today, in the manner that I have requested.

Nick Ainger: The hon. Gentleman is quite right. We debated this issue when we discussed very similar amendments to clause 100. We had a Division, and I remind him that the result was 317 to seven.

The hon. Gentleman raises an important issue. Paragraph 6 of schedule 3 to the Government of Wales Act 1998 is replicated in this clause. It is a direct replication; nothing new is added. In the six years since the Act was enacted, an issue relating to this subject has not arisen. Perhaps we have just been fortunate, but all the provision does is provide a fall-back position.

6.15 pm

Many cities in England are very dependent on water supplies from Wales and it is important to consider what the Bill says. The hon. Gentleman is understandably exercised by this issue and by clause 113(1)(b), which contains the words

"might have a serious impact on water resources in England, water supply in England or the quality of water in England".

If the Assembly introduced a Bill that would prevent further valleys from being flooded to supply water to England, we would have to consider whether it would seriously affect the water supplies and the quality of them in England. That is the point that I made last Tuesday, and I reiterate it.

I will, however, seek further advice, because I recognise that the issue has caused some consternation. I will also double-check. The first check shows that when we debated schedule 3 to the Government of Wales Bill in 1998, there was no debate on this issue either in this

[Nick Ainger]

place or in the other place. However, before report, I will be able to let the hon. Gentleman know what I subsequently discover. With that reassurance, I hope that he will withdraw the amendment.

Mr. Llwyd: I am grateful for that reassurance and for the manner in which the Minister has responded. I am pleased to beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 113 ordered to stand part of the Bill.

Clause 114 ordered to stand part of the Bill.

Clause 115

Welsh Seal and Letters Patent

Question proposed, That the clause stand part of the Bill.

Mrs. Gillan: This clause is about the Welsh Seal and the Letters Patent and I did not want it to pass by completely unnoticed. When I saw that it was in the Bill, I was absolutely fascinated and wanted to do a little research so that I could ask the Minister a couple of questions.

The Great Seal of the Realm, the chief seal of the Crown, is used to show the monarch's approval of important state documents. In today's constitutional monarchy, the sovereign still acts on the advice of the Government of the day, but the seal remains an important symbol of the sovereign's role as Head of State and goes back, I believe, to the 11th century.

The seal meant that the monarch did not have to sign every official document in person and authorisation could be carried out instead by an appointed officer. I can find reference to the separate seals that exist for Scotland—the Great Seal of Scotland—and for Northern Ireland, but I found little if any reference to a Welsh seal. My first question for the Minister therefore is whether this is the first Welsh seal ever. If so, is it not right and proper to mark its arrival in the Bill and eventually in statute by holding a short debate?

Her Royal Highness Her Majesty the Queen has had to have two seals in the time that she has been on the throne. The Great Seal of the Realm—the monarch's stamp of approval—has worn out because it has been used approximately 5,000 times since 1953. In 2001, Her Majesty had to have a new seal commissioned.

If this is the first Welsh seal, it is an historic moment. However, my second question is about how it will be used. The Great Seal matrix is obviously used to cover a wide range of documents requiring royal approval, including Letters Patent and royal proclamations, commissions and some writs. Can the Minister therefore tell us whether the Welsh seal will be used in relation to the writs for the election of Members to this place? The seal is also used for documents that give power to sign and ratify treaties. At the moment, about 100 documents a year pass under the Great Seal. Will the Minister tell us how it is envisaged that the Welsh seal will be used and the documents for which it will be used?

Interestingly enough, when the sealing occurs in the other place in the office of the Clerk of the Crown in Chancery, the seals are colour coded. Dark green seals are affixed to letters patent that elevate individuals to the peerage. Blue seals are used for documents relating to close members of the royal family and the scarlet-red seal is used for the appointment of bishops and most other patents. As part of a run around the field of the history of our great countries and in view—hopefully—of a big mark in the history of Wales, will the Minister tell us how he envisages the Welsh seal and how it will be used?

Nick Ainger: That was an interesting little speech. May I congratulate the hon. Member for Chesham and Amersham (Mrs. Gillan), or perhaps her researcher—

Mrs. Gillan: No, it was me.

Nick Ainger: I congratulate the hon. Lady on her work. I do not think that I will be able to answer all her questions, but I will certainly write to her if there are any omissions.

Mrs. Gillan: I will be grateful if the Minister will write to me, but it would be nice to have his comments on record in *Hansard*. Will he thus answer me by way of written statement?

Nick Ainger: I will certainly consider that.

The hon. Lady asks whether the seal will be the first Welsh seal. We think that it will be, but I will check and let her and the rest of the Committee know. Let me set out the position. As the Bill stands, the Welsh seal will be relevant only if we enact part 4 following a successful referendum to give the Assembly the power to enact Acts. The seal is relevant in the context of Royal Assent because clause 114(4) provides that Royal Assent is given only when letters patent under the Welsh seal are signed with Her Majesty's own hand to signify her assent to a Bill.

I do not know the answers to the hon. Lady's questions about treaties and Members of Parliament, but I will write to her.

Mr. Grieve: I think that the Minister is likely to find that there were previous Welsh seals. Llewellyn the Great undoubtedly had a seal to evidence his Acts.

Nick Ainger: My research will reveal what the situation is.

Hywel Williams: May I draw the attention of the Committee to the fact that Owain Glyndwr had a seal, which was appended to the Pennal letter—Llythyr Pennal—that was sent to the King of France?

Adam Price: A French letter.

Nick Ainger: We will not go down that route.

David T.C. Davies: I must remind the hon. Member for Caernarfon (Hywel Williams) that Owain Glyndwr, of whom I am a distant descendant, did not control the whole of Wales and was quite unpopular in large parts

of Monmouthshire, which he ravaged. In fact, Newport was so badly damaged that there was a great debate about whether it should even be rebuilt after Owain Glyndwr had finished his depredations.

Nick Ainger: I will not respond to the hon. Gentleman because we need to make progress.

I shall write to the hon. Member for Chesham and Amersham. She raised interesting points and I am sure that all hon. Members will be enlightened when they read the responses.

Question put and agreed to.

Clause 115 ordered to stand part of the Bill.

Clause 1

THE ASSEMBLY

Jenny Willott (Cardiff, Central) (LD): I beg to move amendment No. 67, in page 1, line 7, leave out subsection (2) and insert—

'(1A) The Senedd is to consist of eighty members elected through the single transferable vote from multi-member constituencies.'.

The Temporary Chairman: With this it will be convenient to discuss the following: Amendment No. 1, in page 1, leave out lines 8 and 9.

Amendment No. 2, in page 1, line 17, at end insert—

'(3A) The system of election shall be a single transferable vote system under which—

(a) a vote is capable of being given so as to indicate the voter's order of preference for the candidates, and

(b) a vote is capable of being transferred to the next choice—

(i) when the vote is not required to give a prior choice the necessary quota of votes, or

(ii) when, owing to the deficiency in the number of votes given for a prior choice, that choice is eliminated from the list of candidates.'.

Amendment No. 3, in clause 2, page 2, leave out line 2.

Amendment No. 4, in page 2, line 7, leave out 'four' and insert 'sixteen'.

Amendment No. 71, in clause 6, page 4, line 6, leave out 'two votes' and insert

'one vote which will be cast preferentially'.

Amendment No. 72, in page 4, line 7, leave out subsections (2) to (6).

Amendment No. 73, in clause 12, page 8, line 16, leave out paragraph (a).

Amendment No. 7, in clause 13, page 8, line 26, at end insert

'and

(d) the number of Assembly constituencies.'.

New clause 7—*Senedd constituencies*—

'(1) The Senedd constituencies shall each be formed from more than one parliamentary constituency in Wales.

(2) Each Senedd constituency shall be comprised of no more than one-tenth and no less than one twenty-fifth of the eligible electorate of Wales.

(3) The Boundary Commission for Wales shall periodically recommend Senedd constituencies.'.

New clause 8—*Elections and franchise*—

'(1) This section applies to elections of members of the Assembly, including by-elections.

(2) Each vote in the poll at an election shall be a single transferable vote.

(3) A single transferable vote is a vote—

(a) capable of being given so as to indicate the voter's order of preference for the candidates for election as members for the constituency; and

(b) capable of being transferred to the next choice when the vote is not needed to give prior choice the necessary quota of votes or when a prior choice is eliminated from the list of candidates because of a deficiency in the number of votes given for him.'.

New clause 12—*Elections and franchise*—

'(1) This section applies to elections of members of the Assembly, including by-elections.

(2) Each vote in the poll at an election shall be a single transferable vote.

(3) For the purposes of subsection (2), a single transferable vote is a vote—

(a) capable of being given so as to indicate the voter's order of preference for the candidates for election as members for the constituency; and

(b) capable of being transferred to the next choice when—

(i) the vote is not needed to give a prior choice the necessary quota of votes, or

(ii) when a prior choice is eliminated from the list of candidates because of a deficiency in the number of votes given for him.'.

Jenny Willott: There are two points behind our amendments in the group, both of which are crucial to the future capacity and legitimacy of the Welsh Assembly. The first refers to the fundamental point of how big we want the Assembly to be. The Government seem deeply opposed to increasing the size of the institution. Our primary concern is the quality of the scrutiny to which legislation in the Assembly will be subjected. One does not have to be Carol Vorderman to work out the maths. If a party with 30 Members forms the Government of a 60-Member Assembly, and thus appoints 12 Ministers and deputy Ministers along with a presiding officer, it is left with 17 Members to make up a majority on all the Committees. If one accepts that no Committee can be properly run with fewer than eight Members, one is left with a maximum of four Committees. However one does the sums, one is left with an unsatisfactory answer.

David T.C. Davies: Does the hon. Lady also agree that one does not have to be Carol Vorderman to work out that if the Assembly sits only two afternoons a week, there is plenty more time in which it could sit and absolutely no reason why we should pay for an extra 20 politicians?

Jenny Willott: The hon. Gentleman will appreciate that I am referring to Committees rather than the sittings of the Assembly as a whole—the two are very different.

Numerous voices, including the Richard commission, have warned the Government that if extra powers are given to the Assembly, it will need to expand. The vision laid out by the Richard commission two years ago was

[Jenny Willott]

an 80-Member Assembly with primary powers. The Welsh Liberal Democrats endorse that vision, but it is being short-changed by the Bill.

A further aspect of the Richard model was the voting system. The Government's proposals on the Assembly's electoral system have rightly attracted much controversy, as we have heard today, because they have abjectly failed to come up with any evidence to support their move to ban dual candidacy. However, we must see the dual candidacy debate for what it is: a major row about a minor point. By focusing so intently on it, we are guilty of missing the wider wrong.

There is wide consensus on both sides of the House that problems due to low voter turnout and the public's engagement with mainstream politics exist throughout the country. Much of that is dismissively attributed to voter apathy, but my experience shows that the public are not apathetic at all. Although I do not wish to rehash arguments that have already been heard today, many people are fundamentally disillusioned with a voting system that does not represent their will. Banning dual candidacy will do nothing to improve that situation, but introducing single transferable voting would. Even as a Lib Dem, I cannot believe that the first amendment that I am moving in the Chamber is on STV, but I am sure that my colleagues are very proud of me.

STV is an inclusive and fair system. By failing to adopt it, the Government are missing a huge opportunity to put Wales in the vanguard of electoral reform. The Secretary of State would give the public a system that ensured that they got what they voted for if he was truly worried about the "disincentives" that he says that voters face and the

"integrity of the electoral system in the eyes of the public".—[*Official Report*, 15 June 2005; Vol. 435, c. 264.]

That system is STV.

Mr. Paul Murphy: I had not intended to speak to the group of amendments, but given the views of the Liberal Democrats on amendment No. 110, which was moved by my hon. Friend the Member for Wrexham (Ian Lucas), I am rather puzzled by their position on the group. Amendment No. 110 was quite modest in comparison because it referred to consultation with the people of Wales on whether the electoral system should be changed. The hon. Member for Montgomeryshire (Lembit Öpik) more or less dismissed the amendment by going on about the number of people who voted for the Government at the general election. However, I now assume that the Liberal Democrats and those who support the amendments in the group believe that the present system of top-ups is flawed and discredited. It is fair enough if that is their view, but it seems to contradict what was set out to the Committee half an hour ago. I find that difficult to understand.

We could spend hours and hours debating whether single transferable voting is a good or bad system. The question is: has there been sufficient consultation of the people of Wales about whether this is the appropriate system to replace the system with which the hon. Member for Cardiff, Central (Jenny Willott) now says she does not agree?

In a previous debate, the hon. Member for Chesham and Amersham (Mrs. Gillan) implied that we were not allowed to change our minds—but the whole purpose of the Bill is to change the system on the basis of the experience of the past seven or eight years. Hers is a flawed and preposterous argument, and if it is used further in this debate, it should be knocked down with the ferocity that it deserves.

The amendment would not allow anyone in Wales to be properly consulted about whether we should have the single transferable vote. I am not arguing about the STV system itself, but about whether there should be a proper consultation on it. It has been argued that Lord Richard's committee was one, but that was not about the electoral system alone; it was about a whole host of systems. My hon. Friend the Member for Wrexham (Ian Lucas) and I argued that there should be a specific consultation among the Welsh people about the way in which we elect our Assembly.

6.30 pm

Lembit Öpik: Perhaps the right hon. Gentleman can explain his transformation on the road to Damascus on the subject of consultation. His party's Government have displayed an utter and abject failure to consult on some profoundly important issues, stretching from—as one can predict—nuclear power, to reforms in the police service. Why does the right hon. Gentleman choose to defend this one constitutional issue as an appropriate one for wide consultation, when this Government repeatedly force their will on the Welsh people on a minority of the vote?

Mr. Murphy: Because we are now debating the Government of Wales Bill; that is why we are considering this particular subject. The hon. Gentleman has been involved in Welsh politics for some years, so he will understand that these issues need to be resolved in the light of experience.

The Richard report was one way of looking at the matter, and should be taken as part of the consultation process. Others argue that an electoral commission could give us some idea of where we should go. I say that ultimately, the people of Wales should be consulted in a referendum—on the major change in the electoral system, not on dual candidacy. A change from the present system, which I agree is partly flawed, to a completely new STV system strikes me as a proper candidate for a referendum, when—or rather, if—we eventually reach the stage of changing the law-making powers of the Assembly.

To change the method of voting completely would be such a fundamental change in the way in which the Assembly works that it deserves a referendum at some later date. Before that, however, there should be a proper consultation of the people. The Liberal Democrat amendment would change the voting system fundamentally without asking the people of Wales.

Several hon. Members *rose—*

Hywel Williams: First, I am reluctant to intrude—

The Second Deputy Chairman of Ways and Means (Sir Michael Lord): Order. There seems to be some misunderstanding. Is the right hon. Member for Torfaen (Mr. Murphy) going to continue his speech?

Mr. Murphy *indicated assent.*

Mr. Roger Williams: Thank you, Sir Michael. We misunderstood the right hon. Gentleman's intentions and thought he had finished, so I apologise to him.

It seems strange to me that the right hon. Gentleman insists on a referendum in Wales and a consultation on STV for the Assembly, yet his Government introduced the same sort of proportional system for the election of Members of the European Parliament without any such consultation.

Mr. Murphy: I did not like that either—but that is another issue. I respect the hon. Member for Brecon and Radnorshire (Mr. Williams); he is a good Member for his constituency, and is rooted in Welsh politics, so he will understand that this is such a fundamental change that people should be given the opportunity to debate it properly. As I said earlier, the Richard commission touched on the matter, referred to it and made recommendations, but as part of a wider range. This issue is so fundamentally different that we ought to have proper consultation on it. Then, perhaps if we have a referendum on law-making powers, it should be combined with a referendum on how we change the electoral system.

There was one thing that I found interesting in the speech by the hon. Member for Chesham and Amersham—and presumably it will be echoed in later speeches. Labour Members were derided when we said that we had some doubts about the present top-up system. The system now suggested would completely replace that, and I assume that the Liberal Democrats and others who support the amendment do so, as a matter of policy, because the system that it would introduce is better than the top-up system from their point of view—not from the point of view of electoral advantage, but because they believe that it is right. However, the amendment is wrong, because it does not give the people of Wales the opportunity to be consulted and to vote on such a fundamental change.

Hywel Williams: I hesitate to intervene in this private spat between the Labour party and the Liberal Democrats, but we too have tabled amendments supporting an STV system with five regions and 16 Members for each region. The virtues of the STV system are obvious to us, and I hope to other hon. Members too, so I need not rehearse them; they have certainly been debated here many times.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Can the hon. Gentleman point to one single benefit of STV, given that it is so damaging to any constituency link between Member and voter?

Hywel Williams: The system proposed in our amendment would retain a regional element, in that there would be 16 Members for each of the European regions. I accept that that is a large number, but STV has been successfully operated in other countries. We only have to look across the water to Ireland to see that.

I finish simply by saying that in future, I hope to see consistent support on the Labour Benches for consulting the people of Wales on all sorts of other matters. I would like to see that happen.

David Mundell: The last time I stood up to oppose the introduction of a system of single transferable votes, it was for local government elections in Scotland. Sadly, the Labour Members of the Scottish Parliament voted that system through, despite the fact that it had no clear mandate or support from the people of Scotland.

I confess to the right hon. Member for Torfaen (Mr. Murphy) that I have not been to Splott market, but I have been to other markets and similar places, and I have never heard anybody there talking about the merits of the single transferable vote. It was recommended by the Jenkins commission, which the Prime Minister set up—a very long time ago now, it seems—and it is a particularly opaque system of representation and election. It takes two days to count the votes in such an election, and the two days that I spent witnessing such a count in Northern Ireland did not endear the system to me.

I do not think that the people of Scotland, who now face local government elections under such a system in 15 months' time, are yet ready to determine how they should allocate their seventh, 11th or 15th preference, or how that process can ultimately elect the person who they want to represent them. As has already been said in interventions, that system also breaks the important link between constituent and elected Member.

At least this debate is honest, as was the debate on amendment No. 103, because we need a debate about electoral systems, and about which system can command the support of the people of Wales, rather than having a false debate on changes that, as we shall see when we discuss the amendments to clause 7, would simply be gerrymandering the existing system.

Yes, one can argue against the additional Member system. One can also argue against first past the post, and for and against the single transferable vote. We do not support the amendments on the single transferable vote, but those are legitimate debates. We cannot justify the introduction of measures that would create an election system that exists hardly anywhere else in the world. Accepting the criticisms that the right hon. Member for Torfaen made of the Electoral Commission and academics, we cannot justify the introduction of an electoral system that falls outwith international democratic norms. There is an important debate to be held on amendments to clause 7, and I do not wish to delay the House any further, other than to reaffirm the fact that we do not support the amendments in this group.

Mr. Hain: First, may I congratulate the hon. Member for Cardiff, Central (Jenny Willott) on the way in which she moved her very first amendment in the House? I wonder whether she may change her mind, however, and decide to back our proposal when she replies, given that she backed the last Liberal leader one day and called for his removal the next.

Jenny Willott: I would like to put on the record the fact that the incident to which the right hon. Gentleman referred was reported in the newspaper as a mistake on its part.

Mr. Hain: In that case, I grovellingly withdraw my outrageous accusation.

I very much agree with the excellent contribution by my right hon. Friend the Member for Torfaen (Mr. Murphy) on the principle of the change advocated

[Mr. Hain]

in the amendments to a single transferable vote system, which would fundamentally break the link between elected Members and constituencies of a manageable size. Equally powerful was his point that there has been absolutely no consultation on the change, which would simply parachute an entirely new system on to the people of Wales without any debate or serious consultation.

Amendment No. 67, which was moved by the hon. Member for Cardiff, Central on behalf of the Liberal Democrats, would provide for 80 Assembly Members for Wales, rather than 60 as at present. The main argument for the increase is the extra work load that will accompany the Assembly's additional powers. However, as the hon. Lady and the House know, the Assembly meets in plenary session only two days a week. Indeed, it meets only on two afternoons a week, between 2 pm and 5.30 pm on Tuesday and Wednesdays, and for rather fewer weeks in the calendar year than the House. Indeed, the Presiding Officer, Lord Elis-Thomas, has suggested that the Assembly's timetable could easily be based on a much longer working year, rather than the 33 weeks that appear to be current practice. He suggested that the Assembly sit on Monday afternoons and Thursday mornings as well as Tuesdays and Wednesdays. Indeed, he was admirably frank in an interview published on Boxing day in the *Daily Post*:

"I agree with the Secretary of State, we all have to work harder here. There should be three to four days of proper scrutiny . . . we should sit for at least 40 weeks a year . . . we finished for Christmas at least a fortnight before Parliament".

He is therefore making a powerful case for dealing with the problem of the extra work load and the scrutiny responsibilities that will fall on the Assembly after May 2007. That work load will be even greater after primary powers are implemented, if a successful referendum is called in the next decade or thereafter. I agree with Lord Elis-Thomas. The existing 60 Members are perfectly well-placed to perform their functions both effectively and well in the interests of Wales, so there is no need for further elected politicians.

Hywel Williams: Is the Secretary of State confident that there will be sufficient Members to staff the Committees, given that many Government Members will be tied up in duties as Ministers or Deputy Ministers?

Mr. Hain: The Bill provides for a dozen Ministers—a combination of full Ministers and Deputy Ministers—which leaves, according to my arithmetic, 48 Members to staff Committees. If the Assembly sat from Monday afternoon until Tuesday afternoon, it would be perfectly possible for them to perform such a role.

6.45 pm

Mr. Llwyd: The right hon. Gentleman may recall the Cardiff conference at which these matters were discussed. I put a question to him from the floor, and asked whether there would be a trigger in the Bill to increase membership if and when it was necessary. He said that there would be, but clearly there is not one now. However, what if he is wrong, and the Assembly cannot cater for additional scrutiny and legislation as it lacks the capacity to undertake such work? Would we have to return to the House and find parliamentary time to increase the membership?

Mr. Hain: The hon. Gentleman is right—that would be the case. For the reasons that I explained at the conference, I looked at the option of including a provision in the Bill to increase the number of Assembly Members, perhaps by increasing the number of list Members, as it is difficult to do so in any other way under the existing additional Member system. However, that would alter the balance between list and constituency Members, with constitutional and political consequences, so I did not think that it was right to proceed with such a provision. Primary legislation would therefore be needed. If that were the case, we would need comprehensively to rethink the electoral system in a way that is neither possible nor desirable in the Bill. That leads us back to the amendment tabled by my hon. Friend the Member for Wrexham (Ian Lucas), my right hon. Friend the Member for Torfaen and other Labour Back Benchers.

David T.C. Davies: The right hon. Gentleman said that a radical rethink of the electoral system would be required if the number of Members increased from 60 to 80, but does he not accept that Labour would almost certainly lose its built-in majority because, if the additional Assembly Members were elected under the current system, the overwhelming majority would not be Labour party members?

Mr. Hain: That is not certain at all. In fact, if there was an expansion of the list system it is quite possible that many more Labour Members would be elected, as we do not have any list Members at present. In the 1999 elections, one was returned from Mid and West Wales, but that was the exception. The political effect is not obvious, but there would be one.

Mr. Alex Salmond (Banff and Buchan) (SNP): Will the right hon. Gentleman give way?

Mr. Hain: No, I should like to make progress in dealing with matters raised by hon. Members who have been present throughout our proceedings.

Amendment No. 67 and related amendments propose that the Assembly's electoral system should be changed, and that the single transferable vote system should be introduced. The Plaid Cymru amendment proposes that the 80 Assembly Members should be elected from the five regional constituencies which were formerly used for the election of MEPs and which would be created from the existing electoral regions. Each constituency would return 16 Members. That is a fundamental change, and it would mean that Assembly Members would serve gigantic constituencies, both geographically and in terms of the number of electors. It would damage severely the important link between constituency Assembly Members and the people they serve. The Mid and West Wales constituency, for example, would stretch from Harlech to Welshpool and from Fishguard to Crickhowell, and would thus be an enormous area to try to represent. The North Wales constituency would extend from Holyhead to Wrexham, and South Wales West from Gower to

Bridgend, and so on. Two of the constituencies would have almost 0.5 million electors, and even the smallest would have nearly 400,000.

Mr. Llwyd: Under the status quo, the North Wales is exactly as the right hon. Gentleman describes. At the first Assembly election, Simon Thomas, who represented Ceredigion in the House, served as a list Member for an area extending from Eglwysbach in the Conwy valley in the north of my constituency, five minutes from Llandudno, all the way down to Fishguard. Things were far worse than they would be under our proposal.

Mr. Hain: That takes us to list Members as opposed to constituency Members, who represent constituencies of a manageable size. If the people who elect constituency Members do not like them, they can get rid of them. The problem with the STV system is that it is difficult to get rid of a particular Member whom the electorate think is underperforming or with whom they disagree politically. The STV system breaks the fundamental principle at the heart of our parliamentary system—the link between the elected Member and their *constituency—which* still forms the base for our devolved legislatures.

If we compare our experience in the United Kingdom with that across the rest of the European Union, it is interesting to consider the close links between Members and constituencies in the UK. Those links increase democratic accountability between hon. Members and Members of the devolved legislatures and their electorates, which is a point that does not apply in vast multi-Member constituencies and still less in list systems.

Lembit Öpik: Is the Secretary of State speaking in a personal capacity or on behalf of the Government in opposing the system that was used to elect our Members of the European Parliament?

Mr. Hain: Changing how we elect our Members of the European Parliament has not been a happy experience. From my vantage point in Welsh Labour, although I guess that this is generally true, I have noticed that individual Members of the European Parliament used to have a relationship with their constituency. They were able to attend civic functions and party meetings, which led to the constant injection of European issues into the wider political culture. Since that relationship was broken, accountability has not been the same. In retrospect, whatever the advantages of that change—it was introduced to try to obtain fairer representation—it served to break the link between MEPs and local electors.

Lembit Öpik: The point is important in terms of understanding the Government's position: is the Secretary of State saying that the Government regret changing to large constituencies?

Mr. Hain: I have not said that. In Wales—I am not aware of a difference elsewhere in the United Kingdom—the relatively organic relationship between individual MEPs and the electorate has been broken, and I have noticed a decline in interest in European issues and in the quality of debate.

The practical consequences of the amendment would seriously affect voters. The ballot paper would contain 16 candidates and four parties for each regional constituency, and it would be even bigger with 80 Members—if it were to include party logos, I do not know how big it would be.

The alternative proposition—the creation of multi-Member constituencies containing between 90,000 and 220,000 electors—reminds me of Liberal Democrat proposals on STV in the 1980s. Those proposals would have created lots of constituencies in urban areas, making it easier for Liberal Democrats to get elected in Labour-controlled areas, but a smaller number of constituencies in rural areas, where it would have been more difficult for Labour Members to get elected. In our democratic system, constituencies are of a relatively manageable size, and if the electorate do not like an individual Member, they boot them out, which is an important feature to retain.

Amendment No. 7 would confer on the Secretary of State the power by order to change the number of Assembly constituencies. It would not be sensible to give the Secretary of State such an unfettered power, which would have serious democratic consequences.

For those reasons, the Government are not willing to accept the amendment. We propose to retain the existing electoral system, which we will improve. After improvement, the system will still have imperfections, but it will have far fewer imperfections than the fundamentally flawed STV system.

Jenny Willott: I am not satisfied by the Secretary of State's response. For the Liberal Democrats, this is a matter of principle. We think it important that people get what they vote for, which is why I have no alternative but to divide the Committee.

Question put, That the amendment be made:—

The Committee divided: Ayes 46, Noes 428.

Division No. 145] **[6.56 pm**

AYES

Barrett, John	Llwyd, Mr. Elfyn
Beith, rh Mr. Alan	Öpik, Lembit
Breed, Mr. Colin	Price, Adam
Brooke, Annette	Pugh, Dr. John
Browne, Mr. Jeremy	Robertson, Angus
Bruce, Malcolm	Rogerson, Mr. Dan
Burstow, Mr. Paul	Rowen, Paul
Cable, Dr. Vincent	Russell, Bob
Clegg, Mr. Nick	Salmond, Mr. Alex
Featherstone, Lynne	Sanders, Mr. Adrian
Foster, Mr. Don	Smith, Sir Robert
Gidley, Sandra	Taylor, Matthew
Hancock, Mr. Mike	Taylor, Dr. Richard
Harris, Dr. Evan	Teather, Sarah
Harvey, Nick	Thurso, John
Hemming, John	Weir, Mr. Mike
Horwood, Martin	Williams, Hywel
Howarth, David	Williams, Mark
Huhne, Chris	Williams, Stephen
Hunter, Mark	Willis, Mr. Phil
Keetch, Mr. Paul	Willott, Jenny
Kramer, Susan	
Lamb, Norman	**Tellers for the Ayes:**
Laws, Mr. David	**Mr. Roger Williams and**
Leech, Mr. John	**Lorely Burt**

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Ainsworth, Mr. Peter
Allen, Mr. Graham
Amess, Mr. David
Anderson, Mr. David
Anderson, Janet
Arbuthnot, rh Mr. James
Armstrong, rh Hilary
Atkins, Charlotte
Atkinson, Mr. Peter
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Baldry, Tony
Balls, Ed
Barker, Gregory
Barlow, Ms Celia
Baron, Mr. John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bellingham, Mr. Henry
Benn, rh Hilary
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Berry, Roger
Betts, Mr. Clive
Binley, Mr. Brian
Blackman, Liz
Blears, rh Hazel
Blizzard, Mr. Bob
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bradshaw, Mr. Ben
Brazier, Mr. Julian
Brennan, Kevin
Brokenshire, James
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Browning, Angela
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Burns, Mr. Simon
Burrowes, Mr. David
Butler, Ms Dawn
Butterfill, Sir John
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cameron, rh Mr. David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Carswell, Mr. Douglas
Cash, Mr. William
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Chope, Mr. Christopher
Clapham, Mr. Michael
Clappison, Mr. James
Clark, Greg
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clifton-Brown, Mr. Geoffrey
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Conway, Derek
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cormack, Sir Patrick
Cousins, Jim
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curry, rh Mr. David
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Djanogly, Mr. Jonathan
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dorries, Mrs. Nadine
Dowd, Jim
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ellwood, Mr. Tobias
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farrelly, Paul
Field, Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Fiello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Forth, rh Mr. Eric
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Francois, Mr. Mark
Fraser, Mr. Christopher
Gapes, Mike
Garnier, Mr. Edward
Gauke, Mr. David
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hammond, Mr. Philip
Hammond, Stephen
Harman, rh Ms Harriet
Harper, Mr. Mark
Havard, Mr. Dai
Hayes, Mr. John
Heald, Mr. Oliver
Healey, John
Heathcoat-Amory, rh Mr. David
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hendry, Charles
Heppell, Mr. John
Herbert, Nick
Hesford, Stephen
Heyes, David
Hoban, Mr. Mark
Hodgson, Mrs. Sharon
Hollobone, Mr. Philip
Holloway, Mr. Adam
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, rh Mr. George
Howarth, Mr. Gerald
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Iranca-Davies, Huw
Jackson, Glenda
Jackson, Mr. Stewart
James, Mrs. Siân C.
Jenkin, Mr. Bernard
Jenkins, Mr. Brian
Johnson, Mr. Boris
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Kidney, Mr. David
Killoyle, Mr. Peter
Kirkbride, Miss Julie
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lait, Mrs. Jacqui
Lammy, Mr. David
Lancaster, Mr. Mark
Laxton, Mr. Bob
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Lloyd, Tony
Loughton, Tim
Love, Mr. Andrew
Lucas, Ian
Luff, Peter
Mackay, rh Mr. Andrew
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Main, Anne
Malik, Mr. Shahid
Malins, Mr. Humfrey
Mallaber, Judy
Mann, John
Maples, Mr. John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
May, rh Mrs. Theresa
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McCrea, Dr. William
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McLoughlin, rh Mr. Patrick
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Miller, Mrs. Maria
Milton, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Moss, Mr. Malcolm
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Mundell, David
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Murrison, Dr. Andrew
Naysmith, Dr. Doug
Newmark, Mr. Brooks

Norris, Dan
O'Brien, Mr. Mike
O'Brien, Mr. Stephen
O'Hara, Mr. Edward
Oliver, Mr. Bill
Osborne, Mr. George
Owen, Albert
Paice, Mr. James
Palmer, Dr. Nick
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prisk, Mr. Mark
Pritchard, Mark
Prosser, Gwyn
Purchase, Mr. Ken
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Redwood, rh Mr. John
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, John
Robertson, Mr. Laurence
Robinson, Mr. Geoffrey
Robinson, Mr. Peter
Rooney, Mr. Terry
Rosindell, Andrew
Ruane, Chris
Ruddock, Joan
Ruffley, Mr. David
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shapps, Grant
Shaw, Jonathan
Sheerman, Mr. Barry
Shepherd, Mr. Richard
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Mr. Keith
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Soames, Mr. Nicholas
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Starkey, Dr. Phyllis
Steele, Dr. Howard
Strang, rh Dr. Gavin
Streeter, Mr. Gary
Stringer, Graham
Stuart, Ms Gisela
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Mr. Ian
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Tyrie, Mr. Andrew
Ussher, Kitty
Viggers, Peter
Villiers, Mrs. Theresa
Vis, Dr. Rudi
Walker, Mr. Charles
Wallace, Mr. Ben
Walley, Joan
Waltho, Lynda
Waterson, Mr. Nigel
Watkinson, Angela
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Whittingdale, Mr. John
Wicks, Malcolm
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Wilshire, Mr. David
Wilson, Mr. Rob
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Jeremy
Wright, Dr. Tony
Wyatt, Derek
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Noes:
Mr. Ian Cawsey and Claire Ward

Question accordingly negatived.

Clause 1 ordered to stand part of the Bill.

Clause 2 ordered to stand part of the Bill.

Schedule 1 agreed to.

Clause 3 ordered to stand part of the Bill.

Clause 4

POWER TO VARY DATE OF ORDINARY GENERAL ELECTION

Mrs. Gillan: I beg to move amendment No. 196, page 2, line 35, leave out 'one month' and insert 'three months'.

The Second Deputy Chairman: With this it will be convenient to discuss amendment No. 197, in clause 4, page 2, line 36, leave out 'one month' and insert 'three months'.

Mrs. Gillan: The amendments need not take up the Committee's time. I am sure that the Secretary of State appreciates that they are probing amendments, which cover the powers in the clause to vary the date of the ordinary general election. With the hindsight afforded by the foot and mouth epidemic and perhaps the prospect of an avian flu epidemic, I wanted to ensure that we had built in sufficient flexibility in terms of altering the date and that we were not creating another Procrustean bed on which to tie ourselves in knots. Boxing ourselves into a corner on timing is inappropriate, not least because I would envisage some changes in a state of emergency or circumstances in which the movement of people was undesirable.

I should be grateful if the Secretary of State responded in the spirit of the way in which I tabled the amendments, gave us further and better particulars of what would happen if some unforeseen outbreak occurred and explained whether we had the desired flexibility.

Mr. Hain: I greatly appreciate the way in which the hon. Lady moved the amendment. She made some important points.

Clause 4 enables the Secretary of State to change the date of an ordinary general election. However, it must be considered as a reserve power that would come into play only when it was necessary to deal with short-term emergencies, such as foot and mouth disease.

I am concerned that extending the variants to three months either side of the first Thursday in May would give too great a margin of discretion. It could arouse suspicion that a Secretary of State was seeking to move an election date in a way that was politically advantageous to the Government.

The current provision is carried forward from the Government of Wales Act 1998, so the Bill simply re-enacts it. It would cover, for example, circumstances in which the nation was thrown into mourning close to the election date. A more prolonged crisis, which raised the question of whether the election should be postponed, would, and should, be a case for emergency legislation. I do not believe that a power for the Secretary of State to vary an election date by three months should sit on the statute book, because people could claim that it would be used for nefarious purposes, perhaps by a Secretary of State, who, unlike me, was unscrupulous.

I ask the hon. Lady to withdraw the amendment.

Mrs. Gillan: The Secretary of State has considered his response to the amendments, which I shall withdraw. However, perhaps he would undertake to examine the

[Mrs. Gillan]

drafting of the clause and ascertain whether anything could be built into it later to cover an emergency so that we did not have to rely on emergency legislation. Circumstances could arise that were purely local to Wales and it would be a shame if the Bill did not include the possibility of extending the time from a month to six weeks in exceptional circumstances.

7.15 pm

Mr. Hain: I shall examine the matter afresh because the hon. Lady has a point. Since we are re-enacting a provision from the 1998 Act, we believed that the current provision was the right way in which to proceed, but I shall have another look at the matter.

Mrs. Gillan: I am most grateful but I hope that the Secretary of State understands that, simply because we are re-enacting a provision, there is no need for me to rubber-stamp it without asking what I believe to be sensible and reasonable questions on behalf of the people of Wales. Given that the right hon. Gentleman has said that he will re-examine the clause, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Hywel Williams: I beg to move amendment No. 8, page 2, line 40, leave out 'seven' and insert 'twenty-one'.

The Second Deputy Chairman: With this it will be convenient to discuss amendment No. 9, in clause 5, page 3, line 34, leave out 'seven' and insert 'twenty-one'.

Hywel Williams: The amendments are probing and they follow representations from Members of the National Assembly. They suggest that the Assembly should meet after 21 rather than seven days purely as a matter of convenience, given the possibility of discussions, for whatever reason, between the time of the election and the meeting of the Assembly. I simply seek the Government's opinion on the relative merits of allowing seven or 21 days for the potential discussions.

Mr. Hain: As the hon. Gentleman said, the amendments would allow three weeks before the Assembly first had to meet either after an ordinary election when the date had been moved by up to a month or after an extraordinary general election. That might be convenient for political parties to consider the implications of the election results, but the public would fail to understand why, if they elected an Assembly, it did not get to work immediately.

Until a new First Minister is elected, the person who was in that post before the election will continue to hold office. The Assembly will have 28 days from the date of the poll in which to nominate a new First Minister and I fail to understand why it would benefit even Assembly Members and political parties for the Assembly not to have to meet for the first three weeks of that period.

The Assembly has to elect a Presiding Officer and a Deputy Presiding Officer at its first meeting. The public might take a poor view of an Assembly that did not manage to achieve what Parliament, the Scottish Parliament and the Assembly itself have achieved after each general election.

The offices of Presiding Officer and Deputy Presiding Officer should stand above politics. It should not take potential candidates long to decide whether to stand and it should not take Assembly Members long to decide, according to Standing Orders and the choice before them, how to vote. I believe that the amendment would bring the Assembly into disrepute and I urge the hon. Gentleman to withdraw it.

Hywel Williams: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Lembit Öpik: I beg to move amendment No. 69, page 3, line 14, leave out from 'the' to end of line 15 and insert

'Senedd has passed a resolution in favour with at least two-thirds of the Assembly Members voting to support it.'.

The Second Deputy Chairman: With this it will be convenient to discuss amendment No. 70, in clause 5, page 3, line 25, leave out 'seats' and insert 'Members' voting'.

Lembit Öpik: I presume that the amendments are uncontentious and that the Government will accept them. The right hon. Member for Torfaen (Mr. Murphy), a former Secretary of State for Wales, and others have made great play of the importance of consultation and ensuring that the maximum number of people are involved in any decision.

It follows, I am sure, that he and others, including the Secretary of State, will be persuaded of the benefits of allowing the decision of the date of an ordinary election to be subject to a resolution by the Assembly, rather than simply being decided by the Secretary of State. I presume that he will also agree that the requirement for a two-thirds majority would provide sufficient security to ensure that such a judgment would not be party political.

Amendment No. 70 would make it slightly easier for an extraordinary election to be called. The resolution would have to be passed by two thirds of the Assembly Members voting, rather than by two thirds of the total Members. We make that recommendation simply because it seems reasonable to ensure that a resolution for an extraordinary election should not be thwarted simply by the non-attendance of those who might not be keen to see it take place. I look forward to hearing the Minister's views on the amendments.

Mr. Hain: Amendment No. 69 would remove the requirement on the Secretary of State to consult Welsh Ministers on changes to the date of an ordinary election, and replace it with a requirement for two thirds of all Assembly Members to vote in favour of such a change. The Secretary of State's power to vary the date of an ordinary election would serve in exceptional circumstances; for example, if the nation were thrown into mourning. In such circumstances, I would expect there to be a national consensus. There would also be a problem with taking the decision in the way in which the hon. Gentleman proposes if the National Assembly were not sitting at the time.

Amendment No. 70 would reduce the trigger for an extraordinary general election to a two-thirds majority of those voting, rather than of all Assembly Members.

The calling of an extraordinary election would be a most serious occurrence. It would mean that no party or coalition had been able to form a viable Government. The Assembly would quickly fall into disrepute if an extraordinary general election could be triggered without being supported by two thirds of all Assembly Members.

If our proposal increases the pressure to reach agreement on a viable Administration, that is exactly the intention. In practice, one would expect all Assembly Members to vote on such a serious issue. However, the Bill as drafted leaves no doubt as to what constitutes a two-thirds majority; it must equate to two thirds or more of all Assembly Members. The amendments would increase uncertainty at critical times in the life of the Assembly, and I therefore urge the hon. Gentleman to withdraw them.

Lembit Öpik: I understand the right hon. Gentleman's disagreement with amendment No. 70. We simply have a difference of view, and, in the light of that, we can hardly negotiate towards an agreement. I was not really persuaded by the Secretary of State's argument on this issue, and we might have to return to it on another occasion.

On amendment No. 69, I really do not see why the Secretary of State, who is admittedly pro-devolution, is nevertheless intent on preserving this privilege to an individual who will almost certainly not sit in the Assembly. I do not see why the Secretary of State thinks that someone who has been appointed by the Prime Minister to serve in a Government in Westminster is best equipped to determine the date of an ordinary election in Wales.

I am disappointed that the Government, and specifically the Secretary of State, take a rather intransigent view on this matter. Every fibre in my body tells me to divide the Committee on it. However, given the excitement that we have had in the past half hour, and the fact that I shall have the opportunity to return to the matter on Report—if I feel provoked to do so—in a couple of weeks, and given that the Secretary of State has made his point and I have made mine and we have agreed to differ for now, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 4 ordered to stand part of the Bill.

Clauses 5 and 6 ordered to stand part of the Bill.

Clause 7

Candidates at General Elections

Mrs. Gillan: I beg to move amendment No. 50, page 4, line 32, leave out subsections (5) and (6) and insert—

'(5) The list must not include a person—

(a) who is included on any other list submitted for the Assembly electoral region or any list submitted for another Assembly electoral region,

(b) who is an individual candidate to be an Assembly member for the Assembly electoral region or another Assembly electoral region,

(c) who is a candidate to be the Assembly member for an Assembly constituency which is not included in the Assembly electoral region, or

(d) who is a candidate to be the Assembly member for an Assembly constituency included in the Assembly electoral region but is not a candidate of the party.

(6) A person may not be an individual candidate to be an Assembly member for the Assembly electoral region if he is—

(a) included on a list submitted by a registered political party for the Assembly electoral region or another Assembly electoral region,

(b) an individual candidate to be an Assembly member for another Assembly electoral region,

(c) a candidate to be the Assembly member for an Assembly constituency which is not included in the Assembly electoral region, or

(d) a candidate of any registered political party to be the Assembly member for an Assembly constituency included in the Assembly electoral region.'.

The Second Deputy Chairman: With this it will be convenient to discuss the following amendments: No. 11, page 4, line 34, at end insert 'or'.

No. 10, page 4, line 36, leave out from second 'region' to end of line 38.

No. 130, page 4, line 37, leave out paragraph (c).

No. 94, page 4, line 42, at end insert 'or'.

No. 95, page 5, line 2, leave out 'or'.

No. 52, page 5, line 3, leave out paragraph (c).

No. 127, in clause 11, page 7, line 43, leave out paragraph (b).

No. 49, in schedule 11, page 161, line 22, leave out paragraphs 4 and 5.

No. 128, in schedule 11, page 162, line 1, leave out paragraph 5.

Mrs. Gillan: We now come to one of the meatier sections of the Bill, as I am sure the Secretary of State appreciates; I see him grinning. It is indicative of the strength of feeling on this side of the House that only one amendment in this group is supported only by Conservative Members, that only one is supported only by Liberal Members, and that only one is supported only by Plaid Cymru Members. The rest are supported jointly by Plaid Cymru and ourselves. That illustrates the strength of feeling about what the Government are attempting to do in clause 7.

When the Labour Government came to power in 1997, there was only one system of voting, which was understood by everyone in the country; first past the post. Now, we have five systems of voting throughout the United Kingdom. We have the first past the post system, also known as the plurality rule, for the Westminster constituencies and local council elections. We have the supplementary vote, which is used in the London mayoral elections and 12 local mayoral elections. The list proportional system—proportional representation—is used for the UK European elections, except in Northern Ireland. The single transferable vote system is used in Northern Ireland for Assembly elections, local elections and European parliamentary elections. Finally, there is the additional-member

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system, which is used for elections to the Scottish Parliament, the National Assembly for Wales and the Greater London Assembly.

Mr. Salmond: The single transferable vote system is also about to be used for the Scottish local elections.

Mrs. Gillan: I am grateful to the hon. Gentleman for reminding me. This just goes to show how many voting systems we have on our small set of islands.

Chris Bryant (Rhondda) (Lab): I hate to add to the hon. Lady's list, but there is yet another example. Single transferable voting is used for the replacement of hereditary peers in the House of Lords.

Mrs. Gillan: These voting systems are really coming out of the woodwork now. It is only when we start to list them all that we realise exactly the extent of the constitutional vandalism that has been perpetrated by the Labour Government on these islands. If we change the electoral system in the way that is being proposed, yet another system would be added to the list.

Mr. Jim Devine (Livingston) (Lab): The hon. Lady will be aware of Brian Monteith, a member of her party in Scotland, who stood in a constituency and lost, but was elected to the Scottish Parliament via the list system. He was then expelled from her party, yet he still sits as an MSP. Is not that a farce?

Mrs. Gillan: I do not want to pre-empt any debate that we might have on these issues later, but the hon. Gentleman will perhaps have noticed amendment No. 213. Rather than answering questions about my party, I hope to have the opportunity to probe the Secretary of State on how he views such matters if we reach that amendment later. However, I thank the hon. Gentleman for raising the matter, because I shall be interested to hear how he would want to apply the rules to members of his own party.

Mark Tami: Does the hon. Lady acknowledge that we are accepting that, so far as this system is concerned, we have got it wrong, just as her own party seems to be accepting that it has got wrong everything that it ever believed in?

Mrs. Gillan: I do like a man who has learned to say that he is sorry. Obviously, the hon. Gentleman is one of those rare people.

This is a serious group of amendments, on which I have a number of points to make. I shall be listening carefully to what the Secretary of State has to say about them, as will many of my hon. Friends and other hon. Members on this side of the House. We deplore the Labour Government's attempt to rig the electoral system to satisfy Labour Assembly Members, who do not like competition in their own back yard. The Government intend to do this by disqualifying candidates from standing both for a constituency and for the regional party list.

7.30 pm

Significantly, and reinforcing the Labour bias that I allege in the proposal, the Labour-dominated Welsh Affairs Committee, whose report on the Government's White Paper, "Better Governance for Wales", was published in December. I know the Secretary of State goes to bed reading it; divided on party lines on this issue. It is quite evident that it is the Labour party versus the rest.

It is not good enough for the Secretary of State to argue that the proposal was in the Welsh version of the Labour manifesto at the last general election and that he therefore has a mandate. I have a copy of the Welsh Labour manifesto here, and it says Labour will

"end Assembly Members being elected via the backdoor even when they have already been rejected by voters."

I do not agree that such Members are elected by the back door. They are elected by the front door, because they are very much in evidence in the Welsh Assembly and the Scottish Parliament.

The Secretary of State has not bothered even to consult or take the views of some of his colleagues. I want to set the debate in context by referring to the Minister of State, Department for Constitutional Affairs, the right hon. and learned Member for Camberwell and Peckham (Ms Harman), who gave a speech to the Hansard Society on 16 January. I am sure the Secretary of State is familiar with her words. The speech was entitled "A New Deal for Democracy", and the Secretary of State can find it on the speeches section of the Department for Constitutional Affairs website, as it is a published document. Under the heading, "We need to adopt a non-partisan approach", the Minister said:

"Whilst the political parties have a vital role in our democracy, we have to approach change in electoral administration and democratic systems on a non-party basis.

And though I've stood for election seven times as a Labour candidate, it is not difficult for me to get into non-party mode in carrying out these responsibilities in my new department because there's no other way to do this job. You simply can't make progress in addressing electoral issues from a party-political basis.

So I work as closely with parliamentarians from the other parties as I do with those from the Government's back-benches."

Nobody from the Wales Office has worked closely with parliamentarians from other parties. From some of the speeches that have been made during scrutiny of the Bill, I am not even sure whether people from the Department have worked closely with Government Back Benchers, although this is a telling phrase:

"You simply can't make progress in addressing electoral issues from a party-political basis."

And yet, what we have before us is a proposal on an electoral process that is steeped in party-political aims and ambitions.

This change has not been called for by anybody except Labour Members. It has not been called for by the Welsh people, nor was it recommended by the Richard commission. I checked in the Library, because I thought that a flood of papers might have been put there by the Secretary of State, which would amount to the body of evidence of the demands for those changes on which we could draw as a Committee. But after checking again as recently as this morning, I am afraid to say that no body of evidence has been deposited by

anyone from the Wales Office. I can only conclude that this is not a measure that has been demanded by the people of Wales, but one designed to suit the interests of the Labour party.

Significantly, this is being proposed when Labour has no regional AMs. There was no such proposal made before the 2003 Assembly elections, when Labour had one regional AM and no complaint about the system was heard at all. [HON. MEMBERS: "Ah!"] Opposition Members are confirming that I am exactly right in my suppositions on that point.

I shall turn to comments made by other bodies; why rely on what politicians say? Let us consider some independent commentary on our electoral systems. The Electoral Commission is an independent body established by a Labour Government in 2000 under the Political Parties, Elections and Referendums Act 2000. It is independent of the Government and of political parties, but it is directly accountable to Parliament through a Committee chaired by the Speaker of the House of Commons. It exists to do something very special; to foster public confidence and participation in elections by promoting integrity, involvement and effectiveness in the democratic process. I think we can all be encouraged by that.

What does the Electoral Commission say in response to the Government proposals? Its submission to the Welsh Affairs Committee inquiry on the White Paper concluded:

"In light of the need to encourage voter participation at the Assembly election in 2007, we would caution against any change that is perceived to be partisan and could add to a prevailing distrust of politicians.

On the evidence available to the Commission . . . we do not believe that the case for change has been made out."

In fact, it urged the Government to provide more information regarding the justification underpinning their statement.

The Electoral Commission continued:

"In the time available to respond to the White Paper, it was not feasible for us to commission public opinion research on the issue of dual candidacy. Drawing on our quantitative and qualitative research on public attitudes to the National Assembly election in 2003 . . . we note that the 'Clwyd West problem' as described in the White Paper did not emerge in any of our attitudinal research about voting in the election. As our research included unprompted questions to the public about their reasons for voting or not voting, this may suggest that there was in fact low public salience of the issue at the time.

In the absence of any research findings on voter attitudes on dual candidacy in the public domain"

the Electoral Commission urged the Government

"to provide more information regarding the justifications underpinning the statement in the White Paper that voters are confused and concerned about the issue".

It went on:

"It is possible that some of those members of the public said to be critical of dual candidacy may"

not be critical of dual candidacy at all. They may

"in fact be criticising an outcome of proportional representation, compared with the majoritarian 'first past the post' system to which voters in Britain have been traditionally accustomed."

Several hon. Members *rose—*

Mrs. Gillan: I am willing to give way, but before I do so I must point out that that goes to show that voters are confused because, since 1997, the Government have introduced so many different electoral systems that it has been hard to keep pace.

Mr. Peter Bone (Wellingborough) (Con): Is not the heart of the problem the fact that there are two systems—a list system and a constituency system? Therefore, dual candidacy is quite fair. I cannot see why, other than for political motives, this change is being introduced. A word of warning to the Secretary of State: with the Conservatives on the up and Labour on the way down, this might not be the right way for him to go.

Mrs. Gillan: I leave my hon. Friend's intervention to stand alone—perhaps the Secretary of State will heed his warning—but, yes, that is the crux of the problem.

7.45 pm

Mr. David: Does the hon. Lady accept that, given the complexity of the electoral system, if more people understood it, they would be aware of its unfairness?

Mrs. Gillan: I do not think that we are at odds on that, for the simple reason that if people understood the system better they would have no problem with dual candidacy. The Government are particularly confused about this, as the Electoral Commission alleges, perhaps because people are finding it hard to get used to the perception of proportional representation. Certainly, Labour AMs are finding it hard to get used to. They have been used to having things all their own way and I am afraid that this has been a shock to their system, as I have no doubt we will hear again from the Secretary of State.

Mr. David Jones (Clwyd, West) (Con): Are we not in danger, however, of underestimating the sophistication of the electorate in Wales? We are constantly told that the electorate are confused about the system. Is it not the case, however, that at the last Assembly election in Clwyd, West, the Labour party won on the first-past-the-post basis, but the Conservative candidate had the greater share of the vote on the list basis? Does not that tend to suggest that the electorate are more sophisticated than the Government suggest?

Mrs. Gillan: If my hon. Friend is saying that the electorate are learning how to play the system, I think that he is absolutely right. I am sure that that is to our advantage in Clwyd, West.

The Electoral Commission, in preparing its response, contacted all political parties registered to contest elections in Wales. Of those who responded, the majority strongly opposed the change. A perception exists that the change favours incumbency and the current party of Assembly government that holds the large majority of constituency seats—the Labour party. The conclusion that the Electoral Commission drew on the provision says it all. On the evidence available, it said, it did not believe that a case for a change had been made. The Secretary of State should think hard before going against the opinions of one of our leading independent bodies.

[Mrs. Gillan]

Opposition to the ban has also been expressed forcefully by the Electoral Reform Society, which concluded:

"We urge the Government to reconsider their proposal to ban dual candidacy, a controversial and divisive argument for which the case has not been adequately made."

Yet another independent organisation is therefore criticising the proposals.

Mark Tami: As I pointed out on Second Reading, the Electoral Reform Society is not an independent organisation. It is an organisation that has set out to promote proportional representation for our system. Arguing that it is some sort of independent voice without its own agenda is totally false.

Mrs. Gillan: The Electoral Commission is independent. The Electoral Reform Society is certainly not financially supported by my party. I do not know whether it is supported by the Liberal Democrats.

Mr. Salmond: Would the hon. Lady like to try the Arbuthnott commission, appointed by no less a judicious person than the Secretary of State for Scotland? Surely that was an independent commission.

Mrs. Gillan: The hon. Gentleman anticipates my next point. He must have seen the document that I have in front of me.

Scotland currently has the same system for election to the Scottish Parliament. As I understand it, however, there are no proposals for change. Had the issue been a great concern, even at election time, when preparing the Labour party manifesto, the issue could have been addressed. Were the Scottish system so imperfect, changes could have been made when the Scottish Parliament (Constituencies) Act 2004 was passed. The Arbuthnott commission, however, reported last week, and concluded:

"Candidates for election to the Scottish Parliament should not be prohibited from standing in a constituency and on the regional list at the same election".

The Secretary of State was so worried by what the commission said that he had to get a press release out really fast. His response to the Arbuthnott commission on boundary differences and voting systems in Scotland stated:

"The commission's recommendations apply to Scotland, and do not reflect the different circumstances in Wales."

I hope that the Secretary of State will let me know what conversations he has had with Sir John Arbuthnott. I do not know how many Members have read the Secretary of State's press release, because he went on to say:

"I am confident that if Sir John Arbuthnott had considered the systematic abuses carried out by list Members in Wales, he would have reached exactly the same conclusion as we have—that a ban on dual candidacy is the only effective solution."

I hope that the Secretary of State has discussed that with Sir John Arbuthnott. I tried to ring Sir John this morning to find out his opinion, but he is away on holiday. I spoke to another member of the Arbuthnott commission this morning, however, who said that the commission considered the situation in Wales exceedingly carefully, so much so that the Secretary of State will find that the Arbuthnott commission refers to Wales in several places, specifically in paragraph 4.21, which alludes to the parallel situation and, for those Members who are interested, states:

"Referred to in Wales as the 'Clwyd West' question, this might in Scotland be called the 'Cunninghame South' question".

Wales was therefore at the forefront of the minds of members of the Arbuthnott commission. It also refers to Wales in paragraph 4.58, noting specifically that these proposals would affect the quality of candidates. I agree with that. *[Interruption.]* The Secretary of State is now laughing, so, obviously, he is rubbishing the Arbuthnott commission.

Mr. David: Will the hon. Lady give way?

Mrs. Gillan: No, I will make some progress.

At paragraph 4.58, the commission states:

"As the Commission on the Powers and Electoral Arrangements of the National Assembly for Wales (Richard Commission) noted, it may encourage parties, particularly small ones, not to field strong candidates in constituency seats, where they have less chance of success, keeping them instead for the region where they would be more likely to be elected. This could have a negative impact on the quality of constituency contests and unduly favour incumbent candidates."

Therefore, the Arbuthnott commission has definitely considered the Welsh situation, and is making points that are applicable.

Several hon. Members *rose—*

Mrs. Gillan: I have been generous in giving way to Labour Members. I will give way to some Opposition Members.

Mr. Salmond: Would not paragraph 4.60 of the Arbuthnott commission's report be an even better example? It sums up the commission's opposition to this undemocratic practice by quoting from evidence in the response to the White Paper on Wales, which criticised the Secretary of State for trying to preserve Labour's hegemony.

Mrs. Gillan: Yes. I will not read out that part of the Arbuthnott commission report.

Mr. David Jones: Has my hon. Friend noticed paragraph 4.57, in which the commission comments specifically on the assertion in the White Paper that the present system

"both devalues the integrity of the electoral system in the eyes of the public and acts as a disincentive to vote in constituency elections"?

Did she note that the commission commented that it

"is not convinced that there is any evidence to support the claims made regarding these perceived problems. There is no survey evidence to suggest that dual candidacy is an issue for voters, or a disincentive to their participation in the political process"?

Mrs. Gillan: My hon. Friend has encapsulated the point.

Chris Bryant: Will the hon. Lady give way?

Mrs. Gillan: No, I will make some progress. *[Interruption.]* No. Plenty of Members want to speak in the debate. I have been generous in giving way, and Members can make their contributions when the time comes.

It is obvious that the Secretary of State needs to read the Arbuthnott report carefully. He is worried about it; otherwise, why would he have put out a press release on 19 January, shortly after it was announced? He also needs to have a word with Sir John Arbuthnott, because I am worried about a paragraph in a press release that prejudges what the leader of that commission might say. I am worried about the impression that the Secretary of State is giving. We have already seen him trying to give the impression that he has consulted Committees in another place, which is not the case. We need to know exactly what he means when he says things, to whom he has spoken, and how he can put words into the mouth of Sir James when Sir James has not the opportunity to respond. Sir James may agree with the Secretary of State, and that is all well and good, but I note that the Secretary of State has not intervened to tell me that he has spoken to Sir James.

Chris Ruane: He was on holiday.

Mrs. Gillan: He went on holiday at the end of last week; there was plenty of time for the Secretary of State to speak to him before he went on holiday and before the press release was issued on 19 January. He was not on holiday then.

Interestingly enough—as if to compound all this—the Secretary of State for Scotland was answering questions in the House on Tuesday. My hon. Friend the Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) asked him a simple question: was he aware of what was happening, and would he rule out the introduction of the changes that he proposes in Scotland? The Secretary of State replied that he did not

"expect any early changes to be made to the Scotland Act 1998",

and that he had

"made it clear that I do not think any changes will be possible before the coming elections to the Scottish Parliament."—[*Official Report*, 24 January 2006; Vol. 441, c. 1291.]

Why would that be? Might it be that Labour Members in Scotland are in the list system, which does not apply in Wales? I leave the Committee to draw its own conclusions. Other Members may wish to allude to the subject, but I believe that more than one Member is in the list system in Scotland, and one may be a Minister. If that does not represent a level of hypocrisy, it is hard to understand why.

Mr. Devine: Will the hon. Lady give way?

Mrs. Gillan: Of course, but it will be the last time.

Mr. Devine: May I point out that it is Scottish Labour party policy for candidates not to stand in a constituency at the next election, but to stand in a list?

Hon. Members: It is a matter of principle.

Mrs. Gillan: I do not think that it could be described as a matter of principle. That is what I call a convenient intervention from Scottish Members, who have obviously been got at because of all the problems thrown up by the Arbuthnott commission. If that is what they have agreed, of course, they will not be forcing it on the other parties. That is a matter for the Labour party. I assume that the other parties will be able to stand according to the list system and in constituencies as they wish. If the hon. Gentleman wishes to do that in the Labour party we are happy for him to do so, but he should not force it on the other, smaller parties.

I do not think the hon. Gentleman's intervention was all that clever. Why should something that is not happening in Scotland happen in Wales?

If, as the Secretary of State says, systematic abuses are taking place, we want to see them listed. We want to see them formally recorded. We want to see them dealt with. Instead of altering the electoral system and confusing people even more, why should not the Government alter the Standing Orders? Why should there not be some decent guidelines? Why should the matter not be discussed in the Assembly with the aim of reaching some sort of arrangement? As far as I can see, the only evidence produced by the Secretary of State consists of a load of spats between list and regional Members. We should not legislate to change the electoral system because people cannot get on with each other and are bitching about each other. Why does the Secretary of State not give Assembly Members power to make up their own minds, and allow them to alter their Standing Orders to deal with the so-called abuses?

I also disagree with what the Secretary of State has said on many occasions—that he must change the system because people who are losers are perceived to be winners. That upsets the Secretary of State a great deal. I am not sure how his proposals will go any way towards dealing with it, however. If the closed list system is retained, even if dual candidacy is prevented, parties that had lost the constituency election will still be seen to have won a regional seat. There will still be people who are losers, but on this occasion it will be much more apparent that parties are seen to be winners. That is what Kay Jenkins said when she gave evidence to the Welsh Affairs Committee.

Mark Tami: Will the hon. Lady give way?

Mrs. Gillan: I have given way enough, and am nearing the end of my speech. I feel that some of the interventions have been less than helpful, and indeed rather frivolous. This is an important matter. I can tell from the laughter on the Labour Benches that the hon. Gentleman thinks that it is a joke, but it is not. We are talking about a serious piece of gerrymandering on the part of his party, which the Committee must discuss. *[Interruption.]*

The Second Deputy Chairman of Ways and Means: Order. There have been enough sedentary interventions, especially from the parliamentary private secretary, who is not supposed to intervene—certainly not on a regular basis from a sedentary position.

Mrs. Gillan: I am grateful to you, Sir Michael.

This is a party-political move. Labour politicians in Wales and Assembly Members have had it all their own way, and, as I have said, they now face a bit of

[Mrs. Gillan]

competition in their constituencies. There is no demand from the voters—I defy any Member to produce the huge body of evidence that people are clamouring for the change—and there has certainly been no demand from any other party. The Secretary of State has had no intention of discussing the matter with other parties, unlike the Minister of State, Department for Constitutional Affairs, the right hon. and learned Member for Camberwell and Peckham (Ms Harman), who as recently as this month said that it should be discussed across parties. Recently both the Electoral Commission and the Arbuthnott commission opposed the proposal. Academics are against it, but the Government are pressing for it.

I am appalled that the Government are continuing along these lines, and I invite Members to support our amendments. Unless the Government withdraw their proposals, we shall press ours all the way. Even if the Government use their huge majority to win the vote tonight, I am sure that those in another place will want to cast an eye over the changes, and not to cast aside words of wisdom that have come from so many people as lightly as the Secretary of State is introducing this measure.

Mr. Llwyd: Like many other Members, I went to the constituency office on Saturday morning; but the pattern of events was different from usual. I could not get into the office because there were tens of thousands of letters from constituents who were concerned about the patent unfairness of the dual candidacy system. It was so bad that I had to order a truck to carry the post away. I could not possibly answer it all. If Labour Members want evidence, there is literally tons of it in Dolgellau waiting to be picked up. I am sure that that will reinforce the facile arguments that we have heard from them so far.

I rise not just to be a wisecracker but to speak to the Tory amendments and to amendments Nos. 10 and 11, to which my hon. Friends and I have added our names. As was pointed out by the hon. Member for Chesham and Amersham (Mrs. Gillan), the Liberal Democrats, the Conservatives and my party—and, I might add, the Scottish National party—have united in this instance. It does not happen very often, but it is only right that it should happen when such a fundamental matter is involved.

Mr. Hain: The hon. Gentleman says that it does not happen very often. It has been happening pretty well every week in the Assembly lately, with an unholy grand coalition of opportunistic oppositionists including Plaid Cymru voting alongside the Tories.

Mr. Llwyd: The right hon. Gentleman says that it happens every week, but I was not aware that the Scottish National party had Members in the National Assembly.

8 pm

Mr. Salmond: We're coming.

Mr. Llwyd: They might be at some point.

Chris Bryant: This is risible.

Mr. Llwyd: Risible arguments are precisely what we heard earlier. What nonsense has been put around. I have great regard for the right hon. Member for Torfaen (Mr. Murphy) but when he was pressed about the evidence, even he could only say that he had had the odd conversation here and there. Nobody has produced a shred of evidence to prove the case.

Let us look at the international situation. Dr. Wyn Jones and Dr. Scully said:

"The proposed change is internationally anomalous".

Their report goes on:

"After extensive consultations with the expert academic community, we have only been able to discover one place where the change proposed in Wales has been implemented. This was in Ukraine, prior to the 2002 parliamentary elections . . . The only other instance we have been able to find where this has even been seriously proposed is very recently for New Brunswick in Canada. Therefore, the suggested change does, frankly, make Wales look odd."

I would certainly say that that is true.

The Electoral Commission was cited earlier by the hon. Member for Chesham and Amersham and it has looked dispassionately and independently at the situation. What it had to say about international comparisons is interesting:

"There are around 30 countries that have mixed or additional member electoral systems."

But no other country bans dual candidacy on the lines of the proposal in the White Paper. We feel that going down that road requires more compelling reasons without those other examples. If we are to operate outside international democratic norms, we have to have particular reasons for doing so.

The Secretary of State's response, of course, was to rubbish that and pretend that academics highly respected in Welsh and international politics had somehow got it wrong. If he says later that the matter has been considered in New Zealand and Canada, he will be right, but it has been turned down in both, which hardly helps his argument.

The Secretary of State also offered a gratuitous insult to the Electoral Commission in saying that it played a valuable role but could get things wrong and had got this wrong. If we are all, collectively, getting it wrong, why does not the Secretary of State give us some proof instead of conjecture and stories about thousands of people who are beside themselves all night because of the unfairness of the system?

Hywel Williams: Does my hon. Friend find it strange that the Secretary of State and the First Minister have rubbished the Electoral Commission but that the head of that commission has only just been reappointed for a further five years? If he gets things so wrong, why are they reappointing him?

Mr. Llwyd: Precisely so. That is a question that the Secretary of State may wish to address. We are told all the time that the Government like to consult: indeed, they do consult, but if they do not like it, they throw the consultation paper away because it is not what they wanted to hear. What is happening is obvious to anyone who can read. It is disgraceful.

The Bill has good things in it but also contains machinery for the worst possible kind of gerrymandering. That is absolutely obvious. The First Minister, Rhodri

Morgan, said there was widespread support across non-political people in Wales for this proposition. Where is that widespread support? Dr. Jonathan Bradbury of the university of Wales, Swansea, and Dr. Meg Russell of the constitution unit at University College, London, said that when they were looking for evidence there was

"public disquiet over defeated candidates winning lists",

but conceded:

"This is the principal problem cited in the White paper. However, it is the weakest part of the case given the lack of clear evidence to prove that there is a problem".

They went on:

"However, there is no evidence that there is actual public disquiet. Of course, there is also no evidence to clearly prove that there is not."

Glyn Mathias, an electoral commissioner, said:

"This issue did not figure in that research. We asked a whole series of questions and sought unprompted replies and this issue did not arise ... what concerns us is that there is no evidence whatever in the White Paper to back up this proposal. There is no evidence at all to back up this proposal and therefore we came to the conclusion that we think that the case for change has not been made."

In evidence to the Welsh Affairs Committee, Dr. Scully and Dr. Richard Wyn Jones, from Aberystwyth, said:

"Firstly, in the White Paper there is a very bold, unqualified statement about public opinion, which is not backed up with any reference to evidence at all. Secondly, we say that when we go back and look at what evidence does exist that is relevant to it, it does not appear to support the statement that is made in the White Paper ... The total number of people who mentioned anything at all as a reason for not voting in 2003 in our sample was two; that is out of more than 500 who said that they did not vote. That would suggest that the electoral system was not an important factor, as the White Paper puts it, 'acting as a disincentive to vote'."

In other words, it was absolute nonsense. In somewhat more colourful language, the two doctors tore into the White Paper:

"Given that the reasons offered in the White Paper do not stack up, frankly, are not supported by the evidence, given also that Labour currently do not have any members coming through the list so if it is going to create problems for any parties it is going to create problems for other parties, it is difficult to rule out the hypothesis of partisan motivation. I have no particular private evidence on that matter but, as we say, even if this is not intended it is unfortunate because it is going to look deeply partisan. Whether or not that was the original intention it is going to look that way and if there is one thing that people dislike almost as much as paedophiles living nearby and bent coppers, it is politicians who seem to be stitching things up for themselves ... it does appear to be trying to adjust the electoral system in favour of one party against the interests of other parties, and it is not being done"—

Mr. Hain *indicated dissent.*

Mr. Llwyd: I am quoting this; I am not making it up:

"it is not being done on an inter-partisan, cross-party basis. Therefore, to the extent that the public know and care about it, it is likely to be unpopular."

Mr. David: Perhaps we could take a break from the hon. Gentleman's reading—

Mr. Llwyd: It is evidence I am giving you. Evidence.

Mr. David: If the hon. Gentleman considers the other evidence presented to the Welsh Affairs Committee, he will find other opinions expressed. Dr. Jonathan Bradbury, for example, and Dr. Meg Russell express other opinions. The idea that all the academic evidence is one-sided is totally false, and he knows it.

Mr. Llwyd: If the hon. Gentleman had been awake, he would have heard me refer to Meg Russell, who said that there was no evidence.

Chris Bryant: But she still supported the change.

Mr. Llwyd: She might have done, but she said there was no evidence.

The First Deputy Chairman of Ways and Means (Sylvia Heal): Order. Would hon. Members please conduct debate in the proper manner?

Mr. Llwyd: From Meg Russell's constitutional unit, her colleague Professor Robert Hazell concluded that the proposals are

"nasty, spiteful and seemingly driven by partisan motives".

Barry Winestrobe, reader in law at Napier university, who has lobbied us on the matter, says:

"Even if the proposal is simply to prevent unsuccessful constituency candidates being elected for the region comprising that constituency, this seems an unnecessary restriction on the democratic rights of potential candidates, parties and local electors to have as unrestricted a choice as possible in an election ... If Ministers are genuinely concerned with addressing democratically harmful public perceptions, then they should consider whether such legislation will not be seen by that same public as partisan, and not something which would worry the Government if the party distribution of constituency AMs and regional AMs was different."

Moreover, the New Zealand commission ruled out a ban on dual candidacy on the specific grounds that it would be unfair on smaller parties.

Let me attempt to sum up. We have heard nothing of substance from the Government to support the ban that they propose. The Electoral Commission has said that it would go outside international democratic norms.

The Government say that they have carried out extensive public research, but the issue was not even raised in the Clwyd, West constituency. The Electoral Commission cautioned against

"introducing a change to the electoral process that is as yet untested over a period of time."

The electoral commissioner also said that

"there is no evidence at all to back up this proposal and therefore, we came to the conclusion that we do not think the case for change has been made."

The Welsh Affairs Committee found little support for the Government's proposed solution. Dr. Richard Wyn Jones and Dr. Roger Scully said that it had a "partisan motivation". The Electoral Reform Society has considerable concerns and does not think that the case has been made. It also advocates the single transferable vote.

It is interesting to note that there are no plans to make this change in Scotland, possibly because Peter Peacock is a Labour MSP from the Highlands and Islands and is also a Labour Minister. I know that other Members will wish to speak in this debate, but I have a copy of

[Mr. Llwyd]

Sir John Arbuthnott's report. I shall refer briefly to it, although others will wish to refer to it in greater detail. It states:

"Dual candidacy is a common and accepted feature of mixed member proportional systems across the world. Indeed, in some cases candidates are expressly required to stand in both contests. We suggest that dual candidacy only seems problematic to some people here because of the legacy of constituency representation within British political culture and the hegemony which this has secured for some parties. Candidates coming in second or third place who are then elected through the regional list are only losers in the context of a first past the post, 'winner takes all' electoral system. This logic does not sit well within a proportional system and introducing it devalues and undermines the concept of proportionality. The criticism, and the pejorative terms in which it is sometimes put, does little to enhance the legitimacy of regional MSPs."

So far, we have heard little mention of the Human Rights Act 1998. I am no expert on it, although I do a little practice in the area, but I will take leading counsel's advice on the legality of that issue. If I have that advice before Report stage, I shall put it before the House.

Mr. Grieve: The hon. Gentleman has a very good point. We are signatories to the protocol in relation to free and fair elections and the expression of the views of the electorate. It must be questionable whether the proposals fit with that, especially given that the Government are engaging in discriminatory tinkering with an aspect of the electoral process in one part of the country while allowing it to be maintained in another.

Mr. Llwyd: I agree entirely. This is a nasty, spiteful example of gerrymandering that has no real place in a modern democracy, least of all this place.

Chris Bryant: The hon. Member for Chesham and Amersham (Mrs. Gillan) said that she believed that the proposals had been introduced because Labour politicians in Wales did not like competition. I, for one, enjoy the fact that I face elected politicians—albeit to the Assembly and by different means—of a different political persuasion. I relish the political argument and competition, because it keeps us all on our toes. I know that many hon. Members disagree with me, but it is one of the reasons why I would, in the majority of situations, support some form of proportional representation. It is better for the Government of the people to reflect the diversity of the people. That is why, broadly speaking, I support the way in which we constituted the Assembly and the additional Member system.

As a cheeky aside, I may say that my experience has been that the more exposure the smaller parties get in my local area, the more my vote goes up. On the whole, I relish the opportunities that Leanne Wood is given to speak in public and I am delighted that the Plaid vote has collapsed.

The important point, which Opposition Members have refused even to consider, is that some of us who support the system that we introduced also believe that some of the abuses that we have seen are inappropriate and undermine the whole concept of trying to build a representative Government who reflect the diversity of Welsh opinion. For instance, it happens with monotonous regularity that someone pretends to be a constituency Member when they are not. There are hundreds of different ways that they can do so, and every time an Assembly Member is told off for doing it, they find a new way to do it, which shows the ingenuity of some of them. It is wrong.

David T.C. Davies: The hon. Gentleman must realise that no Assembly Member has ever been told off for saying that they are a Member for a particular constituency. The Presiding Officer of the Welsh Assembly has made it clear that he recognises all Assembly Members as being equal. It is something that we all live with.

8.15 pm

Chris Bryant: I believe that all Assembly Members are equal and should be regarded equally. I also believe that all Members of this House should be regarded as equal—a position that the hon. Gentleman does not entirely share. If Assembly Members have not been told off, they should be told off. It is simple enough: if an Assembly Member seeks to portray themselves as the constituency Member for the Rhondda, when they were not elected as such, it is a deception that taxpayers' money should not be allowed to be spent on perpetuating. It is a form of fraud and it should be stopped.

Mrs. Gillan: The hon. Gentleman makes what I hope is a hypothetical point. Does he have any evidence that an AM has sought to pass themselves off as a constituency Member? If so, the Assembly should deal with that in its Standing Orders.

Chris Bryant: I am glad that the hon. Lady agrees with me. It happens so frequently that we have almost given up sending letters to the Presiding Officer, because he is of course an accessory after the crime.

Mr. Salmond: On a point of order, Mrs. Heal. The hon. Gentleman has accused some unnamed Assembly Members of fraud. I know that he is speaking under privilege, but if an hon. Gentleman makes an accusation as serious as that we should hear the names of the people he accuses of that criminal offence.

The First Deputy Chairman: I did not hear the hon. Gentleman be specific, but he may wish to reconsider the words that he used.

Chris Bryant: I am grateful for the intervention, because I wish to make it clear that I am not accusing anyone of financial fraud or electoral fraud. I am making it clear that I think that people are acting fraudulently if they try to persuade the people that they are the elected Member for the constituency of the Rhondda, when they plainly are not. It is no good saying that people can say that they are the Assembly Member based in the Rhondda, because that is an attempt to deceive the people of the Rhondda.

Mr. Salmond: The hon. Gentleman seems to have forgotten what he said. He said that because it involved the use of public money, it was a form of fraud. Does he stand by that assertion?

Chris Bryant: It is entirely dishonourable for someone to use public funds to send out leaflets and press releases

claiming to be the Assembly Member based in the Rhondda and trying thereby to deceive the people of the Rhondda into believing that they were elected for that constituency. I simply believe that is wrong. Furthermore, that is an act of fraud—*[Interruption.]* Fraudulent and fraud come from the same base—*[Interruption.]*

The First Deputy Chairman: Order. The hon. Gentleman is referring to people who are not Members of the House, which does not mean to say that one would condone any such behaviour, but as I understand the hon. Gentleman he was referring more to the generality than to the specifics.

Chris Bryant *rose—*

Mr. Llwyd: Will the hon. Gentleman give way?

Mr. David: Will my hon. Friend give way?

Chris Bryant: I shall give way first to my hon. Friend.

Mr. David: I want to report the facts to the Committee, with a quotation from the Assembly Member to whom Members referred. Leanne Wood said:

"We need to be thinking much more creatively as to how we better use staff budgets"—

in the Assembly—

"for furthering the aims of the party."

Does not that stand for itself?

Chris Bryant: Absolutely. I think the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) wanted to intervene—*[Interruption.]* If he could calm down—

The First Deputy Chairman: Order. This part of the debate has gone far enough. I ask hon. Members to return to the amendments under discussion.

Chris Bryant: I think it would be best if I gave way to the hon. Member for Meirionnydd Nant Conwy, if he can be calm—

Hon. Members: Oh.

Mr. Llwyd *rose—*

The First Deputy Chairman: Order. I have just suggested that we continue the debate. I call Chris Bryant.

Chris Bryant: Thank you, Mrs. Heal.

Another point that Opposition Members have refused to understand is that regardless of whether tens of thousands of people have come to our surgeries or written to us about the issue, we believe there to be an injustice. It is an injustice if all have won and all must therefore have prizes, even though some people were not elected in the same system.

Mr. Philip Hollobone (Kettering) (Con): Will the hon. Gentleman give way?

Chris Bryant: I shall not give way to the hon. Gentleman or to the hon. Member for Chesham and Amersham (Mrs. Gillan), if she will forgive me.

Mrs. Gillan: I was not leaning forward to intervene; I was fascinated.

Chris Bryant: I am grateful for the hon. Lady's fascination.

Mr. Philip Dunne (Ludlow) (Con) *rose—*

Chris Bryant: I shall not give way to the hon. Gentleman.

Labour Members believe that there has been an injustice and that it is important for us to put it right. I note that Members have pointed out that other countries have not done so, but other countries have different traditions of proportional representation, not least in New Zealand. Indeed, as the hon. Member for Chesham and Amersham said, we do not have a historical tradition of PR. In other countries, such as Spain, France or Italy, most politicians would deliberately put high-ranking, publicly known figures at the top of their lists to attract people to vote in both halves of the election. We do not have that tradition, which is why the injustice element is a much more predominant argument and thus far more important.

Some people have argued that the Labour party is acting in a partisan way and I understand that argument. However, people do not seem to understand that it would probably be in our electoral interest, in the list vote, to put Rhodri Morgan at the top of every list in every region in Wales. That would be the best way for us to attract votes, because it would be clearer to people that that was how they could vote Labour and ensure that Rhodri Morgan was running the Assembly. I believe that it is inappropriate for us to have that electoral advantage, so I do not believe that we are acting in a partisan way. In fact, for those who make that argument, the measure can be partisan only if they believe we will never lose a constituency seat. Those are the only circumstances in which the measure would be partisan.

The hon. Member for Chesham and Amersham argued that the Electoral Commission is independent, so it is important that we always accept its advice. However, it is an important principle that we maintain our right, as a Parliament, to take a different decision from the Electoral Commission. Indeed, her party agrees; for instance, her party supports giving a national insurance number when registering for voting, but the Electoral Commission disagrees. It is important to maintain the theology that the Electoral Commission provides advice but that it is not for the commission to decide. We can choose, or not choose, to take that advice.

The most important theology of all in democracy is not only that a person cannot stand in two elections, in two systems, on the same day. Incidentally, we abolished that when Keir Hardie stood in two elections on different days; he failed to be elected on the first day,

[Chris Bryant]

but succeeded on the next, when he was first elected as a Labour Member of Parliament, which is why it is no longer possible to be elected for two constituencies.

Lembit Öpik: It is possible to stand in two seats in a general election.

Chris Bryant: Not any more.

It is essential that we maintain the theology that if a political party puts a measure in its election manifesto, it should have the right to see it put through the electoral process. Members who throw that principle aside do so at their peril.

Lembit Öpik: I rise to speak to amendment No. 130 and to talk about the principle under discussion. I understand the Secretary of State's dislike of the system as it stands, but having listened to the debate, I can say with fair confidence that, regardless of how inconvenient it may be for some of us that regional list Members may purport to focus primarily on a constituency, there is nevertheless a compelling democratic case to allow that to happen. I start where the hon. Member for Rhondda (Chris Bryant) left off: unless I am very much mistaken, one is entitled to stand for election in two constituencies in a general election. However, if one is elected in both seats, one must decide which to represent.

Kevin Brennan (Cardiff, West) (Lab): The hon. Gentleman is correct about that, as the law stands. The same candidate stood against the hon. Member for Cardiff, Central (Jenny Willott) and me in the general election last year, but under the Electoral Administration Bill, supported by the Conservative and the Liberal Democrat parties, the law that allows that to happen will be abolished.

Lembit Öpik: The bottom line is that things have not changed. Furthermore, I have not heard a single hon. Member on either side of the House argue that Britain's parliamentary processes have been perverted by the opportunity to stand for election in two places. Obviously, by inference, the Secretary of State may want to respond to that point. Let me be clear that I do not disrespect the difference of view—I understand it—but the Liberal Democrat party is concerned that, whatever the motivations of the Secretary of State and others, the provision very much looks like a partisan step, because of the current electoral mathematics of Wales.

The provisions are obviously intended to prevent candidates from standing for election on both a constituency and a regional list. We have been discussing the two reasons that Government have cited for that course of action, the first of which is the Clwyd, West problem, whereby candidates who seem to lose constituency elections can become Assembly Members via the list. To paraphrase a member of the Government, people who are losers are seen to be winners. The Government's second argument is that the provisions will prevent list Members from abusing their position for political advantage. Both arguments have been rehearsed to an extent.

Mrs. Gillan: Many arguments have been cited, but it is still undeniable that such a change would not stop the abuses, as alleged by the Labour party, because a list Member, even if he did not stand for the constituency, could still open an office and say that he was the regional Member based in Rhondda or wherever. So the provision will not stop the very things that Labour Members are bleating about.

Lembit Öpik: The hon. Lady makes an accurate point, which is supported by all Opposition Members.

Mr. Hollobone: As someone who has followed the debate closely but who represents an English seat, what I do not understand is why, if Assembly Members are abusing their position, that is not dealt with by Standing Orders in the Assembly.

Lembit Öpik: The answer is that the perception of abuse is not an objective interpretation of what is going on; it is a subjective interpretation derived entirely in the minds of Ministers and other Labour Members. Their paranoia causes them to interpret such things as abuse, while other people may interpret them as showing political initiative.

Mr. Llwyd: Does the hon. Gentleman recall that Leanne Wood, who was very unfairly mentioned earlier, was completely exonerated by the appropriate Assembly Committee?

Lembit Öpik: That puts me in a difficult position, because I listened with the greatest of interest as Leanne Wood's words were quoted. Perhaps I should now rule myself out of order and therefore not speak about her specifically, although I am sure that other hon. Members will, and perhaps the Minister will say something about that, too.

Mr. David Jones: Will the hon. Gentleman give way?

Lembit Öpik: I will come back to that point, and perhaps the hon. Gentleman can hold on until I do.

Let me deal with the Clwyd, West question. The White Paper said that the current arrangement for dual candidacy

"devalues the integrity of the electoral system in the eyes of the public and acts a disincentive to vote in constituency elections."

However, we have heard already that, despite the jovial and ironic comments made by the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), none of us has received sacks full of post about the issue from the general public. This has not been the cause of insomnia or outrage in Montgomeryshire and I do not believe that it has been to any significant extent outside the village of politicians themselves. I do not believe that the public really talk about this. Although that does not mean that we should not talk about it, we need to recognise that it is not realistic for the Government to suggest that they are responding to public opinion. The pressure of public opinion simply is not there on this issue.

8.30 pm

Mr. Salmond: That also seems to be the opinion of the Labour party in Wales. In its manifesto of 114 pages and, I estimate, about 30,000 words, it merely manages

one single sentence on this subject. If it was the burning issue, one would think that it would have been highlighted all over the manifesto.

Lembit Öpik: I note the hon. Gentleman's point and I leave Ministers to respond to it, as I am sure they will.

To return to the Electoral Reform Society and its comments, I should first say that I believe that it is biased. It is hell-bent on ensuring democratic systems that are actually fair to the electorate and to candidates. In that sense, we can agree that its agenda is fairly transparent. Which one of us in the Chamber disagrees with its intent? Let us get away from the suggestion of partisanship because the Electoral Reform Society has a laudable record of acting in a non-partisan way in what it believes to be the best interests of democracy.

As others have done, I will quote the Electoral Reform Society. It says:

"It has been almost universally agreed that there is little evidence to back up"

the Government's

"claims."

Indeed, in her submission to the Welsh Affairs Committee, Kay Jenkins, the head of office at the Electoral Commission, said:

"There is no evidence that the Clwyd West so-called problem has had any impact on voter participation . . . We have got a very extensive body of research on what makes people vote and not vote across Britain and particularly specifically in Wales, and it is on that basis that we say it is not an issue we could say has ever been raised with us".

It is not an issue that has even been raised with the Electoral Reform Society. I shall be very interested to hear the Government's alternative evidence on that. We have already established that the Electoral Reform Society has quite clearly categorised itself as little short of obsessive about democracy in this country. One would imagine that it would act as a magnet for comments, but it did not receive a single piece of evidence on this matter.

At the Welsh Affairs Committee, Dr. Roger Scully and Dr. Richard Wyn Jones gave specific evidence that has already been quoted. I shall not repeat it all except to highlight one crucial point:

"The total number of people who mentioned anything at all as a reason for not voting in 2003 in our sample was 2; that is out of more than 500 who said that they did not vote."

I suggest therefore that we may not have worked out the answer to why turnout was, in many people's view, depressingly low, but it is extremely unlikely that the finger of blame points at this particular constitutional circumstance in which an individual is able to stand as a constituency candidate and simultaneously on a list.

It is true that the Welsh Affairs Committee was split on this issue. It voted 5:4 to back the Government's stance but sadly—and exceptionally on this occasion—it was perfectly obvious that the vote split on party lines. My hon. Friend the Member for Ceredigion (Mark Williams) voted against the proposals in the Bill, as did the three Conservative Members. It is clear that the situation was, at least to those of us who observed it from the outside, motivated by party political interests.

Mr. David Jones: Does the hon. Gentleman agree that the wording of the Committee's conclusions is incredibly weak? It refers to

"Taking into consideration evidence to the Committee, informal feedback from the public",

and that was a Labour amendment. In other words, the evidence before the Committee was completely inadequate, so we are talking about the extra-sensory perception that somehow managed to find its way before the Committee.

Lembit Öpik: That is actually an insult to extra-sensory perception.

Chris Bryant: You know something about that.

Lembit Öpik: Yes, I know something about the subject. I knew that the hon. Gentleman was going to say that.

The reality is that there is precious little evidence. The Secretary of State knows that I understand that he can put forward arguments in defence of the change, but we have not heard them yet. A large aspect of the defence might be public opinion, but we can safely say that that defence does not stand up to scrutiny.

Let me turn to the abuse of position by list Members. The Secretary of State told the Welsh Affairs Committee that the existing electoral arrangements had been subject to

"systematic abuse for party advantage by Opposition parties."

He cited the fact that 15 out of 20 list Members had set up offices in their parties' target seats and said that taxpayers' money was thus being used to fund constituency offices for party political gain.

If such an activity is the Government's other key reason, they must explain why the change will prevent it. Indeed, they must go further because they have to tell us the changes that they will make to ensure that such a thing does not happen in other circumstances, including in the event of a general election. To the best of my knowledge, not one single regulation—either in force, or proposed by the Government—would prevent me from basing my party office in Neath, Rhondda, Ogmore, Ceredigion, or anywhere else. Will the Secretary of State explain exactly why he thinks that it is so pernicious for a representative of a regional seat to be based in a target constituency that he wishes to change the very basis on which a person can stand for election?

Mrs. Gillan: Does the hon. Gentleman know whether there are any rules to prevent Members of the European Parliament from opening offices anywhere in their regions? For example, it would be possible for a Labour regional MEP to open an office in Chesham and Amersham at present, but as far as I know, the Government do not wish to change the existing rules.

Lembit Öpik: The hon. Lady gives us further evidence of the contradictions in the Government's position. A further example would be councillors. We can all agree that the most effective campaigners and councillors that Wales has ever seen are Liberal Democrats. There can be few hon. Members in the Chamber who are not Liberal Democrats who relish the prospect of an army of Liberal Democrat councillors marching into town to

[Lembit Öpik]

put right the wrongs that they have failed to address. Given the incontrovertible evidence of the effectiveness of Liberal Democrat councillors, is the Secretary of State planning to ban them from basing their activities in constituencies held by other parties, such as Neath, Ogmore or Rhondda?

Mrs. Siân C. James (Swansea, East) (Lab): We are getting into the realms of asteroids here. People expect their representatives to be where they are accessible—that is not rocket science. They want their representatives to be where they can be found, so why not spread them around? If representatives base themselves in one spot, it is great for them and their political aspirations, but it does not do a lot for people in the wider region. For example, would it not be nice if someone in Llanelli opened an office in Caernarfon, or if someone else opened an office in Aberystwyth? If people were to spread themselves around, they would be a lot more effective and would get a lot more respect from the public. Hon. Members have already asked what we have to do about this. We have heard about—

The First Deputy Chairman: Order. I remind the hon. Lady that interventions are meant to be brief.

Lembit Öpik: I forgive the length of the intervention, Mrs. Heal, because we can see what is happening to the hon. Lady. She is frit, because of the extraordinary effectiveness of my fellow Liberal Democrat councillors, and Peter Black—

The First Deputy Chairman: Order. Can we get back to debating the main components of the amendment?

Lembit Öpik: I apologise, Mrs. Heal. I was responding directly to the hon. Lady's intervention, and I would like to add two points of clarification. First, asteroids are rocket science. Secondly, any politician will seek to make a deep impact in his or her neighbourhood. Just as local councillors will seek to maximise the effectiveness of their political operation by basing their offices where they think that would be in the best interests of their party, it is hardly surprising that politicians elected to the Welsh Assembly will seek to maximise the effectiveness of their work, in their party interests as well as in those of the people whom they have been elected to represent, by basing their offices in an expedient fashion.

I have some experience in this regard, because there is Conservative activity of that kind in the constituency of Montgomeryshire. I do not always feel comfortable about it, because obviously, it is the Conservatives' strategy to maximise their effectiveness and their profile in a seat that they once held—although I hope that they will not hold it again.

To prevent such activity, one would have to gerrymander the regulations specifically to forbid politicians from one party to base their political operation in a constituency represented by another party. However attractive that idea might be to me on an emotional level, I cannot see how it could be enforced in any manner other than one expedient for the party that introduced the regulations.

The Electoral Reform Society pointed out that

"a ban on dual candidacy will not provide a solution to this dilemma—whether or not they are permitted to stand as constituency candidates, there is nothing to stop list candidates from targeting particular constituencies on behalf of their parties".

It concluded:

"We urge the Government to reconsider their plan to plan dual candidacy, a controversial and divisive argument for which the case has not adequately been made".

There are aspects of the idea that I find attractive, and perhaps I was more sympathetic to the Minister's position before the debate than I am now.

Chris Bryant: You haven't heard him yet.

Lembit Öpik: I meant sympathetic to what I anticipate the Minister's position will be.

Mr. Roger Williams: It is his Bill.

Lembit Öpik: As my hon. Friend reminds me, it is the Minister's Bill, so we do have some clue about what he will say. None the less, I fully accept that he may stand up and say, "The Opposition are right. I'll think again. I'll accept these amendments." If he does, he will not only be a hero to the Opposition, but he will be carried through the streets of Wales by the tens of thousands of people who will have read *Hansard* and realised how wrong they were to clog up the post of the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd).

However, I think that I can guess to some extent what the Minister will say. His intention is noble; he wants to right what he believes is a wrong, and he is probably genuinely convinced that his position is not party political, but is in the interests of Wales. I ask him to recognise that what he really seems to be doing is legislating for the present circumstances in which Labour finds itself, not for the long-term interests of Welsh politics as a whole. Indeed, if the Government were more persuaded of the case in principle they would be acting on a legislative basis in Scotland, and it is obvious that they have no intention of doing that.

We have had a useful debate so far, and I look forward to hearing what the Minister has to say, but I counsel him to realise that not all of us are trying to score points off the Government—*[Interruption]*—as I am sure other hon. Members would agree. Some of us are looking at the long-term constitutional interests of the Welsh democratic settlement. The danger of using short-term thinking to generate legislation is that it has long-term unintended consequences. Far from solving the problems that the Minister says he is trying to solve, he may be about to introduce something that not only creates a democratic injustice for the candidates but that could be challenged in human rights legislation, as the hon. Members for Beaconsfield (Mr. Grieve) and for Meirionnydd Nant Conwy (Mr. Llwyd) rightly said. I look forward to the Minister's reply, and I am sure that he will provide us with a reflective perspective on the issue. Notwithstanding that, I hope that the Government will think again.

8.45 pm

Mr. David: Our debate is an impassioned one, and this part of the Bill has excited more interest and perhaps controversy than any other part. I should like to address three of the main arguments that the Opposition have made against the Government proposal.

First, we hear consistently that this is part of an attempt to enhance the electoral position of the Labour party. It has been suggested that it is an electoral plot, a means of gerrymandering, or an underhand method to pervert the democratic system. It is nothing of the sort. We have all heard those accusations, but we have not heard a single concrete example of the way in which that gerrymandering will be carried out. No one has demonstrated that, and no one can do so. It is possible— *[Interruption.]* I was hoping that someone would provide an example of the way in which the system could be gerrymandered but, despite the external pops, that is not possible. No one inside or outside the Chamber has demonstrated how the change proposed by the Government could enhance the Labour party's position. Quite simply, it cannot.

In fact, an interesting article by Dr. John Cox, published recently, demonstrates the contrary case. I do not know whether Opposition Members have received a copy, but it has been e-mailed to all Labour Members. Dr. Cox, who is no friend of the Labour party—in fact, he is an implacable opponent—said that the Labour party is wrong if it thinks that the measure will enhance its position. I stress that Labour does not think that way, but Dr. Cox argues that the measure will adversely affect its interests.

David T.C. Davies: I have not had the privilege of reading that comment, but clearly Dr. John Cox thought that the Labour party believed that it was an advantage, otherwise he would not have issued that warning.

Mr. David: The article by Dr. John Cox is designed principally to create mischief in the Labour ranks. He cites at length the Secretary of State and— accurately, I think—the Under-Secretary. Those arguments speak for themselves, and they are set out clearly. No one—I repeat, no one—has offered a convincing argument or, indeed, any argument at all to explain how the measure will enhance the Labour party's position.

David T.C. Davies *rose—*

Mr. David: I shall give the hon. Member for Monmouth (David T.C. Davies) a chance to make an argument.

David T.C. Davies: The hon. Member will accept that if the rules come into effect they will affect only the parties that win seats as a result of proportional representation in the regional list. All the regional list Assembly Members are members of parties other than the Labour party.

Mr. David: The fact of the matter is that the rule applies to all parties and all candidates. There is no question of it helping the Labour party or Plaid Cymru; it simply provides more fairness for everyone. That is what it is all about. Opposition Members, however, do not like the term "fairness", which is obviously antipathetic to everything that they stand for.

Mr. Hain: Does my hon. Friend agree that the ban on dual candidature would not change the distribution of a single seat and that the outcome of an election would be exactly the same? Gerrymandering involves one party using the system to obtain a disproportionate electoral advantage.

Mr. David: My right hon. Friend is correct. The provision is not about enhancing the position of a single party.

Mrs. Gillan *rose—*

Mr. David: May I point out that I am more gracious in giving way to the hon. Lady than she was to me?

Mrs. Gillan: I apologise unreservedly to the hon. Gentleman. I was not trying to be ungracious; I was trying to be quick, although it still looks like we will not have time to discuss major provisions in the Bill. If the provision will not affect the smaller parties, why does not the Secretary of State adopt the approach of the Labour party in Wales, which is voluntarily not to stand in constituencies in the list system? That would be perfect, because it would leave the smaller parties, which would be elected only on the list system, to get on with it. The Labour party should adopt that approach as a self-denying ordinance.

Mr. David: I am glad that the hon. Lady has recognised that the Labour party has set an excellent example, but unfortunately the other parties have not followed it, and it is therefore necessary to legislate to ensure that the rules of internal fairness apply to everybody. We are extending fairness across the board.

Secondly, the Arbuthnott report suggests that dual candidacy should not be banned in Scotland. However, there is the obvious fact that Wales is not Scotland, and just because something is proposed for Scotland, it does not automatically follow that it should be introduced in Wales. Wales is an independent, freestanding country, and we should not be dictated to by what happens north of the border.

The electoral systems in Wales and Scotland are profoundly different, because a larger proportion of Members of the Scottish Parliament are elected by the additional Member system—in Scotland, the percentage is 42 per cent.; in Wales, it is 33 per cent.— so we cannot use easy or simplistic parallels. *[Interruption.]* Those are the facts, which speak for themselves.

Although I do not want to interfere in Scottish politics, the Arbuthnott report is confused. On the one hand, it argues against dual candidature, but then suggests the introduction of STV for elections to the European Parliament. Where is the logic in that argument? If the report advocates STV for the European Parliament, it should advocate STV for the Scottish Parliament. The argument in the report is not intellectually consistent and does not stand up to careful analysis.

Mr. Salmond: The hon. Member for Livingston (Mr. Devine) was anxious to intervene and disagree

[Mr. Salmond]

with the hon. Gentleman. The Arbuthnott commission considered the open choice of the electorate. When it suggested the introduction of STV for the European Parliament, it proposed an open list for the additional member system, which would allow the electorate to choose.

Mr. David: Does the hon. Gentleman not realise that the systems are profoundly different? If one argues for consistent reform, one must argue for complimentary, if not identical, electoral systems.

Hon. Members have referred to international examples as though there are no arguments against dual candidacy worth considering, except so far as Wales is concerned. I refer Members to information that has come from Canada regarding the situation there. A commission on legislative democracy that was set up in New Brunswick concluded:

"The Commission recommends that candidates not be able to present themselves in both a single member constituency and on a party list for the same election. The Commission heard that in some jurisdictions where candidates are able to run simultaneously on both ballots, voters are displeased with the case where a candidate is not successful in a single member constituency, but is elected anyway by virtue of being placed on top of a party's list."

It is important to recognise that the situation is definitely not as one-sided as Opposition Members have suggested.

The third argument that has been advanced concerns evidence given to the Welsh Affairs Committee by the Electoral Reform Society and others. As I pointed out earlier, that evidence was far more balanced than Opposition Members have suggested. It is important to say that the Electoral Reform Society emphasised, above all else, that there is a great deal of misunderstanding among most people as regards the electoral system and how it works. That is the essential point that it wished to convey. It is therefore hardly surprising that it was able to conclude that it had had very few representations made to it about inherent unfairness in the system.

Mark Williams (Ceredigion) (LD): If I may correct the hon. Gentleman on a point of information, that evidence was given by the Electoral Commission, not the Electoral Reform Society. I can vouch for that as a member of the Committee.

Mr. David: The Committee had evidence from the Electoral Reform Society and from the Electoral Commission. I would ask the hon. Gentleman to reread that evidence.

It has been consistently argued that the Government have no empirical, objective evidence to support their case for introducing a ban on dual candidacy. That has been repeated time and again in this Chamber and outside. Mindful of that fundamental criticism, I commissioned a report myself, with a think-tank, the Bevan Foundation, which is completely independent and non-party political. The report was based on the responses of 47 respondents in three constituencies in south Wales—Llanelli, Swansea, East and my own constituency of Caerphilly—concerning the electoral system and how it works. They had not been asked what they thought on the street; they were ordinary people brought together in a situation in which they were free to speak their mind without any partisanship.

The first conclusion, unsurprisingly, was that most of the respondents did not understand the electoral system and did not know why two votes were being asked of them. When it was explained to them how the system worked, they had some interesting views.

Mrs. Gillan: I am delighted that the hon. Gentleman has commissioned a piece of research. I would like to know how long it took, how much it cost, who paid for it, and whether he would make the full details available in the Libraries of both Houses. That would be very helpful to all members of the Committee. However, I must point out that if he individually commissioned it as a Labour party member, it would perhaps lack the independence that he claims for it.

Mr. David: It is unfortunate that the hon. Lady is so cynical about what ordinary people in Wales have to say. The debate is one that Opposition Members hold between themselves; it is a debate of the chattering classes. The Chamber has suddenly gone quiet. The debate is about how we enhance our personal position despite what the people of Wales want. When they have a voice and a report, which expresses their feelings, is published, the Opposition parties are silenced and frightened by it. I challenge other hon. Members to commission research, convene focus groups and listen to what the ordinary people of Wales have to say. I guarantee that they do not want dual candidates.

Mr. Grieve: The hon. Gentleman knows that I believe in first past the post and I have no doubt that he is right that, once one departs from that system, the majority of people, when asked if they understand the electoral system, reply that they have not the slightest idea about what is going on. However, the system at least has an intellectual coherence, which the Bill would remove. Although the Secretary of State claimed that the clause would make no difference, does not the hon. Gentleman understand that the smaller parties would be disadvantaged by the proposals? The smaller the party, the greater the likely disadvantage for those who wish to maximise the chance of getting their chosen people into the Assembly. The proposals will undermine those people and I should be grateful if he dealt with that.

9 pm

Mr. David: That was an interesting intervention. The hon. Gentleman referred to the chosen people as if some had the God-given right to serve in the National Assembly. Those people want the electoral system that is most convenient for them. However, we are considering democracy, fairness and extending a system to which people can relate and understand because it is inherently fair.

Let me cite some of the conclusions—

Mr. Roger Williams: Will the hon. Gentleman give way?

Mr. David: No, I simply want to tell hon. Members what ordinary people are saying on the streets, in the

chapels and in the public houses of Wales. *[Interruption.]* We can hear the chattering classes opposite; they do not like it. A proportion of the respondents to the survey did not like the system because they viewed election by the back door as "suspicious". They do not understand how individuals can lose and win an election on the same day. They cannot understand how a system, such as that in Clwyd, West, where there are five candidates and four of them are elected, is morally justifiable. One wins the election but the others get in through the back door. What is the justification for that? There is none.

Mr. David Jones: The hon. Gentleman repeats the point that he made last week about losers becoming winners. Has he noted the Arbuthnott commission's findings? One conclusion states:

"Candidates coming in second or third place who are then elected through the regional list are only 'losers' in the context of a first past the post, "winner takes all" electoral system. This logic does not sit well within a proportional system and introducing it devalues and undermines the concept of proportionality."

Either the hon. Gentleman accepts that we have proportional representation or he does not.

Mr. David: The system for electing the Welsh Assembly is primarily first past the post. It produces some proportionality but we do not have a proportional system. The quote from the Arbuthnott commission does not therefore apply to Welsh circumstances.

Mr. Roger Williams: Will the hon. Gentleman give way?

Mr. David: No. [HON. MEMBERS: "Give way!"] No, I have taken plenty of interventions.

Chris Bryant: Does my hon. Friend accept that the other parties oppose the change because they are worried about getting enough candidates now, without having to increase the number of candidates? The people who are being profoundly partisan are that lot over there.

Mr. David: Absolutely. That was an objective observation of the chattering classes' concerns. They are worried about their self-interest and their own side; they have no interest in democracy or what the people say.

Ordinary people have conclusively said through the Bevan Foundation report that they do not want election through the back door, they do not want losers to become winners, and they do not want politicians to have two bites at the cherry. The Government's proposals are fairness personified and the most refined form of democracy. It is unfortunate that Opposition parties do not accept that reality.

David T.C. Davies: May I declare an interest as a Member of the Welsh Assembly? I have no interest in changing the voting system, because I have always won elections under the first-past-the-post system, which I support. I do not like proportional representation. I do not like the fact that it breaks the accountability with the electorate, or the fact that it gives the party managers too much of a say in who goes to the top of the list. They often pick the yes-men rather than the people who will stand up for their constituents, although I am not pointing the finger in any particular direction in that regard.

Having said that, however, as a supporter of the first-past-the-post system, and someone who supports the Union and who did not want the Welsh Assembly, I have accepted the result of the referendum that was held some eight years ago. Intrinsic to that referendum was the voting system that the Labour Government put in place. It was their system, not ours. It is simply not good enough that, seven or eight years after the referendum, they have decided that it does not quite suit their purpose to continue with that system, and that they are going to change it.

The Government have come up with some of the most ludicrous excuses for changing the system. They talk about the confusion that arises, they say, when someone loses an election to a constituency but still manages to win in a region. No one has ever complained to me about that electoral process in any of the many surgeries that I have held. However, let us take that criticism head-on. It would still be perfectly possible for any of us to stand as a councillor in any ward in our constituencies. Plenty of wards in my Monmouthshire constituency vote Labour, and I probably would not get elected if I stood as a councillor in any of them. However, I would still represent those wards as their Member of Parliament.

The Government have failed to realise that we are talking about two separate legal elections: one for the constituency seat and one for the region. There is no cause for confusion if someone loses the contest for the constituency but goes on to win a seat as a regional Member. There is no evidence of any such confusion, except that of the Bevan foundation—which is very independent, I am sure; it was set up a few years ago by some Labour party members—which was cited by the hon. Member for Caerphilly (Mr. David).

The other non-existent problem that has been mooted as a reason for the change in the system is that regional Assembly Members might tout for business. However, if constituency Assembly Members are doing their job properly, they should have absolutely nothing to fear in that regard. It has certainly been my experience as a constituency Assembly Member that the first person to whom a constituent will go with a problem is their Member of Parliament, regardless of the problem and of who should deal with it. The second person they go to is their constituency Assembly Member. In fact, most people are unaware of who their regional list Members are, which is a matter that those Members might want to address. There is no reason for any constituency Assembly Member to be concerned about an office opening up in their constituency; if they have been doing their job properly, they will have nothing to worry about. As the hon. Member for Rhondda (Chris Bryant) said, a little bit of competition does us all good.

Mark Tami: If we take the hon. Gentleman's argument at face value, and accept that no one brings any work to the list Assembly Members, why do we give them an office in the first place?

David T.C. Davies: Perhaps that question ought to have been addressed to the Secretary of State for Wales. I believe that a lot of regional Assembly Members work extremely hard. There are others about whom I am not quite so certain, but I am not going to name names.

[David T.C. Davies]

I have already told the Committee what I think about the proportional representation system in general. It is regrettable in the extreme that Labour wants to use its majority to tinker with that system and to change it in a way that will give it an electoral benefit. Of course that will be the result, because, by and large, the only people who get elected to the regions are members of the smaller parties—people who are not members of the Labour party. Any change that will affect the regional list candidates will be bad news for the smaller parties. That is really why the Secretary of State is so determined to introduce this change.

Labour Members keep talking about the Electoral Reform Society. I am not sure whether they are confused and do not know the difference between the Electoral Reform Society and the independent Electoral Commission. I started off thinking it was just ignorance that led them to confuse the two organisations, but I am now starting to think that they are deliberately referring to the Electoral Reform Society because they are embarrassed about the fact that the Electoral Commission gave such damning evidence to the Welsh Affairs Committee and said, more or less, that the change was being made purely out of political partisanship.

I have already said that I do not like the proportional representation system. The Secretary of State for Wales does not like it, and a few years ago he published a good book entitled "Proportional Misrepresentation: The Case Against PR in Britain". I wish he had acted on that book before he set up the current system, but that is another problem.

This change is driven purely by political expediency. It is a nasty, devious, partisan bit of gerrymandering. If the Labour party does not like the PR system, it should simply say so. Labour Members should move an amendment calling for the PR system to be abolished in respect of the Welsh Assembly and for a return to a first-past-the-post system. They would be surprised where they received support from.

Mark Tami: I would support the hon. Gentleman on such a measure, but we are not proposing that. Does he agree that, if we were, we might be open to the allegation he is making, because such a system would probably deliver a large majority for the Labour party? We have put in place a system that virtually guarantees seats for the opposition parties.

David T.C. Davies: The system to which Labour Members are thinking of changing will continue to guarantee seats for the opposition parties. One problem is—*[Interruption.]* Let me finish the point. The change that Labour Members are talking about making will not reduce the numbers from other parties, but it will mean that some candidates lose their seats. Labour Members know full well that it is causing problems for opposition parties. If they think it is not causing problems, they should withdraw that change and allow us to have a political system that all Members of all political parties could support. The changes they are proposing are dishonourable.

I call on Labour Members to look at themselves in the mirror and ask whether they want to use their large majority to make changes to an electoral system that no independent body supports and which they know are for pure party-political advantage. I urge the Committee to support the amendment.

Adam Price: Perhaps even the Secretary of State would privately accept that the sight of a majority—*[Interruption.]* I have not finished yet. This is not exactly the Government's finest hour, as they are pushing through proposals opposed by every other political party at a time of falling participation in politics. There are accusations of abuse and fraud and of gerrymandering. That undermines public trust in politics. What happened to the new, inclusive politics, which was meant to be part of the change in the political culture that the right hon. Gentleman and I were working to create?

For the avoidance of doubt, as accusations of misuse of funds and so on have been made by hon. Members, the hon. Member for Caerphilly (Mr. David) should confirm that he did not use his parliamentary allowance for the research, which I have read. It has to be said that it was based on a sample of 47, which is minuscule, and two sets of three people were involved. I am not sure what the quorum is for a Labour party focus group these days, but surely three at a coffee morning in Llanelli does not constitute consulting the people of Wales.

Mr. David *rose—*

Adam Price: I am under instruction from the Government Whips not to take any interventions, but I shall give way to the hon. Gentleman.

Mr. David: I thank the hon. Gentleman for giving way. I cannot allow him to get away with that blatant misrepresentation. As I said, and as he would know if he had been listening carefully, there were focus groups in three parliamentary constituencies. I certainly accept that 47 is a small number; but it is indicative. I challenge Opposition Members to bring together their own groups to see whether other people have similar views.

Adam Price: Let us look at the results, because the hon. Gentleman was slightly economical in the quotes that he gave. The executive summary to his report says:

"We found slightly more of the total number of respondents"—

that huge figure of 47, including five don't-knows—

"said that dual candidacy was unfair compared with those who felt candidates should be free to stand in both."

Even on a sample of 47, it was a fairly close thing.

What does the report conclude? It says:

"This suggests that any proposals about dual candidacy—whether to change or retain the current system—need to be based on sound evidence and be mindful of differing views amongst the public."

The report points out that there is no evidence for the Government's proposals. The hon. Member for Caerphilly quoted some of the focus groups, so let me quote some of the respondents. Someone from his constituency who was in favour of dual candidacy said that it meant that the power was "spread out", which could make "more of a difference" in the end. Someone else in Caerphilly said that candidates should be free to stand in both ballots, and that that seemed "fair

enough". Perhaps he should listen to the views of some of the people of Wales. They are waiting for the evidence.

9.15 pm

The problem with the proposals, which are perceived to be partisan, is that they undermine public trust in politics at a time of falling participation. My hon. Friend the Member for Meirionnydd Nant Conwy (Mr. Llwyd) referred to the Human Rights Act 1998 and the enacting of the European convention on human rights. He is right to point to that, because article 3 of protocol 1 sets out the right to free and fair elections, which every member state, including the United Kingdom, through the Human Rights Act, has agreed to enact. There is substantial jurisprudence by the European Court of Human Rights in this area. The UK Government's record is very poor on the right to free and fair elections. They lost a case on article 3 of protocol 1 in relation to Gibraltar, about which the Secretary of State will know something. They also lost a case recently in relation to the right to vote for prisoners. The Government's record is therefore poor on the right to vote.

There is also substantial jurisprudence on the right to stand. The European Court of Human Rights has made it clear that member states cannot set eligibility criteria that curtail the basic right of free and fair elections. They cannot deprive people of that basic right. As the Arbuthnott report makes clear, people have the right freely to choose their candidates.

If the Government do not see sense on the issue, I am certain that they will be challenged, and we will have the unfortunate position of the Government having to defend these iniquitous proposals before the European Court of Human Rights. The proposals are disproportionate. I believe that there is substantial evidence that their aim is partisan and illegitimate and that they will be struck down by the European Court. Surely it is shameful that the Government introduced the proposals in the first place. They demean the political culture that we were trying to create—a fair political culture, working together for the benefit of the people of Wales.

Mr. David Jones: I wish to add my voice to the chorus of condemnation of the Secretary of State. There is no doubt that what is proposed is a shabby and dishonourable measure that ought to be criticised by Members on both sides of the House.

The Government suggest in their White Paper that the current arrangement, whereby, as the hon. Member for Caerphilly (Mr. David) puts its, losers can become winners,

"devalues the integrity of the electoral system in the eyes of the public and acts as a disincentive to vote in constituency elections".

I suggest that it is not that aspect of the matter that acts as a disincentive but the Byzantine complexity of the system put in place by the Labour party. The system is complex and difficult to understand. Nevertheless, that is the system that the Government put in place in 1998.

It was always perfectly foreseeable, and an inherent part of the system, that there would be constituencies in which more than one candidate would be returned to the Assembly, whether though first-past-the-post or the regional list system. If the Government did not realise that from the outset, they were pretty short-sighted.

My constituency, Clwyd, West, is constantly cited. Four of the five candidates were elected to the Assembly, one under first-past-the-post and the others through the regional list. Again, that was always foreseeable. It was an extreme example and an extreme conclusion. The hon. Member for Caerphilly laughs about that, but the Government put that system in place. It is a bit rich, a few years on, for the Government to start moaning about it and suggesting that they never foresaw it. It is rather facile to suggest that this is resulting in some kind of disengagement on the part of the electorate, especially given that none of the witnesses who appeared before the Welsh Affairs Committee supported that view, and the Committee's conclusion had to be based on

"informal feedback from the public".

It is nonsense. There was a huge weight of evidence against the Secretary of State's proposal, but he is ignoring it completely.

The Secretary of State has also suggested that there is some form of systematic abuse of the system.

Mr. Hain: That is right.

Mr. Jones: All I can say to the right hon. Gentleman is that the Leanne Wood memo must have come as manna from heaven to him. Apart from the memo, what evidence has he of that so-called systematic abuse? We heard from the hon. Member for Rhondda (Chris Bryant) that people in his constituency were representing themselves as the Member for Rhondda. No names have been produced, and we have had no evidence relating to any other individual—apart from the hapless Leanne Wood, who, as I have said, came as manna from heaven to the Secretary of State.

We are seeing a shabby attempt to gerrymander the electoral system to the advantage of the Labour party. Labour Members know that, as does every Opposition Member. The Secretary of State should be thoroughly ashamed of himself. He laughs. I do not know whether they play conkers in South Africa, but if they do, I bet the right hon. Gentleman was the sort of little boy who pickled his conkers before playing.

The First Deputy Chairman: Order. There is no reference whatsoever to that in the amendment.

Mr. Jones: The fact is that this is an attempt at gerrymandering, which does not belong in the House of Commons or in the Welsh Assembly. The Labour party should be thoroughly ashamed of itself, and I wholeheartedly support the amendment.

Mr. Salmond: Notwithstanding what I thought was a brilliantly deadpan and ironic speech from the hon. Member for Caerphilly (Mr. David), the highlight of the debate came 40 minutes ago when the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) came into the Chamber, realised that he was about to be endorsed by the hon. Member for Montgomeryshire (Lembit Öpik), and promptly turned on his heel and returned to the safety of the Members Lobby.

[Mr. Salmond]

This has been an extremely enjoyable debate. I intrude on it because I believe that there is a Scottish dimension. I was fogbound at Dundee airport this morning and thought that I would miss the start of the debate, although I recognised the ability of my Welsh colleagues to spin it out through the afternoon. I have sat patiently, wanting to contribute whatever wisdom I can from a Scottish perspective.

The fog at Dundee airport was as nothing compared to the red haze that has descended and clouded the judgment of the Secretary of State for Wales and one or two Scottish Back Benchers. They have dressed up a clear case of gerrymandering—or, as we must now call it, conker-pickling—on the Secretary of State's part, claiming that it is to everyone's advantage and has absolutely nothing to do with the poor, pathetic stories of the hon. Member for Rhondda (Chris Bryant) about Members opening offices in his constituency and pretending to be politicians. The poor, sensitive flower among Welsh Labour Members! Ah, I see that the tender flower has returned. *[Interruption.]*

The First Deputy Chairman: Order. There is far too much noise in the Chamber.

Mr. Salmond: Those are cheers.

I am in favour of the additional member system, although I have been elected six times by means of the "first past the post" system, with a swing towards the SNP at every election. On the last four occasions, I was elected by an absolute majority of the votes cast.

I make that point because I think that people who start talking about electoral losers in list systems should start to look at the strength of their own political mandates. I am glad to see present in the Chamber the ringleader of those who want to foist the gerrymandering that is happening in Wales on Scotland. The new hon. Member for Livingston (Mr. Devine) has been in the House a matter of—oh—10 weeks, and with that enormous parliamentary experience has chosen not to represent his constituents who are desperately worried about the withdrawal of fire services—

The First Deputy Chairman: Order. Will the hon. Gentleman please confine his remarks to the amendments under discussion, which are apropos of Wales, not Scotland?

Mr. Salmond: I am pointing out, Mrs. Heal, that those who argue that list members are failures should consider the strength or otherwise of their own electoral mandates. The hon. Member for Livingston received 41.79 per cent. of the vote, which was only 16 per cent. of the total electorate of Livingston. Some 84 per cent.—

Mark Tami: On a point of order, Mrs. Heal. This speech does not appear to cover any of the matters that we should be covering. It seems to refer totally to some matter in Scotland.

The First Deputy Chairman: I have already ruled that the hon. Member for Banff and Buchan (Mr. Salmond) must confine his remarks to the amendment to the Government of Wales Bill.

Mr. Salmond: Yes, and that is exactly what I am doing, always, as I do, taking your advice, Mrs. Heal. It is interesting that Labour party members who are prepared to dish out gerrymandering to the other parties in Wales cannot take a bit of debate in the Chamber. What sort of attitude is that? If I had been elected by a mere 16 per cent. of the electorate in Banff—

The First Deputy Chairman: Order. I remind the hon. Gentleman once again to move on and to address the amendment under discussion.

Mr. Salmond: The amendment is about the strength or otherwise of electoral mandates. As we have been discussing all evening, the Arbuthnott report on the situation in Scotland said clearly, on the Government's proposals:

"The Commission believes that preventing dual candidacy would be undemocratic."

Having looked at the Welsh example, it suggested that the motivation was to preserve one-party hegemony. When we hear Labour Members argue that it is actually for the general good and the health of democracy, we should remember that the commission that studied the matter saw a different motivation.

Who are the Arbuthnott commission to rule on these matters? Were they hand-picked by the Conservatives, or by Plaid Cymru or by the Liberals? They were hand-picked by the Secretary of State for Scotland. They were described recently by the Parliamentary Under-Secretary of State for Scotland as

"a serious commission carrying forward a serious piece of work on our behalf. It is composed of extremely high-calibre individuals who have made outstanding contributions to public life . . . over many years. They are going about the task that we gave them with exemplary thoroughness and integrity."—[*Official Report, Westminster Hall*, 9 November 2005; Vol. 2043, c. 105WH.]

Oh, but that the Secretary of State for Wales had taken the advice of people of similar integrity. The Secretary of State for Wales—the part-time Secretary of State for Wales—told us in his press release that he had information—

The First Deputy Chairman: Order. Perhaps the hon. Gentleman would remember *Erskine May* and continue his contribution to the debate in a more orderly manner.

Mr. Salmond: I am continuing in a perfectly orderly manner, Mrs. Heal. I am pointing out that the Secretary of State for Wales is on the record as saying he had information that Sir John Arbuthnott would have taken a different view if he had known of the malpractices that were taking place in Wales. He has yet to tell us—no doubt he will do so when he sums up—how he came to that conclusion. Had he spoken to Sir John Arbuthnott? The Arbuthnott commission quotes extensively from the evidence given on Wales, all of it against the Secretary of State's position, in coming to its conclusion that to rule out dual candidacy would be "undemocratic" and a protection of the hegemony of one political party. I hear a Front Bencher suggesting, from a sedentary position—you obviously did not hear it, Mrs. Heal—that that is not true. In what aspect is it not true that that is what the Arbuthnott commission concluded—

9.30 pm

Nia Griffith (Llanelli) (Lab): Why does the hon. Gentleman think that our party is likely to lose out from these proposals? I know many of our candidates in marginal seats who will be at risk if they are not allowed to stand for the list seats as well as for constituencies. Can the hon. Gentleman explain, with reference to Wales, how he can accuse us of making a partisan decision in such circumstances?

Mr. Salmond: If the hon. Lady had been paying attention to the debate, she would have heard the reason. The Labour party can do whatever it likes in Wales. No one on this side of the Chamber is suggesting to the Labour party that it impose restrictions on its candidates. That is not what is in dispute. What is in dispute is the arrogance and contempt for democracy of a party that believes that it can legislate to put unfair restrictions on the candidates of other parties, just in case they inconveniently open up a political office in one or other constituency.

Has the abstinence from dual candidacy been the normal practice of the Labour party across these islands? I have been looking at the Labour list for the Glasgow constituency in 1999—*[Interruption.]* At the head of the list is Donald Dewar. Was he standing on that list because he was frightened that he would not win in Anniesland or Garscadden? Or was he pursuing a legitimate option to rally support for the Labour party in Glasgow by standing on the list? Nor was it just in the first election for the Scottish Parliament that the Labour party tried that particular trick.

Mr. Devine: I know that the hon. Gentleman's party was not part of the convention, because it stayed out of the tent with its friends in the Tory party. Donald Dewar led the Labour party, other political parties, trade unions and Churches into the Scottish convention, which agreed that the list MSPs would have the same status but a distinctive role of overview on what was happening in the regions. The hon. Gentleman must agree that that never happened.

Mr. Salmond: Well, why on earth did the late Donald Dewar put himself at the top of the Glasgow list? *[Interruption.]* Why on earth is the Labour party trying to change the situation now, especially—as we have heard—among the casualties would be the Minister for Education and Young People, Peter Peacock, who came third in the constituency—*[Interruption.]* of my hon. Friend the Member for Moray (Angus Robertson).

Mr. David: On a point of order, Sir Michael. This is an amendment to the Government of Wales Bill and it has nothing to do with Scotland. I ask you to rule on that point. *[Interruption.]*

The Second Deputy Chairman of Ways and Means (Sir Michael Lord): Order. Such matters may be safely left to the Chair. It would greatly help the hon. Gentleman's contribution if Labour Members did not keep intervening from sedentary positions.

Mr. Salmond: Thank you very much, Sir Michael. I was about to point out that among the casualties of this ridiculous proposal, if the hon. Member for Livingston (Mr. Devine) had his way and it was applied in Scotland, would be the Scottish Minister for Education and Young People, who has achieved the remarkable distinction of being even more unpopular in Scotland than the English Secretary of State for Education and Skills is in England.

The Labour party says one thing and does another. The real problem for the Secretary of State for Wales is that he does not like the idea that other parties might pursue politics in what he regards as a Labour party fiefdom. He should remember that in liberal democracy it is not common for Governments to change the electoral system without a consensus across the political parties. It was common in the states of eastern Europe, when they were still under totalitarian dictatorship. The manipulation of electoral systems is also common in the third world. We should have left such blatant electoral manipulation far behind. That essential point of democracy applies whether or not it is in Wales or Scotland.

Mr. Hain: A number of Members have described the Committee stages of the Bill as boring. It has been anything but that. We have been united in being exciting this evening, but I have not heard such a farrago of fantasy from Opposition Members in a long time. Why? Because they want a special law for particular categories of candidate. They want people who have been rejected by the electorate to win—to have two bites at the cherry. People rejected by the voters could become winners. That point is at the heart of the amendment.

Mr. Grieve: Will the Secretary of State give way?

Mr. Hain: No, I have only a limited amount of time to respond to the debate, so I need to answer the points that were made.

We should start with the facts. Interestingly, the National Assembly for Wales does not support the Opposition proposals for preventing a ban on dual candidature. That is fact No. 1.

The second fact is that, yes, I was one of the Ministers responsible for bringing in the Government of Wales Act 1998 and thus the electoral system. I never imagined, and could not have anticipated, the widespread and systematic abuse that has subsequently occurred. It has undoubtedly occurred. We have heard the evidence, some of which I shall cite, from many Members this evening, on Second Reading and in questions. This is a matter not of party politics, but of ensuring that we have a system of integrity in the National Assembly for Wales.

Thirdly, the ban on dual candidacy was a manifesto commitment. That is an important point. Are Opposition Members inciting the House of Lords to breach the Salisbury convention on manifesto commitments? The manifesto commitment was that

"we will prevent candidates from standing on both the list and in a constituency in order to make all candidates genuinely accountable to the electorate and to end Assembly Members being elected via the backdoor even when they have already been rejected by the voters."

That is a clear manifesto commitment and we won convincingly in Wales, as we did elsewhere in the country.

[Mr. Hain]

The amendments would not only reinstate the status quo with regard to dual candidacy but also, in the case of amendments Nos. 52 and 10, go beyond that by removing restrictions that already exist in the Government of Wales Act 1998 and have not been challenged or subject to serious consideration.

The hon. Member for Carmarthen, East and Dinefwr (Adam Price) questioned whether the measure complies with the European convention on human rights in terms of free and fair elections. I am absolutely satisfied that the measure is compliant. He made the specious claim that we are preventing electors from having the right to choose candidates. On the contrary: we are insisting that electors should have the right to choose the candidate they want. Those candidates when elected should stay elected and not be subject to defeated candidates popping in through the back door.

Far from being partisan, the proposals in clause 7 to prevent candidates from standing both in a constituency and on a regional list will strengthen the integrity of the system, and the legitimacy of regional Assembly Members. They put voters in charge—an important point—by enabling them to reject a candidate who can currently get in through the back door despite being rejected by the voters.

The ban on dual candidacy will end confusion with respect to the Assembly's current electoral system, especially following the Assembly election in the Clwyd, West constituency in 2003, when three of the four losing candidates, who were kicked out by the electorate, became AMs as additional Members elected from their parties' regional lists. As Members have noted, that practice resulted in 15 of 20 list AMs setting up in the constituencies where they were defeated to target them next time.

The hon. Member for Montgomeryshire (Lembit Öpik) said that our changes would not prevent that from happening, but actually the Bill's provisions will prevent it. Furthermore, subsection (6) of clause 36, which covers the code of conduct that will be established and the Standing Orders to be considered by the Assembly, will impose the necessary restrictions. If we were in any doubt as to the need for them, we have only to look at the way that Leanne Wood, a Plaid Cymru Assembly Member on the list system, was caught red-handed advocating just such systematic abuse, which taxpayers would not stand for if they knew that it was occurring.

Voters do not understand how defeated constituency candidates can be elected through the backdoor on their party's regional list. The new provision will restore voters' democratic right to reject a constituency candidate, as well as to elect one. The current system undermines—

Mr. Llwyd: On a point of order, Sir Michael. The Secretary of State has restated the matter of Leanne Wood. As a matter of record, she was fully exonerated by the appropriate Assembly Committee, and such a ruling was made by Mr. Speaker when the right hon. Gentleman tried to say such things last time.

The Second Deputy Chairman: That is not a matter for the occupant of the Chair at this point.

Mr. Hain: I have limited time, and I need to make progress so that the Opposition have an opportunity to reply to the debate.

These proposals would affect all parties equally, not least the six Labour Assembly Members with tiny majorities. In one case, a dozen votes could go the other way and deprive the Member of a seat. They will be prevented from standing for election on the list.

Criticism of dual candidacy has come not just from the Labour party, but from right across the political spectrum. The respected Welsh academic, Denis Balsom said:

"Candidates use the list as an insurance against failing to win a constituency contest. This dual candidacy can also confuse the electorate, who may wish to consciously reject a particular candidate only to find them elected via the list. It should remain a basic democratic right not to elect a particular candidate or to be able to vote a member out."

I completely agree with him. Evidence has come from academics across the field and from Canada, New Zealand and Japan. More recently, research by the independent Bevan Foundation on public attitudes to duel candidacy in Wales has concluded that there is indeed "considerable public disquiet" about the issue. Whatever questions may be directed at people in focus groups and so on, that is the only independent research conducted in Wales.

Amendment No. 52, which Opposition Members support, would take us backwards. The Government of Wales Act 1998 already provides that candidates who are on a regional list may not stand for a constituency in a different region. People who lose should not then be allowed to stand for election on the list. The Opposition now propose that those people could lose in south Wales and pop up in north Wales. What sort of system is that?

Lord Richard, the chairman of the commission, has backed the Government's policy on the matter. Lord Steel, the former Presiding Officer of the Scottish Parliament—we have heard lots about Scotland this evening, even though this is a debate on Wales—has also supported the Government's policy in this respect. To illustrate the cross-party concern about the issue, I want to put on record a number of other quotes. Lord Carlile, a former leader of the Welsh Liberal Democrats, said:

"I am sure that many in Wales will welcome . . . the removal of the absurd dual candidacy opportunity."

Lord Crickhowell, a former Conservative Secretary of State for Wales, said:

"The present arrangements are really pretty indefensible".—[*Official Report, House of Lords,* 15 June 2005; Vol. 672, c. 1216–17.]

Glyn Erasmus, Plaid Cymru regional co-ordinator, said in a letter to *The Western Mail* on 17 December 2005:

"with the vast majority of regional list seats being taken up with constituency candidates there is a blockage that excludes other people from coming to prominence. This means that the 'elite' of a party protect their own elitism by preventing others from gaining a personal profile . . . To finalise with a personal observation, 'two bites at the cherry' and 'having your cake and eating it' are both universally recognised as symptomatic of selfishness."

Finally, just for completeness, let me give another quote. Preseli Pembrokeshire Conservative Association said:

"We agree to the proposals to prevent individuals from simultaneously being candidates in constituency elections and being eligible for election from party lists."

That is the only consultation response that we received from any Conservative in respect of "Better Governance for Wales"—long may those involved continue to have such wisdom.

I conclude with a few final points. We have heard a whole series of specious arguments in the debate this evening and in the debate in Wales. First, we heard that the proposal—regrettably this point was repeated by the hon. Member for Chesham and Amersham (Mrs. Gillan)—could affect the quality of candidates. We have the proposition that bright high-quality candidates actually need two bites at the cherry. These bright candidates in all the opposition parties are so worried about being defeated by the electorates in the constituencies where they stand that they want an insurance policy, an each-way bet and a lifebelt. It is a funny sort of brightness that has no respect for democracy and no respect for the verdicts of the people.

9.45 pm

What are the opposition parties afraid of? What are Plaid Cymru, the Conservatives and the Liberal Democrats united in this unholy coalition to seek to defeat the Government on this matter afraid of? I submit that they are afraid of the voters, because what this proposal does and what the Government are seeking to do is put the voters, and not the parties, in charge. It says that if a candidate is defeated in a constituency, that candidate should not pop up on a list as has been happening right the way through. This will affect the Labour party equally, and some may say disproportionately worse than the other parties. It is not a question of party bias.

There have been charges of gerrymandering, which is a very serious charge to make. Gerrymandering comes from the process of rigging constituencies and rigging election systems for a particular party to gain party advantage. There is no way at all that any party can gain party advantage from this. Not one seat will change hands. Either a party will win a constituency or it will not. Whether the party wins or not will determine the number of party representatives on the list seat. Banning candidates from standing in both categories does not affect the party outcome at all. It does not affect it by one seat; it does not affect it by one iota. This is another of the specious attacks on the Bill.

If there has been gerrymandering, it has been by those list Members abusing their position and abusing their Assembly allowances—I think the Assembly ought to address this matter—to set up constituency offices in target seats deliberately to target the Members who beat them the last time. That is an abuse of democracy and one of the reasons why the Government will fight to the very end—and the House of Lords ought to respect our manifesto commitment and the Salisbury convention—to have a clean system in the Welsh Assembly elections and to make sure that the voters are in charge once and for all instead of the parties manipulating the system for their own advantage.

Mrs. Gillan: Rarely have I heard such a load of rubbish from a Secretary of State. No wonder he did not take very long to reply to the debate—he had very few good points to make.

The confusion that the Secretary of State says is suffered by the electorate is no such thing. The only confusion that we are seeing is confusion by the Government. They have found themselves with Labour Members facing a problem that has now been identified as the Leanne Wood problem. To deal with that, the Labour party has taken the heavy-handed approach and decided to change the electoral system in Wales.

Throughout this debate, we have asked for evidence of the confusion experienced by the electorate and the only evidence that the Secretary of State can give us is a quote from something from the, in his view, independent Bevan Foundation. That research has not been made available to any Members of the House and, when the hon. Member for Caerphilly (Mr. David) introduced it, he did not even say who had commissioned it, who had paid for it and when it would be available to Members.

Mr. David *rose—*

Mrs. Gillan: I shall give way to the hon. Gentleman, so that he can answer the questions that he failed to answer when I intervened on him earlier.

Mr. David: The hon. Lady can have a copy immediately. It is in the British Library and the National Library of Wales; it is widely available. The foundation is entirely independent and it is an entirely independent report. Independence obviously hurts the hon. Lady.

Mrs. Gillan: Who paid for the report?

Mr. David: It was paid for by Members.

Mrs. Gillan: There we have it—an entirely independent report was paid for by Labour Members.

Mr. Salmond: I will be brief because I do not want to interrupt this. When the hon. Member for Caerphilly (Mr. David) says, "Members," does he mean Members' allowances? What aspect of the word "Members" does he mean?

Mr. David *rose—*

Mrs. Gillan: I will take an intervention from the hon. Member for Caerphilly if he would like to answer that question.

Mr. David: Absolutely. I am more than happy to give transparency to hon. Members. The matter has been cleared by the House authorities. The report is independent. It was commissioned from an independent foundation—it is independent research.

Mrs. Gillan: I think that we have established that we are talking about a Labour party report that was commissioned by Labour Members—it is not independent at all. Although we have heard anecdotal allusions to people wishing to change the electoral system, not one scrap of evidence has been put forward.

Adam Price: Does not the hon. Lady find it absolutely astonishing that although we have heard repeated

[Adam Price]

accusations from Labour Members about the abuse of position of an Assembly Member, we find that a Labour Member is using his parliamentary allowance—taxpayers' money—for a report that is clearly to the advantage of the party that he represents?

Mrs. Gillan *rose—*

The Second Deputy Chairman: Order. It would be helpful if the hon. Lady would return more directly to the amendment.

Mrs. Gillan: I will try to be helpful to the Chair, but I think that the intervention made by the hon. Member for Carmarthen, East and Dinefwr (Adam Price) is worthy of further scrutiny. Hon. Members have been flinging rather dangerous allegations around the Chamber and effectively accusing Assembly Members of abusing their allowances. If Assembly Members have abused their allowances, that is a matter for the Assembly and its Standing Orders. Such abuses should be catalogued and brought before the proper authorities. I am not entirely sure how the allowances of the hon. Member for Caerphilly are used, but there will be an opportunity—

Mr. David: On a point of order, Sir Michael. Serious accusations are being made on the Floor of the House. I want to state absolutely categorically that such accusations are deplorable. The report was an independent piece of research that was commissioned from an independent research institute—

The Second Deputy Chairman: Order. That is not a matter for the Chair; it is more a matter for debate.

Mrs. Gillan: Methinks the hon. Gentleman doth protest too much, Sir Michael, but it will be interesting to find out exactly who paid for the research, as I am sure that we will eventually.

I do not wish to detain the Committee for too long because we have had a long debate on the amendment. To be quite frank, I would be ashamed to be bringing forward such a proposal if I were Secretary of State for Wales. It has been established beyond all reasonable doubt that it is a party political move by the Labour party on behalf of Labour politicians, who have certainly had it all their own way, but now cannot face the competition. It is clear that there has been no demand for such a measure because otherwise evidence would have been put before the Committee, or at least placed in the Library. No other party in the House or the Assembly has demanded a change to the electoral arrangements. Most leading commentators—certainly the Electoral Commission—and many academics have spoken out clearly against the measure.

There is no doubt that the Secretary of State is putting forward a grubby little measure. He has not even had the decency to discuss it with the Presiding Officer of the Assembly. I wanted to discover how well and even-handedly the Secretary of State had consulted people in the Welsh Assembly, so I read the evidence that the Presiding Officer of the National Assembly for Wales gave to the Welsh Affairs Committee on 31 October 2005. When he was asked whether the White Paper represented the Assembly's view, he said:

"We did not, for example, discuss questions surrounding changes in election rules, or preventing Members from standing for election."

The Secretary of State did not even bother to discuss the matter with the Presiding Officer and I understand from the evidence given by the Presiding Officer that he did not discuss it with the Assembly parliamentary service, either. The Presiding Officer said:

"As I understand it, there has been very little consultation with officials working with us, and with colleagues who are committee clerks and part of the parliamentary service . . . It is also a cause for concern for me that the bill has not come to us as a draft bill."

Mr. Hain *rose—*

Mrs. Gillan: The Secretary of State wants me to give way—and I am sure that he has discussed the subject with the Presiding Officer since that was reported on 31 October. However, it remains the case that there has been no proper consultation, of which hon. Members have seen any evidence, with the Presiding Officer of the National Assembly.

Mr. Hain: The hon. Lady is making an important point, so just for the record, may I say that I have discussed this matter with the Presiding Officer on a number of occasions over a number of months? It has been a live policy for a very long time.

Mrs. Gillan: In that case, the Select Committee evidence from 31 October 2005 must be incorrect. I expect that the Secretary of State will be speaking to *Hansard* to get the transcript altered, because that is all down in black and white at paragraphs 145 and 146 of the evidence.

As I have said, we have before us a grubby proposal that is not supported by the voters or by any party except the Minister's own, nor by any leading group of independent academics. The only people who say that they can stand the policy up are those who produced a piece of party-bought research. I invite Opposition Members, as well as any other Members from Wales who have respect for the people of Wales, to stop this gerrymandering and vote for our amendment.

Question put, That the amendment be made:—

The Committee divided: Ayes 200, Noes 280.

Division No. 146] **[9.56 pm**

AYES

Ainsworth, Mr. Peter	Bone, Mr. Peter
Amess, Mr. David	Boswell, Mr. Tim
Arbuthnot, rh Mr. James	Bottomley, Peter
Atkinson, Mr. Peter	Brazier, Mr. Julian
Baldry, Tony	Bread, Mr. Colin
Barker, Gregory	Brokenshire, James
Baron, Mr. John	Brooke, Annette
Barrett, John	Browne, Mr. Jeremy
Beith, rh Mr. Alan	Browning, Angela
Bellingham, Mr. Henry	Bruce, Malcolm
Benyon, Mr. Richard	Burns, Mr. Simon
Bercow, John	Burrowes, Mr. David
Beresford, Sir Paul	Burstow, Mr. Paul
Binley, Mr. Brian	Burt, Lorely
Blunt, Mr. Crispin	Butterfill, Sir John

Cameron, rh Mr. David
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Featherstone, Lynne
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leech, Mr. John
Leigh, Mr. Edward
Lewis, Dr. Julian
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Moore, Mr. Michael
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
Öpik, Lembit
Osborne, Mr. George
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Streeter, Mr. Gary
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Dr. Richard
Teather, Sarah
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Michael Fabricant and Angela Watkinson

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Benn, rh Hilary
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobson, rh Frank
Doran, Mr. Frank
Dowd, Jim
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley

Humble, Mrs. Joan
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Levitt, Tom
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oliver, Mr. Bill
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Alan Campbell and Gillian Merron

Question accordingly negatived.

It being after Ten o'clock, THE SECOND DEPUTY CHAIRMAN *put the Questions necessary to dispose of the business to be concluded at that hour, pursuant to Order [9 January].*

Clause 7 ordered to stand part of the Bill.

Clauses 8 to 27 ordered to stand part of the Bill.

Schedule 2 agreed to.

Clauses 28 to 58 ordered to stand part of the Bill.

Schedule 3

TRANSFER ETC. OF FUNCTIONS: FURTHER PROVISIONS

Amendments made: No. 220, in page 103, line 14, after 'Ministers' insert

', the First Minister or the Counsel General'.

No. 221, in page 103, line 19, at end insert

', the First Minister or the Counsel General'.

No. 222, in page 103, line 23, after 'Ministers' insert

', the First Minister or the Counsel General'.

No. 223, in page 103, line 39, at end insert

', the First Minister or the Counsel General'.

No. 224, in page 103, line 43, after 'Ministers' insert

', the First Minister or the Counsel General'.

No. 225, in page 104, line 14, after 'Ministers' insert

', the First Minister or the Counsel General'.

No. 226, in page 104, line 26, after 'Ministers' insert

', the First Minister or the Counsel General'.

No. 227, in page 104, line 34, after 'Ministers' insert

', the First Minister or the Counsel General'.

"No. 228, in page 104, line 35, at end insert—

'Laying of reports and statements

9A (1) This paragraph applies where—

(a) a function to make or receive a report or statement (including a function conferred or imposed by or by virtue of an Act passed after this Act) is transferred to, or made exercisable by, the Welsh Ministers, the First Minister or the Counsel General by an Order in Council under section 58, and

(b) immediately before the coming into force of the provisions of the Order in Council relating to the function, and enactment made provision ("provision for Parliamentary laying") for a report or statement made or received in the exercise of the function to be laid before Parliament or either House of Parliament by the person making or receiving it.

(2) The provision for Parliamentary laying applies to the exercise of the function by the Welsh Ministers, the First Minister or the Counsel General as if it required the report or statement to be laid before the Assembly instead of before Parliament or either House of Parliament.

(3) In this paragraph references to a report or statement include any other document (except one containing subordinate legislation).'.

No. 229, in page 105, leave out lines 30 to 35. —*[Nick Ainger.]*

Schedule 3, as amended, agreed to.

Clauses 59 to 82 ordered to stand part of the Bill.

Clause 83

DIFFERENT EXERCISE OF FUNCTIONS BY WELSH MINISTERS ETC.

Amendments made: No. 230, in page 46, line 3, leave out

'an Order in Council under section 58.'

and insert

'or by virtue of this Act.'.

No. 231, in page 46, line 12, leave out 'any provision made by'.

No. 232, in page 46, line 15, leave out

'the Order in Council by'

and insert

'any provision by or by virtue of'.

No. 233, in page 46, line 19, leave out from 'where' to the end of line 23 and insert

'this section does not apply.'.—*[Nick Ainger.]*

Clause 83, as amended, ordered to stand part of the Bill.

Clause 84 ordered to stand part of the Bill.

Clause 85

CONSTRUCTION OF REFERENCES TO MINISTERS AND DEPARTMENTS

Amendments made: No. 234, in page 47, line 3, at end insert—

'(aa) the report or statement is not one which, by or by virtue of this Act, is to be made by or given to the Welsh Ministers, the First Minister, the Counsel General or the Assembly Commission, and'.

No. 235, in page 47, line 4, leave out 'exclusively'.

No. 236, in page 47, line 6, leave out from 'Minister' to the end of line 9 and insert

', the Counsel General or the Assembly Commission.'.

No. 237, in page 47, line 19, leave out from 'legislation)' to ', and' in line 21.—*[Nick Ainger.]*

Clause 85, as amended, ordered to stand part of the Bill.

Clauses 86 and 87 ordered to stand part of the Bill.

Schedule 4 agreed to.

Clauses 88 to 91 ordered to stand part of the Bill.

Clauses 116 to 123 ordered to stand part of the Bill.

Clause 124

ANNUAL BUDGET MOTIONS

Amendment made: No. 238, in page 66, line 36, leave out 'approving' and insert 'authorising'. —*[Nick Ainger.]*

Clause 124, as amended, ordered to stand part of the Bill.

Clause 125

SUPPLEMENTARY BUDGET MOTIONS

Amendment made: No. 239, in page 67, line 22, leave out from 'motions' to end of line 36 and insert

'(referred to in this Act as a "supplementary Budget motion") for either or both of the purposes specified in subsections (2) and (2A).

(2) A supplementary Budget motion may approve a variation in any one or more of the following—

(a) the amount of resources authorised to be used in the financial year by a relevant person, or pursuant to a relevant enactment, for any service or purpose,

(b) the amount of resources accruing to a relevant person in the financial year and authorised to be retained by that person to be used for any service or purpose, and

(c) the amount authorised to be paid out of the Welsh Consolidated Fund in the financial year to a relevant person, or for use pursuant to a relevant enactment, for any service or purpose.

(2A) A supplementary Budget motion may authorise any one or more of the following—

(a) the amount of resources which may be used in the financial year by a relevant person, or pursuant to a relevant enactment, for a service or purpose specified in the motion,

(b) the amount of resources accruing to a relevant person in the financial year which may be retained by that person to be used for a service or purpose so specified, and

(c) the amount which may be paid out of the Welsh Consolidated Fund in the financial year to a relevant person, or for use pursuant to a relevant enactment, for a service or purpose so specified.'.

'(referred to in this Act as a "supplementary Budget motion") for either or both of the purposes specified in subsections (2) and (2A).

(2) A supplementary Budget motion may approve a variation in any one or more of the following—

(a) the amount of resources authorised to be used in the financial year by a relevant person, or pursuant to a relevant enactment, for any service or purpose,

(b) the amount of resources accruing to a relevant person in the financial year and authorised to be retained by that person to be used for any service or purpose, and

(c) the amount authorised to be paid out of the Welsh Consolidated Fund in the financial year to a relevant person, or for use pursuant to a relevant enactment, for any service or purpose.

(2A) A supplementary Budget motion may authorise any one or more of the following—

(a) the amount of resources which may be used in the financial year by a relevant person, or pursuant to a relevant enactment, for a service or purpose specified in the motion,

(b) the amount of resources accruing to a relevant person in the financial year which may be retained by that person to be used for a service or purpose so specified, and

(c) the amount which may be paid out of the Welsh Consolidated Fund in the financial year to a relevant person, or for use pursuant to a relevant enactment, for a service or purpose so specified.'.—*[Nick Ainger.]*

Clause 125, as amended, ordered to stand part of the Bill.

Clause 126 ordered to stand part of the Bill.

Clause 127

CONTINGENCIES

Amendments made: No. 240, in page 68, line 24, after 'by' insert 'virtue of'.

No. 241, in page 68, line 27, after 'by' insert 'virtue of'.

No. 242, in page 68, line 35, leave out 'approve' and insert 'authorise'.

No. 243, in page 69, line 4, leave out 'those sections' and insert

'virtue of sections 124 and 125'.—*[Nick Ainger.]*

Clause 127, as amended, ordered to stand part of the Bill.

Clauses 128 and 129 ordered to stand part of the Bill.

Clause 130

WELSH MINISTERS' ACCOUNTS

Amendments made: No. 253, in page 70, line 14, at end insert—

'(1A) The accounts must include details of the financial affairs and transactions of the Counsel General.'.

No. 254, in page 70, line 38, leave out 'by the Welsh Ministers'.—*[Nick Ainger.]*

Clause 130, as amended, ordered to stand part of the Bill.

Clause 131 ordered to stand part of the Bill.

Clause 132

ACCOUNTING OFFICERS FOR WELSH MINISTERS

Amendments made: No. 255, in page 71, line 36, leave out

'and finances of the Welsh Ministers'

and insert

'of the Welsh Ministers and the finances of the Welsh Ministers and the Counsel General'.

No. 256, in page 72, line 1, leave out

'and finances of the Welsh Ministers'

and insert

'of the Welsh Ministers and the finances of the Welsh Ministers and the Counsel General'.—*[Nick Ainger.]*

Clause 132, as amended, ordered to stand part of the Bill.

Clause 133 ordered to stand part of the Bill.

Clause 134

EXAMINATION INTO WELSH MINISTERS' USE OF RESOURCES

Amendments made: No. 257, in page 72, line 40, after 'Ministers' insert 'and the Counsel General'.

No. 258, in page 72, line 43, at end insert 'or the Counsel General'.—*[Nick Ainger.]*

Clause 134, as amended, ordered to stand part of the Bill.

Clause 135

EXAMINATIONS BY COMPTROLLER AND AUDITOR GENERAL

Amendment made: No. 259, in page 73, line 25, at end insert 'and the Counsel General'.—*[Nick Ainger.]*

Clause 135, as amended, ordered to stand part of the Bill.

Clauses 136 to 144 ordered to stand part of the Bill.

Schedule 8 agreed to.

Clauses 145 to 148 ordered to stand part of the Bill.

Schedule 9 agreed to.

Clauses 149 to 159 ordered to stand part of the Bill.

Schedule 10

MINOR AND CONSEQUENTIAL AMENDMENTS

Amendment made: No. 244, in page 160, leave out line 2 and insert

'for sub-paragraph (4) substitute—

"(4) Before laying before the Assembly with modifications an estimate submitted in accordance with sub-paragraph (2), the committee or committees must—

(a) consult the Ombudsman, and

(b) take into account any representations which the Ombudsman may make.".'.—*[Nick Ainger.]*

Schedule 10, as amended, agreed to.

Clause 160 ordered to stand part of the Bill.

Clause 161

TRANSITIONAL ETC. PROVISION

Amendment made: No. 245, in page 90, line 11, at end insert—

'(3A) A statutory instrument containing an order under subsection (2) is subject to annulment in pursuance of a resolution of either House of Parliament.'.—*[Nick Ainger.]*

Clause 161, as amended, ordered to stand part of the Bill.

Schedule 11

TRANSITIONAL PROVISIONS

Amendments made: No. 246, in page 166, line 1, leave out

'members of that Assembly as those members'

and insert

'persons who at that time held office as an Assembly Secretary and are members of that Assembly as those persons'.

No. 247, in page 166, line 9, at end insert

'who immediately before the beginning of that period held office as an Assembly Secretary'.

No. 248, in page 167, line 39, leave out sub-paragraph (3).

No. 249, in page 178, line 12, at end insert—

'Transfers of Assembly functions: laying of reports and statements

33A (1) This paragraph applies where—

(a) a function to make or receive a report or statement was transferred to, or made exercisable by, the Assembly constituted by the Government of Wales Act 1998 (c.38) by an Order in Council under section 22 of that Act,

(b) the function has been transferred to, or made exercisable, by the Welsh Ministers, the First Minister, the Counsel General or the Assembly Commission by or by virtue of paragraph 28 or 29, and

(c) immediately before the transfer of the function to that Assembly, any enactment made provision ("provision for Parliamentary laying") for a report or statement made or received in the exercise of the function to be laid before Parliament or either House of Parliament by the person making or receiving it.

(2) The provision for Parliamentary laying applies to the exercise of the function by the Welsh Ministers, the First Minister, the Counsel General or the Assembly Commission as if it required the report or statement to be laid before the Assembly instead of before Parliament or either House of Parliament.

(3) In this paragraph and paragraph 33B, references to a report or statement include any other document (except one containing subordinate legislation).

33B (1) This paragraph applies where—

(a) a function to make or receive a report or statement was conferred or imposed on the Assembly constituted by the Government of Wales Act 1998 (c.38) by a pre-commencement enactment,

(b) the function has been transferred to the Welsh Ministers, the First Minister, the Counsel General or the Assembly Commission by or by virtue of paragraph 28 or 29, and

(c) immediately before the transfer, any enactment made provision for a report or statement made or received in the exercise of the function (or the matter contained in such a report or statement) to be published by that Assembly.

(2) A copy of the report or statement must be laid before the Assembly after it has been made or received.'.—*[Nick Ainger.]*

Schedule 11, as amended, agreed to.

Clause 162 ordered to stand part of the Bill.

Schedule 12

REPEALS AND REVOCATIONS

Amendment made: No. 250, in page 193, line 33, leave out from 'paragraph' to end of line 35 and insert

'15(3), the words "to it".'.—*[Nick Ainger.]*

Schedule 12, as amended, agreed to.

Clauses 163 to 165 ordered to stand part of the Bill.

Mrs. Gillan: On a point of order, Sir Michael. You have spent the past six minutes reading out a raft of clauses and amendments that the House has not had the opportunity to consider. I calculate that a full Committee of the House has been unable to scrutinise some 133 clauses. I would like you to advise me, Sir Michael, on whether there is anything that I can do about it, given that my right hon. Friend the Member for Maidenhead (Mrs. May) raised the matter with the Leader of the House last Thursday during business questions and requested extra time for the Committee stage. The Leader of the House failed even to acknowledge her request. Is it right for the people of Wales to be so badly ignored by the House and the Government? Is it right that 133 clauses, including the extremely complex financial provisions, should not be scrutinised? It is a disgrace. The Government have let the people of Wales down. Is there anything that we can do to extend the Committee stage?

The Second Deputy Chairman: That is not a matter for the Chair at this juncture. The House has already decided those matters. There is nothing that I, personally, as the Chair this evening, can do about it.

Mr. Hain: On a point of order, Sir Michael.

The Second Deputy Chairman: I hope that it is not connected to the point of order that I have just dealt with.

Mr. Hain: Well, it is—

The Second Deputy Chairman: Order. I have dealt with that point of order and the House must now move on.

Bill, as amended in the Committee, to be further considered tomorrow.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Tuesday 31st January, proceedings on the Motion for the Adjournment of the House in the name of the Prime Minister relating to pensions may continue, though opposed, for three hours or until Ten o'clock, whichever is the later, and shall then lapse if not previously disposed of.—*[Tom Watson.]*

PETITION

IsItFair Campaign

10.19 pm

Mr. Andrew Pelling (Croydon, Central) (Con): I present a petition on behalf of the IsItFair council tax campaign, on this occasion sponsored by the Monks Orchard residents' association in my constituency.

The petition declares:

That the year-on-year above-inflation increases in Council Tax are causing hardship to many and take no account of ability to pay: further, that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons votes to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income, such tax to be based on a system that is free from any geographically or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

To lie upon the Table.

Department for Work and Pensions (Fylde Coast)

Motion made, and Question proposed, That this House do now adjourn.—*[Joan Ryan.]*

10.20 pm

Mr. Ben Wallace (Lancaster and Wyre) (Con): I am relieved to have been called for this debate, because it is certainly timely that the constituents of Lancaster and Wyre should be given answers as to their fate if they work in the Department for Work and Pensions across the Fylde coast. The Fylde coast has a number of DWP sites, including Norcross in my constituency, Peel Park, Warbreck in Blackpool, and Lytham St. Annes. I also have numerous constituents who work at the Department's Preston Dock site.

To date, there have been 169 redeployments off site from Norcross, and 56 on site. According to the Public and Commercial Services union, some 800 jobs have already gone as a result of the current review. The job losses are planned not in a consistent and strategic way but in a haphazard way. My experience, after visiting the site, was that a number of civil servants had been told that, as part of the review of manning levels in the Department, their service had been centralised. The Pension Service is an example of that. Those civil servants had been removed from their former role and redeployed on site, perhaps to the Jobcentre Plus service. Having been there for a short time, they were then told by Jobcentre Plus that it was embarking on job cuts, and that they would either be redeployed again off site, or be told to wait until another agency of the Department had decided how to reconfigure the service. All this sounds rather farcical, and it is certainly not good for the civil servants, who want to know where their future lies.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Does my hon. Friend share my concern that many of these changes seem to be a result not of planning but of events? For example, as the crisis in the Child Support Agency appears to increase, more people have been put into jobs to deal with it, and cuts are having to be made elsewhere; in my hon. Friend's constituency, for example.

Mr. Wallace: That is absolutely true. The Gershon review of manning levels is driven not only by financial pressure, efficiency savings and service reconfiguration, but by events. As we have seen, the disastrous CSA is now taking up the headlines and often, therefore, the job redeployment, at the expense of another part of the Department for Work and Pensions.

The way in which people are shuffled around the different agencies shows that the Department does not seem to have a grip on the problem. I mentioned earlier that the off-site and on-site redeployment sounded farcical, but it has happened to dozens of my constituents. I am sad to report that, tomorrow, it will be made public that a further 77 employees have been told that they are surplus to requirements. Many of them have already been juggled between one agency to another. That is hardly the way to handle change management, in either the public sector or the private sector. It is certainly not the way to treat civil servants who have served the Department well, and who have handled many changes under this Government and the previous Conservative Government. The Government owe them a duty to ensure that this change is managed.

My last visit to the Norcross site was quite disturbing. The morale of the work force is extremely low and people do not know their future or what is around the corner. Indeed, many of the senior management are a long way off site. For example, the director of human resources is based in Sheffield. All those agencies feel left out and certainly do not feel that they are being communicated to properly.

I hope that the Minister can give us some clear answers tonight and set out a strategy. While she might not have the full detail at her fingertips, I hope that she takes on board the concerns that the work force on the front line have expressed to me, and indeed to my constituency neighbour, the hon. Member for Blackpool, North and Fleetwood (Mrs. Humble). I have said that she can contribute to the debate, because it is my view that as long as the cross-party consensus is there to communicate to the Minister the real feeling of the grass roots, she might take some swift and clear action.

The Gershon review in 2004 embarked on a strong and clear strategy at high level to reduce the massive number of civil servants, some of whom have been employed since 1997, and to improve efficiency. I am not here to debate the rights and wrongs of the Gershon review or to say whether there should be cuts, but I am here to ask the Minister to ensure that those cuts and those changes are properly managed and that the strategy is communicated to everyone on the ground.

Mr. Peter Bone (Wellingborough) (Con) *rose—*

Mr. Wallace: I am sorry, but I cannot give way.

I would like the Minister to communicate those changes because the axe fell significantly heavily on the Department for Work and Pensions, where the target is a 30,000 reduction in personnel. After the last two years, the Government have made headline figures—reducing Jobcentre Plus and reducing the Pension Service—but little detail has been communicated either to us in the House or to the work force. I hope there is some element of correction tonight.

It is important that the Minister takes on board the low morale of the work force and the fact that they do not really know what is happening. It was sad that the Public and Commercial Services Union had to resort to a 48-hour strike last week. That came not out of greed or a desire for better pay and conditions, but out of a desire for some pay and conditions and for better communication to them. I have to say that I supported members of the union at the Norcross site in that action, if only because it was a cry for help. I hope that they get some answers and are able to sleep better in their beds.

The problem with the Gershon review, and indeed the changes, is that the drive for savings and reconfiguration has outpaced the plan for efficiency. Therefore, the cart has been put before the horse. Each agency, according to different timetables and different directorates, is putting in place its view. At the same time, the employees are trying to keep pace with the changes.

I have only to point to the evidence given to the Work and Pensions Committee by Ms Strathie, the chief executive of Jobcentre Plus. She explained that the call centre debacle in the summer—about 90 per cent. of customers could not get an answer—was due to the muddle between trained and temporary staff, staff off sick and redeployed staff, which affected the delivery of the service. We need to communicate the fact that if such changes are not properly made, planned in advance and communicated, there will be a hotch-potch of trained and experienced staff, as well as a pot-luck effect, that inevitably have a knock-on effect on the service received by my constituents and the whole UK. Therefore, it is vital that that be done.

Mr. Philip Hollobone (Kettering) (Con): I am grateful to my hon. Friend for giving way and I congratulate him on securing the debate. We all know what a trusty champion he is of his constituents and their interests. I pay tribute to the DWP staff on the Fylde coast. I have dealt with the disability and careers service on behalf of my constituents. It returned my call and replied to my letters. I am sad to hear that there is such distress at the proposed changes.

Mr. Wallace: I am grateful to my hon. Friend for that intervention, which shows that people who treat others well deserve to be treated well themselves. The Government have a duty of care to ensure that those people's valued service is rewarded, at least with clear strategy and communication.

In closing, I ask that the Minister answer me at least three questions clearly and perhaps give me some undertaking. First, will she say whether the Department is considering offshoring any of the jobs or services currently being carried out by civil servants on the Fylde coast? There have been media reports to that effect, and she would go a long way towards setting people's minds at rest if she were to rule that out.

Secondly, will the Minister review the management process with the director of human resources, or whomever is appropriate, to ensure that employees on the Fylde coast, right down to the front line, understand what is in store and do not have to be faced with surprises every few weeks?

Finally, will the Minister meet me or come with me to her site at Norcross and speak to the workers on the front line to understand their fears and concerns, so that we all know the future of Department for Work and Pensions jobs on the Fylde coast, that the service is delivered efficiently to my constituents as a priority, and that employees of her Department are given the due care, attention and communication that they deserve?

10.30 pm

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): I congratulate the hon. Member for Lancaster and Wyre (Mr. Wallace) on securing this important debate, which concerns my constituents and his. I also thank him and the Minister for their kindness in allowing me to contribute.

Until recently, the Fylde coast had about 10,000 civil service jobs, which local people took pride in doing, whether they were in the Department for Work and Pensions, the Department of Health or the Veterans Agency, as Norcross is now the headquarters for war pensions administration. The Department for Work and Pensions is the principal employer. My constituents and those of the hon. Member for Lancaster and Wyre take their jobs seriously. They do important work, helping often vulnerable and disadvantaged people get the benefits that they need and deserve. That job is important to them, to our local economy and to Members throughout the country.

As has been said, Warbreck house in my constituency is the national headquarters for the disability living allowance and provides the national helpline. I visit it on a regular basis and sit alongside the staff manning that helpline who take calls from all over the country and deal with and help people who are often distressed. Now, however, they must face uncertainty about whether they will have a job next week, next month, next year or in two years' time. They need to be part of the process of considering how the Department for Work and Pensions undertakes the job cuts required of it. Everybody, at every level, needs to be part of that discussion. Terry Moran, the chief executive of the Disability and Carers Service, is doing a good job trying to explain to staff who work at Warbreck house exactly what is required of them.

Warbreck house has already had about 700 job cuts, but I have been assured in private as the local Member of Parliament and as a member of the Work and Pensions Committee that it will have no further head count reduction. In fact, Warbreck house has seen a transfer in of jobs from Sutton. We might be losing out under Gershon, but we are gaining under Lyons. Given the expertise of those on the Fylde coast who work for the civil service, surely if jobs are to be relocated, they should be relocated to Norcross, Warbreck house and the other establishments whose staff enjoy working for the civil service and the Department for Work and Pensions and do a very good job for it. I therefore hope that, as some jobs are lost and as new information technology systems and methods of working are introduced, the Minister will consider the opportunities for redeployment in those offices.

Constituents of mine who work at Mexford house, which is part of the Pension Service, have recently raised concerns with me. Again, the irony is that jobs have been transferred from outside—in this case, I think, from Wrexham—to Mexford house. Again, we have well-trained staff doing a very good job; reassuring pensioners, explaining how they can claim pension credit, offering them advice and dealing with their problems. They are now wondering whether they will still be doing that job in two years' time.

I know that the Minister cannot give us all the answers. She cannot tell me now that all my constituents' jobs will be there in two years' time. I ask her, however, to consider the managerial process for administering the period of change. Because of the uncertainty and the impact on staff morale to which the hon. Gentleman referred, that process must be managed very carefully. The staff must be part of the process, and so must the Public and Commercial Services Union. I too have regular meetings with the union, and I advise the hon. Gentleman—my neighbour—to meet its representatives. They find it difficult to negotiate on behalf of their members, because at Norcross in particular there are so many different units on the site

[Mrs. Joan Humble]

with no coherent overall management. When the union is trying to advise its members on opportunities for redeployment on the Fylde coast, it is not always easy to establish with whom they should be liaising. In the case of a complex site like Norcross, it is important for the DWP to advise the local union and staff on whom they should be talking to, in order to minimise the uncertainty.

I shall not say a great deal more, because I want to hear what the Minister has to say. Let me make two more points, however. Blackpool council also takes the matter seriously, and at a recent meeting passed a resolution expressing its concern about civil service job losses. The council is trying to revitalise the town with large amounts of investment. There are hopes of regeneration, and of new jobs. Given the importance of civil service jobs and of DWP jobs in particular, the council wants some reassurances.

My final message to the Minister is that the staff who work for the DWP in my constituency and that of my neighbour are not cardboard cut-out bowler-hatted gentlemen; they are ordinary, decent, hard-working people. They are my constituents, and my neighbour's constituents. They want the Minister to listen, and they want to go on doing their job. They do an excellent job. I hope that the Minister will compliment them on their hard work in this vital area, that she will listen to their genuine concerns, that she will consult them, and that she will ensure that the management liaise with them and offer them reassurance to raise their morale, so that they can do their job even better than they are doing it now.

10.38 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): I congratulate the hon. Member for Lancaster and Wyre (Mr. Wallace) on securing the debate, and thank my hon. Friend the Member for Blackpool, North and Fleetwood (Mrs. Humble) for her contribution. I appreciate that they both consider the issue important not just to those who work for the DWP at Norcross and on the Fylde coast, but to the whole community. My hon. Friend made that clear when she spoke of the local authority's concerns.

I am pleased to have an opportunity to reassure both Members. I hope to present a wider picture of the Department's efficiency programme. We have a vision for the Department—a vision of a modern organisation delivering a first-class service to clients throughout the community. I hope that both Members share that vision. Changes will be needed to make it a reality. As the hon. Gentleman said, we have invested a significant amount of public money in new information technology and infrastructure systems. We aim to centralise much of our benefit processing, streamline our delivery operations and cut wasteful bureaucracy in all parts of the Department. Again, I trust that the hon. Gentleman and my hon. Friend will support that.

We are, in fact, transforming the way in which the Department does its business. It is not an easy challenge, but we are determined to succeed. The modern, more efficient organisation that we are putting in place will, by design, need fewer staff. Indeed, our efficiency plans are based on a reduction of 30,000 staff between March 2004 and 2008. We are already almost halfway towards achieving that target. The reductions so far have been managed by controlling recruitment, redeploying surplus staff to vacancies, natural turnover and a limited number of managed voluntary releases.

To manage that major programme of change, and especially to handle properly its impact on people's lives, we have put in place a set of work force policies and processes and have established regional and national governance arrangements, managed by senior officials. The Department is playing a major role in initiatives put in place by the Cabinet Office to support the wider efficiency programme across Government, which, again, my hon. Friend and the hon. Gentleman would support.

Let me be clear: this programme is about establishing a service fit for the 21st century, not about cutting jobs for the sake of it. It is about refocusing our efforts on our clients' needs, not on managing wasteful and outdated processes and systems. We have, under our Gershon efficiency plans, a target of moving 10,000 people to front-line activity by 2008, and I am pleased to report that we have already made progress in moving more than 4,000 people to customer-facing work.

Of course, I understand that at times of major change staff will be concerned about jobs and their career prospects. We all accept that that is a natural reaction to change. However, our current plans still forecast departmental staffing of around 100,000 people nationwide. The Department is, and will continue to be, a major employer, offering good and worthwhile jobs to its staff.

Mr. Wallace: Will the Minister give way?

Mrs. McGuire: I was just about to come specifically to the Fylde area, but felt it important to put the subject in its wider context. I shall turn now to the hon. Gentleman's specific questions, and those of my hon. Friend.

The Department and its predecessors has been a major employer in the Fylde area for more than 50 years. We depend heavily on the skills, knowledge and hard work of staff from across the area and from further afield across north-west England. We employ more than 6,000 staff in the area, who are engaged in a vast range of work at a number of sites. More than a fifth of the Department's staff are based in the north-west region—well over 20,000 staff in all. In addition to our direct, customer-facing outlets, such as jobcentres, the Fylde area is a strategic centre for the Department, from which we run many key operations, including the Disability and Carers Service units at Norcross and Warbreck Hill, where the agency employs around 3,000 staff—about 50 per cent. of its total staff.

We also operate a major Jobcentre Plus contact centre at Blackpool. Many of the Department's essential corporate financial service functions are also managed from sites in the Fylde area.

The scale and size of our operation in the area and our determination to improve efficiency across all our operations are bound to have some impact on staffing levels. I can, however, categorically reassure the

hon. Member for Lancaster and Wyre and my hon. Friend the Member for Blackpool, North and Fleetwood that stories in the local press of mass redundancies and wholesale closures are wholly misleading. Furthermore, I must say that the stories have caused unnecessary worry to our staff and the wider community. Likewise, speculation in the media about the Department moving work overseas has no basis in reality. I hope that reassures the hon. Gentleman. The Department has absolutely no plans to move jobs overseas, and I am pleased to be able to put that on record. I am sure that the hon. Gentleman will, like me, want to deal with facts, not rumours.

At times of change, it is more important than ever to be straight and open with staff as plans are developed, as both hon. Members who have contributed tonight have said. Let me reiterate that the Department is a major employer in Fylde and plans to be so in the future, with a significant proportion of our work force based in the area. Indeed, as my hon. Friend remarked, we have recently moved 260 additional posts into the Disability and Carers Service at Warbreck house from Sutton in London, as part of our plans for relocating work from London and the south-east under the Lyons review. I am sure that hon. Members, especially the hon. Gentleman, will welcome that move as much as I do.

The Disability and Carers Service employed more staff in Fylde by the end of December last year than it did in April. Standards are improving, as was shown by the fact that in September the DCS helpline received external accreditation to the Contact Centre Association, the professional body for assessing standards of excellence. It was therefore a serious disappointment to see a headline in the local newspaper suggesting that 93 per cent. of calls went unanswered. That was not the reality of the service that we provided. I am sure that the hon. Gentleman and my hon. Friend will want to congratulate the staff on achieving that accreditation.

We are also running a number of voluntary early retirement and early severance schemes across the country, where they can be shown to offer value for money. So far, some 90 staff have left our Fylde offices under the schemes, with some 250 further releases planned over the next few months. It is important to point out that, although we are well into delivering on our efficiency challenge, we have avoided any compulsory redundancies in the Fylde area, which demonstrates our commitment to staff. I can reassure the hon. Gentleman that we will take every action necessary to avoid compulsory redundancies in the future.

It is not just in staffing where we are looking to modernise. Our estate has grown organically—as the hon. Gentleman highlighted—often as a result of the machinery of government changes and restructuring within the Department's predecessor organisations. We cannot expect to make the degree of change we have to make without ensuring that our estate meets requirements. That would risk wasting taxpayers' money on buildings that we do not need. We are therefore looking closely at our future estate strategy to ensure that we are running our end-to-end operations efficiently. It is singularly unhelpful to link issues of sensible estate rationalisation with the number of redundancies.

We shall need to consider a range of options for where work is done and the best type of estate to use. However, before we introduce any changes, we will talk to our staff and their trade unions. In spite of the comments made during the debate, our managers have a good record in managing change, and in dealing sensitively with the legitimate and understandable concerns of staff.

We are managing the transformation programme in a joined-up way across all the Department's businesses. Our business managers are working closely together to ensure that as many staff as possible who become surplus in one unit can be redeployed in new work in another. Indeed, we have redeployed more than 225 staff over the past 18 months who had become surplus at our main Fylde sites, including Norcross, Peel Park and Warbreck house at Blackpool and Lytham St. Annes.

The Government's aim is to bring about a leaner, more focused organisation that delivers the services people need. Our staff are key in delivering that change; they deal with the most disadvantaged people in our community, often at particularly stressful times of life—unemployment, sickness or bereavement. It is through their hard work at places such as Fylde and elsewhere that we will achieve the ambitious aims that we have set ourselves.

I regret that the unfounded speculation about our cutting 2,000 jobs in the area has caused so much anxiety and concern to our excellent staff in the area, and I hope that I have reassured both the hon. Member for Lancaster and Wyre and my hon. Friend the Member for Blackpool, North and Fleetwood.

The motion have been made after Ten o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at ten minutes to Eleven o'clock.

House of Commons

Tuesday 31 January 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

PRIVATE BUSINESS

LEICESTER CITY COUNCIL BILL

LIVERPOOL CITY COUNCIL BILL

MAIDSTONE BOROUGH COUNCIL BILL

Read a Second time, and committed.

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Radiographers

1. **Mr. David Jones** (Clwyd, West) (Con): How many radiographers there are in the NHS in England. [46700]

The Secretary of State for Health (Ms Patricia Hewitt): At September 2004, nearly 14,000 radiographers were working in the NHS in England, an increase of more than 2,000 or 18 per cent. since 1997.

Mr. Jones: The Secretary of State will be aware that an article in the *British Medical Journal* of 14 January reported that many radiotherapy departments are overstretched and understaffed, which was having a substantial effect on patients' survival. The article reported that

"Longer radiotherapy waiting times were associated with diminished survival outcomes for patients. Patients were waiting for, on average, 94 days between first hospital visit and starting treatment",

and during that time,

"21 per cent. became unfit for radical radiotherapy."

Mr. Speaker: Order. Will the hon. Gentleman resume his seat? Supplementary questions should be brief. Yesterday, there were several points of order from Back Benchers complaining that they were not called, so a supplementary question must be brief. We will leave the hon. Gentleman and allow the Minister to reply. Of course, the Secretary of State and other Ministers must abide by this ruling as well.

Ms Hewitt: I am delighted to be able to inform the hon. Gentleman that the vacancy rate for diagnostic radiography has fallen. It was just below 3.5 per cent. in 2005, and although it is higher for therapeutic radiography, that, too, has fallen significantly in recent years. That, in part, is because we have doubled the number of students entering radiography courses, as well as increasing the number of radiographers in employment.

Jonathan Shaw (Chatham and Aylesford) (Lab): Would my right hon. Friend like to take a trip to Medway Maritime hospital—

David Taylor (North-West Leicestershire) (Lab/Co-op): Certainly not.

Jonathan Shaw: My hon. Friend would, if he wanted an MRI scan, because urgent MRI scans are completed within two weeks and non-urgent ones within 12 weeks. That has been achieved by a flexible working pattern—a six-day working pattern, with a 12-hour day. Is that not the future for the NHS?

Ms Hewitt: I entirely agree with my hon. Friend and I am delighted to have the opportunity to congratulate staff at Medway Maritime hospital, who have slashed the waiting time for urgent and for routine MRI scans. They have taken advantage of the work force reforms that we introduced with "Agenda for Change" and the new roles, particularly for assistant radiographers and advanced practitioners. Unlike the Opposition, we do not simply talk about waiting times—we take action to cut them.

Mr. John Baron (Billericay) (Con): The figures quoted by the Secretary of State sound good, but the real issue is the skills shortage among senior radiographers, partly because targets have hindered specialist training, and, according to the Royal College of Radiologists, the significantly longer waiting times since 1998 that cancer patients have had to endure. We have raised the issue in the past. The Government said they would look into the problem, but little has been done. In order to move the discussion on, will the Secretary of State tell us how the Government can provide the right solution to this growing problem if they cannot quantify the problem, because they continually refuse to measure radiotherapy waiting times?

Ms Hewitt: As part of our commitment to reduce to a maximum of 18 weeks the total wait from GP referral right through to treatment, we will start this year to measure the hitherto hidden waiting times, including those for MRI and other scans. Far from refusing to accept that there is a problem, we have been taking action to deal with it. We have set earlier targets to speed up treatment as well as diagnosis for cancer patients, so we are already seeing the waiting times for cancer patients falling dramatically. I hope the hon. Gentleman welcomes that.

Rob Marris (Wolverhampton, South-West) (Lab): My late father was a consultant radiologist in Wolverhampton—a seat that I now represent, of course—for many years. I am therefore aware of the vast changes that have taken place in radiography. The number of radiographers that we need has grown

considerably given the skills that they are now expected to exercise. Is my right hon. Friend sure that we have enough training places? When I took this up with the Government four years ago, we clearly did not.

Ms Hewitt: My hon. Friend is right to refer to the situation that pertained four years ago. We have doubled—in the case of diagnostic radiographers, more than doubled—the number of students taking training. Three new radiology academies were opened in 2005. We are increasing training capacity without affecting patient care.

HIV/AIDS

2. **Mr. Nigel Evans** (Ribble Valley) (Con): How many cases of HIV/AIDS there were in England and Wales in the latest period for which figures are available. [46701]

The Parliamentary Under-Secretary of State for Health (Caroline Flint): There were 5,171 new diagnoses of HIV in England and Wales for 2005 reported by the end of December 2005.

Mr. Evans: Those are disturbing figures. In 1987, as the Minister will know, there were 2,500 cases; now, she has given a figure of 5,500, and it will probably be nearer to 7,000 by the time the statistics come in. Almost 500 people died of AIDS last year. The Secretary of State said that she believes in action, so let us have some action. When are we going to see the advertising campaign that was promised last year? Will the Minister guarantee that we will focus on ensuring that young people learn about how HIV is transmitted and how they can protect themselves against it?

Caroline Flint: One of the reasons the results are as I explained is that we have better reporting mechanisms for HIV. Having said that, we should not be complacent about the figures. We fund organisations such as the Terrence Higgins Trust to target, in particular, the gay community and the African community, where the prevalence of HIV is due partly to HIV acquired overseas. That is why the work that we do through the Department for International Development is so important. I am delighted that last week it was announced that sexual health is now one of six service priorities for the NHS, with a 48-hour target for access to genito-urinary medicine clinics. That goes alongside the £300 million of investment that we have put into this area. There is an important need to deliver, based on the White Paper—

Mr. Speaker: Order.

Dr. Brian Iddon (Bolton, South-East) (Lab): When we arrest people and test them for drugs through the judicial process, why do we not at the same time offer them tests for blood-borne diseases—not only HIV, but hepatitis C and B?

Caroline Flint: My hon. Friend raises an interesting point. I am happy to discuss those issues with my colleagues in the Home Office. In relation to prison health, the changed arrangements mean that the services provided to those in custody as regards transmitted infections and drug use should improve over the next few years.

Anne Main (St. Albans) (Con): In my constituency and across Hertfordshire and Bedfordshire, HIV and the diagnosis of AIDS has gone up by 1,500 per cent., yet there is now only one county sexual health promotion adviser, and his job is on the line. Our GUM clinic has had cuts. How can the Government say that sexual health is a priority when we are seeing massive increases in HIV and AIDS among the heterosexual population and massive cuts in GUM clinics and sexual health promotion?

Caroline Flint: I did not hear the period to which the hon. Lady was referring in relation to the increases that she mentioned. Part of our task is to facilitate the ability of people who may have acquired a sexually-transmitted infection, and within that, HIV, to come forward. That is partly why we introduced testing among pregnant women. Some 92 per cent. of HIV-infected women are diagnosed before delivery. In the past year, take-up of voluntary confidential testing has gone up from 54 per cent. to 75 per cent. We have to do more. However, I welcome the importance given to this within the NHS priorities. We must, on the basis of the White Paper, consider how better we can deliver sexual health services. Part of my job is to see how we can redesign services that are fit for purpose in dealing with this important area.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): The Minister will be aware that individuals who are already suffering from another sexually transmitted disease are more susceptible to HIV infection if they are exposed to the virus. How soon does she think that all primary care trusts will be able to deliver the target of people having access to a GUM clinic within 48 hours?

Caroline Flint: The target is set for 2008 and we are heading for that. I am pleased to say that some primary care trusts are already making huge progress. Part of our job in the next couple of years is to identify best practice to ensure that it can be spread more quickly.

It is important that those issues are addressed for many reasons. For example, we shall roll out a national screening programme for chlamydia, and that is especially important not only in tackling a sexually transmitted infection but in halting the number of women who find that they have infertility problems 10 years down the road.

Lynne Featherstone (Hornsey and Wood Green) (LD): Does the Under-Secretary know that the new charging system that was introduced in 2004 deters the prescribing of antiretroviral drugs for HIV-positive pregnant women, especially those who come to the United Kingdom without documentation, or have been refused asylum or leave to remain? What will she do about it?

Caroline Flint: It is important to recognise that the national health service is for those who are eligible for it. It would send the wrong message if we said that people who were not entitled to that service should take

advantage of it. Having said that, there are several categories, including asylum seekers, for whom access to HIV treatment and services is and will continue to be available. The problems do not apply only to HIV treatment but to other matters, which we must tackle sensitively but appropriately given NHS resources.

Southport Hospital

3. **Mr. David S. Borrow** (South Ribble) (Lab): If she will ensure that the residents of Tarleton, Hesketh Bank, Banks and Rufford continue to have access to 24-hour accident and emergency services at Southport hospital. [46702]

The Secretary of State for Health (Ms Patricia Hewitt): There are no plans to alter the opening times or range of services provided at Southport and Formby district hospital.

Mr. Borrow: I share with my hon. Friend the Member for West Lancashire (Rosie Cooper) genuine concern about Cheshire and Merseyside strategic health authority's proposals to merge Southport and Ormskirk Hospital NHS Trust with other hospital trusts in Liverpool. Our fear is that the plans will lead to specialist services moving from Southport, thus undermining 24-hour accident and emergency services at the hospital. Will my right hon. Friend reassure my constituents that such changes will not be allowed to happen and that they have no reason to fear any running down of accident and emergency services at Southport?

Ms Hewitt: As my hon. Friend knows, Cheshire and Merseyside strategic health authority has recently helped us pilot a new programme to improve financial management in the NHS and to ascertain whether potential applicants are ready to apply for foundation hospital status. In that context, the health authority has been examining structures throughout the local health community. I am assured that there are no firm proposals to merge any NHS trusts in that SHA. I am sure that the authority will listen carefully to my hon. Friend's comments on the subject. If—if—any merger between different hospitals were proposed, it would not only be subject to full local consultation but require ministerial approval. There are currently no such firm proposals.

Dr. John Pugh (Southport) (LD): Southport and Ormskirk Hospital NHS Trust has a deficit of £15 million. A contributing factor is a suite of new buildings that gives the trust a capital asset base that is greater than its annual income. Why should services in my constituency suffer because we are blessed with new buildings? Will the Secretary of State examine the matter further and explain how hospitals such as Southport and Ormskirk can thrive under a system of payment by results?

Ms Hewitt: When we invest in new hospital buildings, they must be paid for, reflecting the fact that they give patients a far better service and staff a much better working environment. However, the hon. Gentleman is right to refer to the financial difficulties at Southport hospital, which predicted a deficit of some £15 million in the middle of last year. That is unacceptable and I am sure that he and my hon. Friends would join me in urging clinicians and other front-line staff and management to work closely together to tackle any waste and inefficiency and ensure that that hospital, like the majority of others in the NHS, not only continues to deliver better services for patients but does that within its substantially increased budget.

Rosie Cooper (West Lancashire) (Lab): I thank my right hon. Friend for her assurances, which I accept, about Southport and Ormskirk Hospital NHS Trust. However, I must put on record the fact that most hon. Members have serious doubts about the SHA's designs and plans.

Further to the move of accident and emergency services to Southport and Ormskirk and the assurances that we have been given, will my right hon. Friend encourage the trust to advertise more widely the facilities that are available at the minor injuries unit at Ormskirk to increase its use? I should also like to—

Mr. Speaker: Order.

Ms Hewitt: I am sure that the minor injuries unit is providing an excellent service and that it should be used even more widely. I am also sure, however, that the strategic health authority will take on board the very real reservations that my hon. Friends have expressed about any proposal that might be made for a merger. I would add the observation that, although some mergers of hospitals in the NHS have worked extremely well, not all have done so, any more than mergers do in the private sector. Those lessons need to be borne in mind by any authority that might be contemplating mergers.

Royal Shrewsbury Hospital

4. **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): If she will visit Royal Shrewsbury hospital to meet nurses and doctors to discuss staff morale. [46703]

The Minister of State, Department of Health (Ms Rosie Winterton): I am not sure whether the hon. Gentleman had me in mind when he issued that invitation, but, yes, as regional Minister, I would be very happy to visit his hospital.

Daniel Kawczynski: I am extremely grateful to the Minister for agreeing to visit Royal Shrewsbury hospital. A lot of doctors and nurses have come to my surgery recently, and they are extremely concerned about staff morale and about cuts at the hospital. I have shown them the article by the Secretary of State in *The Times*, in which she stated that the NHS was back in business. To a man and to a woman, they burst out laughing, so amazed were they at how detached from the reality on the ground the Government were. I am therefore very grateful to the Minister for coming to see for herself the extent of the problems that Royal Shrewsbury hospital is facing.

Ms Winterton: I can imagine that there would be more doctors and nurses coming to the hon. Gentleman's constituency, because there are now 2,092 more nurses, 643 more doctors and 221 more consultants in his SHA.

I am aware, however, of the issues that were raised in the Adjournment debate last week about some of the financial problems that the area is facing. As I said in that debate, one of the new turnaround directors has gone into the area, and I hope that he or she will be able to work with the new chief executive, who I know is very highly regarded by hon. Members. I hope that that will make a difference to some of the problems that the hon. Gentleman has raised.

David Wright (Telford) (Lab): I am delighted to hear that my hon. Friend will visit Shropshire. Will she call in, on her way up the M54, to visit us in Telford to talk about acute hospital and primary care services? We have an excellent new chief executive covering the Shrewsbury and Telford hospital sites, and he has given his commitment to retaining quality acute services and to working with the primary care trusts to ensure that we have excellent primary care services, in line with the Government's announcements yesterday.

Ms Winterton: Yes, I would be more than happy to call in at my hon. Friend's constituency as well. The contribution that he made to last week's Adjournment debate reflected the concerns of his constituents and the many achievements of the NHS locally. My right hon. Friend the Secretary of State has met the new chief executive in the area, and has praised the action that he is taking to improve services locally.

Mark Pritchard (The Wrekin) (Con): I am delighted that the Minister has agreed to visit the Princess Royal hospital in my constituency, and I would be delighted to welcome the hon. Member for Telford (David Wright) as well. Will the Minister improve staff morale at the hospital by stating categorically that the accident and emergency ward will not be downgraded from a consultant-led ward to a nurse-led ward?

Ms Winterton: As the hon. Gentleman knows from our debate last week, the new chief executive has said that he would like to see A and E departments at both hospitals. He also knows, however, that these matters will be going out to consultation towards the end of February. There will be a 12-week consultation period in which to consider the improvements that need to be made to services and to address some of the financial difficulties in the region.

Mr. Stephen O'Brien (Eddisbury) (Con): I hope that the Minister might carry on up the A41 and come to Chester as well. Given yesterday's U-turn by the Secretary of State, whereby community hospitals will not now be scrapped, the current running loss of £25 million—and, in addition, the historic accumulated deficit of £36 million in Shropshire's NHS trusts, the bulk of which comes from the Shrewsbury and Telford acute trust—and the Government's edict that Shropshire trusts must be in balance within three years under the new turnaround director, will the Minister say how on earth that can be achieved without cuts in front-line NHS services to patients?

Ms Winterton: The hon. Gentleman knows very well that the Finnamore report has put out a number of options for pre-consultation—not only to consider improving services in the area, but to address the financial position. That will be looked at further, particularly in conjunction with the new team that has gone in to assist the chief executive, and will then go out to full public consultation for three months. He knows very well that that is the most appropriate way forward in the circumstances so that local people can make the decisions, reflecting their priorities locally, subject to full consultation.

NHS Dentistry

5. **Mr. Andrew Robathan** (Blaby) (Con): What recent representations she has received about NHS dentistry in Leicestershire. [46704]

The Minister of State, Department of Health (Ms Rosie Winterton): Leicester city council wrote to the Secretary of State regarding information for the public about dentistry changes. Right hon. and hon. Members have asked questions and written letters to me about NHS dentistry in Leicestershire.

Mr. Robathan: Will the Minister take this as another representation on behalf of me and 50 per cent. of my constituents, who cannot get an NHS dentist? Is she aware that the British Dental Association believes that 60 per cent. of NHS dentists will reduce their NHS work under the new contract? How does that square with the Prime Minister's pledge that everyone would have access to an NHS dentist by 2001? Does the Minister imagine that we will get there before this discredited Government are thrown out of office?

Ms Winterton: I would hope that dentists will not reduce their commitment to the NHS, particularly as an NHS dentist can be paid about £80,000 a year for a reasonable commitment to the NHS. On top of that, I told the House previously that there would be £60,000 towards their business expenses, but I was wrong. The figure is about £80,000. That is guaranteed for three years for 5 per cent. less work. I do not think that that is a bad deal for NHS dentists, and I hope that Members representing Leicestershire will encourage their dentists to sign up and stay with the NHS.

Sir Peter Soulsby (Leicester, South) (Lab): While commenting on NHS dentistry provision in Leicestershire, will the Minister join me in praising the excellent work done by the NHS dental access centre, which is based in the city of Leicester but provides services across the whole of Leicestershire? Those services go to many thousands of people who, until the centre was provided by the Government, did not have access to NHS dentistry. In praising its work, will she also make a commitment to providing it with the necessary resources to meet the considerable demand for its very welcome services?

Ms Winterton: My hon. Friend is right to praise the work of dental access centres, which have considerably improved access for patients, particularly those requiring emergency treatment. The point about the changes we are making in NHS dentistry is that the money that was previously handled nationally will remain at local level, particularly if NHS dentists choose to leave the NHS. It

will then be up to local PCTs to use that money to commission dentistry from elsewhere. That also takes into account the fact that they have been supporting and will continue to support dental access centres.

Mr. Stephen Dorrell (Charnwood) (Con): Does the Minister agree that the central purpose for which the NHS was established was to secure equitable access for those who need health care? Measured against that text, is it not true in Leicestershire, as it is all over the rest of the country, that access to NHS dentistry has gone backwards over the last eight years? The words she uses are familiar to me; I read them out from that Dispatch Box 10 years ago. When will the Government do something about improving access to NHS dentistry, rather than allow the position to continue to go backwards?

Ms Winterton: I am surprised that the right hon. Gentleman was reading out exactly the same words from the Dispatch Box, considering that he closed two dental schools and last week we announced that we are opening them. We are training another 170 dentists and investing more in NHS dentistry. I am not denying that there have been and continue to be problems. In his area, however, one of the PCTs has seen registrations increase by 13 per cent. over the past year, and there has been nearly £500,000 of additional investment in personal dental services. We are reforming radically the way in which NHS dentistry is delivered in this country. Under his Administration, if a dentist left the NHS, the money reverted to central Government. Under our system, the money stays at local level so that PCTs can increase access, making sure that those who want to work in the NHS do so and are properly rewarded.

Mr. Andy Reed (Loughborough) (Lab/Co-op): My hon. Friend knows that I have raised concerns in relation to Charnwood and North West Leicestershire PCT in the past. Is she aware, however, of a campaign that seems to be scaring many of my constituents? On Friday, I received a letter from the PCT, which it has had to write to me and other Members of Parliament for the area, in which it claims that such campaigns are causing unjustifiable alarm to many patients and should not be allowed. Does she agree that although there are problems, it is much better to have a rational debate than to make wild claims on both sides? The real problems need to be addressed to make sure that PCTs are in a position to provide services if dentists remove themselves from the NHS.

Ms Winterton: My hon. Friend is absolutely right. The chief executives of virtually all PCTs in the area wrote to the local dental committee pointing out that the posters being displayed in surgeries could result in patients unnecessarily taking up offers of private dentistry. They have requested that the local dental committee does not encourage dental practices to display those posters, and have been very clear that the offer made to dentists is reasonable. If dentists do not want to take it up, however, they will commission services either from other NHS dentists in the area or from about 1,000 new dentists coming through not only our international recruitment exercise but qualifying examinations taken via the international route. If NHS dentists choose to—

Mr. Speaker: Order. I must appeal for shorter replies.

Steve Webb (Northavon) (LD): In Leicestershire, roughly one child in three is not registered with an NHS dentist. Of the remainder, many are at dentists who will not take adults on the NHS but continue to accept children. When the Government ban that mixture, what will happen to those children?

Ms Winterton: Let us be clear. The reason we have made this change is that many Members complained that dentists were saying, "We will take your children if you register privately." That was wrong and disgraceful, and that is what we have changed. That does not prevent PCTs saying to individual dental practices that if they want to take children only on the NHS, if the PCT agrees, they can do so. That was the difficulty that we were facing. Practices will still be allowed to take children only on the NHS if the PCT agrees.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Minister mentioned the international recruitment initiative, and some dentists have come from some of the least well-off countries in the expanded EU. Will she say a little about the protocols and codes of practice in place to ensure that we do not bridge gaps here at the expense of creating cavities there?

Ms Winterton: We are always keen to ensure that our international recruitment programmes have the agreement of other Governments. When I visited Poland, where we have recruited some 250 dentists, I met representatives of the Polish Government and dental executive groups. They agreed that there was no problem with dentists coming to this country, and that it was not causing a shortage in their country. The same applies to the international qualifying examinations. As I have said, about 1,000 dentists will qualify over the next few months.

Dr. Andrew Murrison (Westbury) (Con): Does the Minister recollect the picture of 1,000 people queuing for a dentist that appeared last summer on the front page of the *Leicester Mercury*? She will know that local dental committees believe queues will lengthen as a result of the new contract, that units of dental activity underpinning it have been miscalculated, and that her failure to pilot courts disaster. Is it not the case that, tragically, the *Leicester Mercury* photographer will need an even wider-angled lens for his next picture of queues in Leicestershire than the one he employed in the summer?

Ms Winterton: In fact, we have spent about five years piloting the new ways of working. That is why we know that dentists like it. It would be interesting to hear which parts of the policy the hon. Gentleman would change. Would he change an offer to dentists of approximately £80,000 a year plus £80,000 towards their business expenses? Would he ask us not to guarantee it for three years? Would he say that we do not need 5 per cent. less activity for that purpose? Would he not have opened a new dental surgery—

Mr. Speaker: Order. I call Mr. Bellingham.

Usage Charges

6. **Mr. Henry Bellingham** (North-West Norfolk) (Con): What recent representations she has received from NHS health trusts in Norfolk regarding the imposition of usage charges. [46705]

The Minister of State, Department of Health (Jane Kennedy): I am unaware of any centrally recorded correspondence received from NHS health trusts in Norfolk regarding the imposition of usage charges.

Mr. Bellingham: The Minister will be aware that Queen Elizabeth Hospital King's Lynn NHS trust is currently £11 million in deficit, with ward closures and other cuts. Will it be possible for that historic debt to be wiped out through payment by results? Also, can the Minister confirm that if a trust borrows money from her Department it will have to pay a usage charge of 10 per cent., amounting to £1.1 million a year? Surely it is perverse and shortsighted to charge trusts penal interest rates; it will simply make difficult problems much worse.

Jane Kennedy: Usage charges were fully understood, supported and accepted by all parties when we realised the concept of the NHS bank.

Instead of standing on the sidelines wringing its hands over its deficit, Queen Elizabeth Hospital King's Lynn NHS trust has got to grips with it. It deserves congratulations and support for its efforts. It has hit its waiting-list target three months early, notwithstanding the deficit; it has taken steps to deal with the fact that non-elective stays in the hospital were one and a half to two days longer than those in other hospitals in the area; and it has taken really good steps to reduce by £2 million the cost of initiatives such as better bed management. All that is to the benefit of local patients.

Deficits are not a matter for standing on the sidelines and wringing one's hands. Local trusts and the health service must get to grips with the problem and manage it—as the hon. Gentleman's local hospital has done—in a way that delivers better services to local patients.

Mr. Bob Blizzard (Waveney) (Lab): Virtually all my constituents use James Paget Healthcare NHS trust in Norfolk, and, indeed, Norfolk Mental Health Care NHS trust. Neither of those trusts has complained to me about the matter raised by the hon. Member for North-West Norfolk (Mr. Bellingham). However, because in terms of the NHS we look in the Norfolk direction, the natural and obvious new configuration for primary care trusts is a merger between Waveney and Great Yarmouth PCTs. That is overwhelmingly supported by every strand of clinical and community local opinion. Will my right hon. Friend ensure that at the end of the consultation, the Secretary of State listens to that opinion and not to the strategic health authority?

Jane Kennedy: My hon. Friend has made a good point. The consultation is under way, and we will listen carefully to what emerges from it.

Accident and Emergency Departments

7. **Mr. Gordon Prentice** (Pendle) (Lab): How many accident and emergency departments have been downgraded since 2004 to take planned admissions only. [46706]

The Secretary of State for Health (Ms Patricia Hewitt): According to reports from the NHS hospital trusts, there were 208 major accident and emergency departments in England at the end of 2004 and 206 at the end of September 2005.

Mr. Prentice: I hope that the blue light accident and emergency department at Burnley general, which serves my constituency, does not close. I know that there will shortly be a major public consultation, but what is the point of endless public consultations on these matters if we do not listen to what the public say?

Ms Hewitt: As my hon. Friend indicated, the East Lancashire Hospitals NHS Trust is engaged in pre-consultation discussions, looking at a range of options for improving services. Options will go out for public consultation, which I am told will begin in March 2006 at the earliest. All those public consultations are designed to listen to local people and as far as possible to build local agreement and consensus about the right way forward. Pending that consultation, I am sure that my hon. Friend will join me in welcoming the superb performance of the East Lancashire Hospitals NHS Trust, which has not only met but exceeded the 98 per cent. target for people being seen within four hours of arriving at A and E.

Dr. Richard Taylor (Wyre Forest) (Ind): Does the Secretary of State agree that the measures in the White Paper that move consultants and services from secondary care to primary care tend to threaten A and E departments, and what will she do to minimise that threat?

Ms Hewitt: I do not accept that the proposals in the White Paper are a threat to A and E departments. We have made enormous improvements to the performance of A and E departments. I remember, as I am sure the hon. Gentleman does, that not so long ago patients spent hours on end on trolleys in the corridors of A and E departments. That was absolutely unacceptable. We introduced the four-hour target. A lot of A and E consultants said that that could not be achieved, but now admit that it has been. It has been helped by the fact that 25 per cent. of all A and E patients are now seen in a walk-in centre or minor injuries unit, which is better not only for them but for the blue light cases who need to attend a major A and E department.

Mr. David Wilshire (Spelthorne) (Con): A couple of years ago, the accident part of the A and E department at Ashford hospital, Middlesex in my constituency was axed. At the time, a local A and E consultant said that people would suffer and some would die. At midnight tonight, the emergency part is being axed as well, so more people will suffer and more of my constituents will

die. Can the Secretary of State confirm that she is ashamed of the way in which her Government have treated my constituents?

Ms Hewitt: I simply do not recognise any evidence for the allegations that the hon. Gentleman is making. There was indeed a reorganisation in 2003 at Ashford A and E, when blue light services were moved to St. Peter's and, from tomorrow, Ashford emergency department will become a walk-in centre. There will be a substantial increase in day case surgery at Ashford hospital. By separating day case surgery from emergency surgery, much better services will be provided for patients who need elective care because their operations will no longer be cancelled. Blue light services and A and E services will be concentrated at St. Peter's. Across the country we have seen a major improvement in the performance of A and E departments, helped by the creation and expansion of minor injury units and walk-in centres. I am sorry that he does not feel able to welcome that.

Cheshire and Merseyside Strategic Health Authority

8. **Helen Jones** (Warrington, North) (Lab): If she will make a statement on possible mergers of acute trusts within the Cheshire and Merseyside strategic health authority. [46707]

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): Cheshire and Merseyside strategic health authority is developing proposals to let NHS trusts locally apply for foundation trust status by 2008. Part of that work is looking at whether current organisational structures are best placed to meet patients' needs.

Helen Jones: It is clear from documents that some of us have seen that the SHA is working on plans for mergers, including the merger of Warrington and Whiston hospitals. Will my hon. Friend tell the SHA that that is totally unacceptable for people in my constituency, who would face a 20-mile round trip to access some services? What people want is good services provided locally. Does he accept that, because of the SHA's actions, I, my constituents and many Labour Members have no confidence any more in what is an increasingly Stalinist and out of touch health authority?

Mr. Byrne: My hon. Friend knows that I take a close interest in Warrington hospital, not least because I was born there. As my right hon. Friend the Secretary of State has said, there are no firm plans for merger proposals. However, once such plans are developed, some very simple tests will be applied to determine whether they will benefit patients living in all the communities being served, and whether they are in line with the White Paper published yesterday. Moreover, any plans will be subject to full public consultation. I know that my hon. Friend is meeting the SHA chief executive on Friday, and I hope that she will make the points that she raised earlier forcefully to him.

Paul Rowen (Rochdale) (LD): I am sure that the Minister is aware of the reconfigurations and mergers planned in Greater Manchester, but is he also aware of the press statement issued last week by the Best for Health team that stated that petitions were not worth the paper on which they were written? Is that the right response for a listening health service?

Mr. Byrne: That was not an appropriate comment, given that the petition in question had 30,000 signatures. I want to put on record my thanks to those who made the effort to get involved in the campaign. The White Paper that we presented to the House yesterday contained a wide range of expectations about how local health organisations need to consult with the public in their area. We also set out a range of new ways in which local voices will be heard in the consultations. We fully expect the NHS in the hon. Gentleman's constituency to give full regard to the proposals in the future.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): May I refute the suggestion that the SHA is Stalinist? It is not nearly that competent. Will my hon. Friend look seriously at the suggested reorganisation of the heath trust used by my constituents? It would lumber us with enormous deficits yet deliver no improvement in services, and would lead to many very incompetent administrators receiving very large redundancy payments.

Mr. Byrne: My hon. Friend speaks with great wisdom, and I am sure that the local NHS will profit from her advice. I shall make sure that the attention of the local chief executive is drawn to her comments this afternoon.

Urology Patients (Bedfordshire)

9. **Andrew Selous** (South-West Bedfordshire) (Con): Which four hospitals that urology patients from Leighton Buzzard and Linslade in need of surgery will be offered under Patient Choice. [46708]

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): Patients from Leighton Buzzard and Linslade referred by their GP for urology have a choice of seven providers; Bedford hospital, Buckinghamshire hospital, East and North Hertfordshire NHS trust, Hinchingbrooke health care, Luton and Dunstable hospital, Milton Keynes general hospital and Cambridge university hospitals NHS foundation trust.

Andrew Selous: That is all very well, but residents of Leighton Buzzard and Linslade who depend on public transport often have great difficulty in getting to Wycombe hospital, to where much elective surgery that used to be performed at Stoke Mandeville has been moved. The combined population of Leighton Buzzard and Linslade is greater than that of Liechtenstein, and the Deputy Prime Minister plans to double the number of houses in the area. Given the Government's change of heart in respect of community hospitals, can that area be an early recipient of one?

Mr. Byrne: I confess that it is some time since I compared the population of parts of the hon. Gentleman's constituency with that of Liechtenstein. However, the White Paper published yesterday set out proposals for moving care much closer to where patients

live. We are also making sure that his constituents have a choice of seven providers, and I know that five of them are within a 30-mile radius of his constituency. We will back the reforms with substantial investment; a total of £75 million will go into his PCT over the next two years. I am sure that that will be very welcome for his constituents.

Mr. Paul Goodman (Wycombe) (Con): A petition signed by 40,000 people in the High Wycombe area who oppose the destabilising changes to which my hon. Friend the Member for South-West Bedfordshire (Andrew Selous) has just referred was taken to Downing street this morning. Given that, can the Minister say how many letters he has received from people in my area who support the changes?

Mr. Byrne: I will happily write to the hon. Gentleman with the precise answer to that question, as I did not furnish myself with the information before I came to the House today. However, the Government will expect his PCT to pay full attention to the White Paper published yesterday and to ensure that any proposals that they make are in line with the plans that we set out.

Dementia

10. **Paddy Tipping** (Sherwood) (Lab): If she will make a statement on the prescribing of drugs to Alzheimer patients experiencing dementia. [46709]

The Minister of State, Department of Health (Jane Kennedy): The National Institute for Health and Clinical Excellence is consulting on draft guidance on the use of drugs for the treatment of Alzheimer's disease. The consultation ends on 13 February.

Paddy Tipping: Does my right hon. Friend accept that the early prescribing of Alzheimer's drugs can lead to savings in both community and residential care, and is she confident that the methodology that NICE uses adequately reflects the cost of that care?

Jane Kennedy: NICE has taken account of the costs of full-time care in its current draft guidance on drugs for the treatment of Alzheimer's disease. It has looked at a range of costs, as opposed to a single figure that critics had previously claimed was too low. I stress that the consultation is still underway and NICE will listen to all the representations that it receives.

Jeremy Wright (Rugby and Kenilworth) (Con): The Minister will know that her Department has asked some very perceptive questions along the lines of the remarks by the hon. Member for Sherwood (Paddy Tipping). What are the Government doing to ensure that NICE gives satisfactory responses to those questions?

Jane Kennedy: NICE has given satisfactory responses and is consulting on its proposed guidance to the health service. We trust NICE to carry forward its assessments and appraisals in a manner that is internationally respected. Indeed, only yesterday the South African Department of Health requested that all of the clinical guidance that NICE provides for our health service be sent to it so that the guidance can be used in South Africa to provide the services that the national institute recommends.

Liz Blackman (Erewash) (Lab): Professionals working in mental health for the elderly tell me that patients who score just above the moderate range for receiving drugs according to NICE's recommendations present very differently, with some needing significant support. Will my right hon. Friend consider that further, so that when firm recommendations are made we can be sure that the drugs will be targeted at all those who can benefit?

Jane Kennedy: I am aware of a range of academic views on the benefits of QALYS in reaching an assessment of clinical and cost effectiveness. I acknowledge that there is no perfect methodology, but we need to recognise that NICE is an international leader in its field and it is generally agreed that it produces guidance of the highest quality. I reiterate that we trust NICE to reach a judgment on this issue in the light of available evidence, which includes any evidence on those patients who will benefit the most.

Dr. Doug Naysmith (Bristol, North-West) (Lab/Co-op): My right hon. Friend is obviously aware, as we have just heard, that there is still some concern about the use of acetylcholine inhibitors in treating Alzheimer's disease in moderate disease only, but not in the early stages of the disease. There is also similar concern about erythropoietin, in that it is not to be prescribed on the NHS for treating the anaemias that often affect cancer patients. I agree with everything that my right hon. Friend says about NICE—it does a rigorous job and is internationally respected—but taking both of those examples together, it is clear that sometimes it looks only at survival rates and cure and does not pay enough attention to quality of life for patients and carers. Does my right hon. Friend agree that NICE could be asked to take more account of such factors than it does at present?

Jane Kennedy: If I thought that what my hon. Friend says is true, I would be seriously concerned. However, when NICE develops guidance on the clinical and cost effectiveness of health technologies such as the Alzheimer's drugs, it takes into account all the factors that he mentions, including quality of life, effect on carers—when appropriate—and savings both to the NHS and personal and social services. It is important that we view the NICE consultation on the subject in the context of all the other services that are available to people who suffer from Alzheimer's, and their carers and families. We are not talking only about a medicine, but a range of support, including psychiatric support and support for carers in a multiplicity of ways. We need to encourage the provision of such support.

Cancer

11. **Mrs. Sharon Hodgson** (Gateshead, East and Washington, West) (Lab): If she will make a statement on waiting times for cancer patients. [46710]

The Minister of State, Department of Health (Ms Rosie Winterton): Waiting times for cancer patients have fallen dramatically in recent years. In 1997, 63 per cent. of people with suspected cancer were seen by a specialist within two weeks of urgent referral by their GP. Today the figure is more than 99 per cent. As at September 2005, 94.4 per cent. of patients were treated within one month of being diagnosed and 80.5 per cent. of patients were treated within 62 days of urgent referral by their GP.

Mrs. Hodgson: I agree that that is good news, but will my hon. Friend study early-day motion 1518 on the plight of two of my constituents, Mr. Fergus and Mr. Wilson, who are suffering financial and physical hardship due to the unfairness of the current system of withholding licensed cancer drugs pending NICE approval? Will my hon. Friend assure me that the postcode lottery in prescribing that denies them and many others equity will be addressed?

Ms Winterton: I shall certainly look at the early-day motion to which my hon. Friend referred. NICE has a clear role in appraising drugs, pulling together all the evidence to consider their cost-effectiveness and whether they will be effective in treatment. On 3 November, my right hon. Friend the Secretary of State announced a single technology appraisal process so that NICE can produce guidance on important drugs to a faster timetable. I assure my hon. Friend that we have made it clear to the NHS that it should not refuse to fund specific drugs or treatment simply because they have not yet been appraised by NICE. We shall update that guidance shortly.

Susan Kramer (Richmond Park) (LD): I hope that the Minister is aware that a number of people who turn out to have cancer or severe heart disease have to go privately to get a diagnostic scan; not to jump queues, but because many GPs have set the medical indicators so high that they do not catch early-stage cancer. Is the Minister willing to try to identify the number of people who have to take the private route to get life-saving treatment?

Ms Winterton: The hon. Lady is right to say that there is certainly more that we need to do to ensure that GPs can detect cancer in the early stages and we are doing further work to make sure that the situation improves, as well of course as looking into how we can improve the position with regard to scans, for example. There has been considerable investment, but we accept that there is more to do and we are doing it.

Mr. Andrew Lansley (South Cambridgeshire) (Con): The Minister must know that the specialist cancer services at the Barts hospital site in the Barts and the London NHS trust underpin cancer services across the east of London. The independent report on the Barts hospital redevelopment, published today, states:

"The planned capacity is in line with anticipated future demand and expert assessment of future models of care and provider efficiencies."

In the light of that, will the Minister say, contrary to the Secretary of State's assertions on the "Today" programme last week, that the Department of Health has no reservations on the clinical case for the Barts and the London redevelopment?

Ms Winterton: We have now received the report from the strategic health authority and Ministers will consider the full findings of the review, but I can assure the hon. Gentleman that we are committed to delivering improvements to NHS services in that part of London and that as soon as Ministers have considered the full findings of the review, we will work quickly with the local NHS to finalise consideration of the business case for the Barts and the Royal London private finance initiative scheme.

Mr. Lansley: In responses to my questions, Ministers have told me that there have been 14 meetings since 22 September between the Department and the Barts and the London NHS trust. They must arrive at the point, today, where they make a decision, otherwise there will be rising penalties; £17.5 million a month will be added to the cost of the redevelopment as a result of the delays. We are more than a month beyond when a decision should have been taken. Will the Minister accept that the House will not stand by while Ministers delay a project and make it less affordable and less value for money due to their delays rather than its inherent costs?

Ms Winterton: May I just make it absolutely clear that we are now looking at the ninth draft of the final business case? It is essential that we have the right balance of services in north-east and wider London before, quite frankly, we make a commitment that will last for 42 years for cancer and cardiac services. It is right that we look carefully at the reports that we have before us and make a decision with all the evidence that is available to us.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): My colleagues in east London completely agree that we should get good value for money and good provision of services in east London. In that respect, the Government are right to look at this issue, but why has the review taken place now at the twelfth hour?

Ms Winterton: Obviously, we must be absolutely certain before we commit what are, quite frankly, very large amounts of money to a scheme that it is properly thought out and will deliver the benefits to patients that we wish to see. I am sure that my hon. Friend would not want such a scheme to be set up if it had not been properly thought out and reviewed by Ministers to ensure that it delivered for patients, certainly in that area of London.

Smoking

13. **Mr. John Leech** (Manchester, Withington) (LD): What her Department's target is for reducing smoking rates in England. [46712]

The Parliamentary Under-Secretary of State for Health (Caroline Flint): The key public service agreement target, which was published July 2004, is to reduce adult smoking rates to 21 per cent. or less by 2010, with a baseline year of 2002, and a reduction in the prevalence of smoking among routine and manual groups to 26 per cent. or less.

Mr. Leech: Friends of mine who smoke are always telling me that the thing that would have stopped them starting in the first place, or that would certainly help them to stop now, is not being able to smoke in public places. Does the Minister agree that introducing a total ban on smoking would not only help those people to give up, but help to reach the Government's target for reducing smoking rates?

Caroline Flint: I am pleased to say that 28 per cent. of adults smoked in 1998 and that that figure went down to 25 per cent. in 2004, as a result of the Government investing in smoking cessation courses on the NHS and reduced tobacco advertising. Of course, we are introducing a Bill to ban smoking in public places. There are different points of view in all parties, and hon. Members will have a free vote on how wide they want the ban to be.

Prospects for the EU in 2006

3.32 pm

The Minister for Europe (Mr. Douglas Alexander): With permission, Mr. Speaker, I should like to make a statement on the European Union. Earlier today, my right hon. Friend the Foreign Secretary published a White Paper on prospects for the European Union. Copies are available in the Vote Office. He has asked me to pass on his apologies to the House for the fact that he is not present in the Chamber, as he is attending the conference on Afghanistan this afternoon.

In April 2004, the Government decided to publish the first in a series of reports intended to stimulate the closer and deeper involvement of Members of both Houses in EU affairs. Today's White Paper is the fifth such report. It looks at future challenges and provides a detailed report on our presidency, set against the objectives that we set ourselves in the White Paper, published on 30 June 2005 and relayed in a statement to the House on the same day by my right hon. Friend the Foreign Secretary.

Notwithstanding the EU's historical achievements, it has faced the pressing challenge in recent years of adapting to an increasingly globalised political and economic environment and of reconnecting as an institution to its citizens. That need was highlighted graphically last spring, when two member states rejected the constitutional treaty and the European Council failed to agree a deal for the next financial perspective—the European budget.

So when the United Kingdom took over the reins of the presidency in July, we were faced with three tasks. The first task was to follow through on Europe's promise to open accession negotiations with Turkey, against a backdrop of growing uncertainty in some parts of the EU about that aspect of future enlargement. The second task was to agree a deal for the coming financial perspective, and the third task was to begin the process of better preparing the EU for the globalised world.

First, I turn to enlargement. On 3 October, we opened accession talks with Turkey—that decision was welcomed on, and supported by, both sides of the House. That has the potential to bring huge economic and political benefits to Turkey, Britain and the European Union, not least through the Union's relationship with the wider Islamic world. At the same time, and in a welcome sign of how far the western Balkans has come in recent years, we opened accession negotiations with Croatia, began stabilisation and association agreement negotiations with Bosnia and Serbia and Montenegro, and granted candidate status to Macedonia.

On the budget, we brokered a deal that will shift spending towards the economic development of the newer, poorer member states and also mean that similar sized economies such as France and Italy will finally be making payments roughly on a par with the United Kingdom. The Council also agreed a full, wide-ranging review covering all aspects of EU spending, including the common agricultural policy, to report in 2008–09.

Finally, we took practical steps to strengthen economic reform within the European Union. Along with the European Commission, we agreed better ways of assessing the effects of proposed regulation on business. We also reached agreement on the capital requirements directive, which will help the European banking sector to remain competitive, and agreed the registration, evaluation and authorisation of chemicals—REACH—regulation. In two other areas directly related to the competitiveness agenda—the services directive and the working time directive—we made some progress during our presidency, and we will work to ensure that that is built on over the coming months.

Alongside those practical measures, we also began a broader debate on the future of Europe. The special summit of European leaders here in the United Kingdom at Hampton Court in October has already led to detailed work on areas such as improving European universities, increasing support for research and development and establishing a common European energy policy.

The issues of Turkish accession and the European budget and the debate on the future direction of Europe set the context of our Presidency, but so, too, did other international challenges. As the White Paper reflects, development was a key priority for both the EU and the G8. The European Union agreed, for the first time, a common vision and set out common objectives and principles for development work, as well as a comprehensive strategy on Africa. That will be backed up by the more and better development aid agreed by European member states last year, with aid doubled to $80 billion a year by 2010 and commitments on achieving the UN 0.7 per cent. gross national income target by 2015. The international finance facility for immunisation that we launched in September has the potential to prevent 5 million children from dying over the next 10 years. The deal on sugar reform will reduce trade distortion and, at the same time, save European Union consumers between $3.5 billion and $4 billion a year from 2010.

Another key area of work was the increasing role of the European Union outside its direct borders. During our presidency, we oversaw the launch of European security and defence policy missions, notably to monitor the Rafah border crossing and the peace agreement in Aceh in Indonesia. The EU worked closely with partners to support Israeli disengagement from Gaza and provided policing and electoral support in Iraq. The E3 continued to lead the ongoing and complex negotiations on Iran's nuclear ambitions.

During our presidency, the EU also engaged in dialogue with Russia, Ukraine, China and India and agreed a comprehensive work programme for economic co-operation with the United States of America. At the UN climate change negotiations in Montreal, against expectations, it was agreed, with European support, to begin UN talks on long-term action to address climate change and launch a process for agreeing targets beyond 2012.

We had always planned to ensure that counter-terrorism efforts would be a feature of our presidency. Those efforts inevitably gained far wider currency after the tragic events of 7 July here in London. During our presidency, the EU endorsed a new counter-terrorism strategy, agreed that phone and internet data from

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across Europe will be stored for use in criminal and terrorist investigations and set out an action plan to tackle radicalisation and the recruitment of terrorists.

We thus handed over to the Austrians a European Union that was stronger and more confident in the future than the one that we inherited back in July. Just as we inherited an agenda from the Luxembourg presidency, there are a number of areas of work that the Austrians are charged with taking forward. Over the coming year, enlargement will continue to be high on the European agenda. We are confident that Bulgaria and Romania will be ready to join in 2007, but only if they take urgent and vigorous action to address the main areas of concern recently identified by the European Commission. We will continue to provide significant bilateral assistance to help them to achieve that goal.

We expect both Turkey and Croatia to be ready to open accession negotiations on some individual chapters early in 2006. During his visit to Turkey and Cyprus last week, my right hon. Friend the Foreign Secretary reiterated the need for Turkey to ratify and implement the protocol to the Ankara agreement. We are committed, too, to ending the isolation of the Turkish Cypriot community and finding a way in which it can trade with European Union member states. I am sure that all members of the House would agree on the importance of achieving a successful and ambitious outcome to the Doha development round of world trade talks. We want to build on the frankly disappointing outcome of the Hong Kong ministerial meeting in December, and we will continue to do all that we can to enable the round to be concluded this year.

That means committing to significantly increased market access for developing countries, particularly in agriculture; substantial reductions in all trade-distorting subsidies, including the elimination of export subsidies, as agreed at Hong Kong; and effective special and differential treatment for developing countries. In the first half of this year, the European Union will take stock of the "period of reflection" agreed by the European Council last June. Among other things, that means evaluating the status of the constitutional treaty. The United Kingdom has always made it very clear that the priority in this period of reflection and, indeed, for the European Union more generally is economic reform and a determined effort to advance work that actually makes a difference to the lives of Europeans.

That view was endorsed only this month by the President of the Commission, José Manuel Barroso, who said that we should

"avoid a new division in Europe about institutions. The most important concern now of EU citizens is not institutional problems, but jobs and growth."

The focus of the spring European Council will therefore be economic. An important part of that agenda will be the work that the European Union will take forward on the six priority areas agreed at Hampton Court in October: research and development, universities, energy, demographics, security and immigration, and the common foreign and security policy. Finally, the future financial arrangements for the Union, agreed at December's Council, now have to be agreed with the European Parliament through a new inter-institutional agreement on budgetary discipline, which will provide the necessary formal basis for EU spending for the period 2007–13.

I have set out for the House the key features of the United Kingdom presidency as well as priority areas of work for the European Union over the coming six months. The fuller details in the White Paper published this morning give some sense of the depth of the business done and that which is left to do. As the White Paper makes clear, the Government are convinced that Britain's national interest is best served as a strong, active and influential member of the European Union, and I commend it to the House.

Mr. Keith Simpson (Mid-Norfolk) (Con): May I begin by sending on behalf of the official Opposition our deep condolences to the families and friends of the two British soldiers who were sadly killed in Iraq, the second one being the 100th British soldier killed there? We send our best wishes to the soldiers who were injured.

I thank the Minister for giving me advance sight of the statement, and for informing the House about the Government White Paper. Having read and heard the statement, however, many of us regard it as a non-event, to say the least. It is a curious time and place to make a statement but, nevertheless, it raises a number of interesting questions, not least because more than two thirds of the statement was retrospective and did not look at prospects for the EU in 2006.

The coming year may not be as dramatic as the last for the European Union, but we should be in no doubt of its importance for the EU's future. It will be the time for the EU to reflect on the constitution's rejection and the long-term strategic issues that it faces on competitiveness, security and its own future as an institution in the 21st century. The Minister stated the Government's position with his usual confidence, but does he remember that when the Foreign Secretary introduced a similar statement last year, he went into detail about the Government's position on the EU budget? He told the House that the Government were working

"to ensure that future EU budgets are limited to 1 per cent. of Europe's economic output and that that money is spent where it most adds value."—[*Official Report*, 3 February 2005; Vol. 430, c. 994.]

However, the Government ended up agreeing a rise in the EU budget to 1.045 per cent., which is an increase of £25 billion, but they obtained no guarantee of further common agricultural policy reform. The Foreign Secretary assured the House that Britain's rebate "remains fully justified" and reminded hon. Members that Britain had a veto. We all know what happened next—the rebate was cut by £7 billion for the budget period. Does the Minister understand that hon. Members are suspicious whether what the Government say will match what the Government actually achieve?

The White Paper rightly underlines the need for economic reform. Does the Minister agree that the services directive is essential in achieving a more competitive Europe? The European Parliament will vote on the directive in a fortnight. Does the Minister agree that the main aim for member states is to reach a political agreement in the Council by the March economic summit? Does he agree that there has already

been extensive consultation with social partners? It would be unacceptable if further consultation became an excuse for yet more delay. Does he agree that the European Parliament's internal market and consumer protection committee has produced a balanced text to ensure the freedom to provide services, and that it should be our common goal to maintain it, particularly with regard to article 16?

Turning to trade, many hon. Members on both sides of the House were disturbed to hear Commissioner Mandelson say two or three weeks ago that the Chancellor of the Exchequer had not spoken to him recently—it appears that the Chancellor of the Exchequer has been ignoring him—which is causing much upset on the Government Benches. I understand that the Minister is a protégé of both Commissioner Mandelson and the Chancellor of the Exchequer, which means that he is caught between a rock and a hard place. Nevertheless, will he use his good offices to get them talking? It is good to talk, but on such a crucial issue, it is vital.

Does the Minister agree that Britain's opt-out from the working time directive is vital to our competitiveness in a globalised marketplace? Will the Government ensure that our opt-out is maintained in its entirety and that it will not be negotiated away in any form?

Paragraph 143 of the White Paper rightly emphasises the importance of energy security. Does the Minister agree that recent events in Ukraine and Georgia prove the need for secure and diverse supplies? Will the Minister outline in more concrete terms how the Government plan to achieve that?

All hon. Members agree that Europe's greatest achievement over the past two decades has been the spread of democracy throughout the continent. In March, a presidential election will be held in Europe's last remaining authoritarian state, Belarus. Why does the White Paper not mention that election? What steps will the Government and our European partners take to ensure that that election is free and fair?

The middle east is a vital area for our security and for the cause of peace in the world, so Hamas's election victory must be a matter of the deepest concern. Will the Minister tell the House the criteria by which the continued funding of the Palestinian Authority by the EU will be judged? Is it not essential that Europe and America hold a united position in dealing with Hamas? Does he agree that if a Hamas-led Palestinian Authority remains wedded to terror, it should not receive EU funding?

One of the most important questions for the European Union concerns how it can modernise itself to meet the demands of the 21st century. The constitution's defeat in last year's referendums proves that the old model of integration is failing Europe and alienating its people. Does the Minister agree that a British vision of an open, flexible Europe has never been more relevant? Is not that the issue for British leadership? Will the Minister explain why no British Minister attended last week's important Sounds of Europe conference in Salzburg? How do the Government expect to influence the debate, if they do not participate?

We all agree that the EU needs to be more open and accountable. To that end, what steps are the Government taking to achieve open voting in the Council and a stronger say—the so-called yellow-card procedure—on subsidiarity for national Parliaments? Some member states and EU commissioners still insist that the EU constitution will soon be ripe for revival. This month, the Foreign Secretary told us that

"it is difficult to argue that the constitution is not dead."—[*Official Report*, 10 January 2006; Vol. 441, c. 147.]

The dead parrot syndrome. Should not a British Government, leading in Europe, have a clearer view than "perhaps yes" or "perhaps no"?

Britain's last presidency was marked by the contrast between the hype in the last paper presented to Parliament, and a failure to deliver fully in many areas. Over the next year, we will support the Government where they take practical steps to reform the EU to meet its long-term challenges. But it is now time for the Government to outline a British vision of Europe that can meet those challenges, rather than merely parroting what the EU requires.

Mr. Alexander: I will endeavour to answer the many questions put to me by the hon. Gentleman, who began his contribution rather uncharitably by describing the White Paper as a non-event. I shall resist making the same observation about his response to my statement and instead address his specific questions.

I shall happily send to the hon. Gentleman the detailed figures on the proportion of European gross national income accounted for in the agreement reached at the December European Council, but my recollection is that by the end of the financial period, the percentage of GNI taken in the European Union's budget will be as low as that achieved in any one of the past 20 years. That is a clear victory for those of us who have argued in recent years for greater EU budgetary discipline. Indeed, comparing the agreement reached at the December European Council with the figures proposed six months earlier by the Luxembourg presidency, or with those previously proposed by the Commission, shows how effectively we argued for taking a lower percentage of European GNI within the EU's budget.

The hon. Gentleman asked about the services directive, and we continue to regard it as important. An unfortunate delay on First Reading prohibited us from reaching a conclusion to our discussions during our presidency, but we want progress to be made during the Austrian presidency. It might assist the House if I make clear the issues that we came close to resolving, but which are still on the table: the directive's scope; whether it should apply to labour law, given that that was never the intention, even according to the original wording of the Bolkestein directive; and the country-of-origin principle. Discussions will continue on each of those issues, but I share the ambition of reaching a conclusion that will result in an effective services directive that can guarantee a much more open market in services. Such a market will directly benefit not just the European Union but, I am convinced, many British companies.

The hon. Gentleman also asked about our discussions with Trade Commissioner Mandelson. Commissioner Mandelson reported the latest position on the EU to an informal meeting of trade Ministers in Brussels on Sunday evening, and another report was made yesterday to the General Affairs Council, which the Foreign Secretary and I attended. A further ministerial

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discussion took place at the margins of the Davos conference, which took place in Switzerland this weekend. So I can assure the hon. Gentleman that a great deal of discussion is taking place at all levels of government, and not just with the European Commission. *[Interruption.]* The hon. Gentleman asks about the Chancellor from a sedentary position. There is little doubt that the Chancellor has made clear his position concerning an ambitious and balanced outcome for Hong Kong, be it in speeches to the Labour party conference, in recent radio interviews, or in countless speeches made in the cause of achieving greater debt relief, aid assistance and trade justice in the years to come.

Retaining the opt-out continues to be the British Government's position, and we discussed this issue with our colleagues during the British presidency. Not only was there a blocking minority to any proposed change to the opt-out; we are increasingly winning the argument for the need for flexibility in the development of the European economy in years to come.

The hon. Gentleman also asked about energy supplies in the light of developments in Ukraine and Russia. Such developments partly explain why we had what was widely judged to be an effective and helpful meeting with the Russians—an EU-Russia summit—during our presidency; why one feature of that summit was discussing the need for a structured dialogue on energy; and why at Hampton Court, the Prime Minister showed real prescience in identifying the need for a common approach to energy issues, ahead of the difficult negotiations that took place between Russia and Ukraine at the turn of the year. Taking forward that work on energy policy, we are examining ways of making sure that there is a genuinely open market within the European Union. Issues relating to energy security have been on many people's minds in recent weeks and months, and there is also the pressing matter of diversity of supply. I can assure the hon. Gentleman that we will continue the work identified at Hampton Court and now being taken forward.

I was asked about the omission from the White Paper of reference to Belarus. Only yesterday a leading politician from one of the principal Opposition coalitions in Belarus met a range of delegations in Brussels, at the margins of the General Affairs Council, as well as Javier Solana, the high representative. I can assure the hon. Gentleman that in the discussions that took place, Belarus was very much in people's minds, not least as we anticipate the elections coming up in March.

Next, the hon. Gentleman turned to funding for the Palestinian Authority. There is little that I can usefully add to the contribution to the debate that has been made by our Foreign Secretary and by others in recent days, since the Palestinian Authority elections. Suffice to say that the policy remains as stated. In relation to specific British aid, I recollect that approximately half of that aid is in direct budgetary support, although that is suspended at present—indeed, it was suspended prior to the elections—because of our concerns about corruption in the Authority. The overwhelming additional resource is provided through the auspices of the United Nations. This is a subject to which I am sure the House will return in the weeks and months ahead, during which we will see the formation of a Government within the Palestinian Authority.

I was questioned about the Sounds of Europe conference that took place in Salzburg this weekend, where we were capably and effectively represented by our ambassador to Vienna, Ambassador Macgregor. The conference did not invite all 25 members of the European Union to address the conference. Rather, there was a round-table series of discussions involving academics and members of think tanks. There were contributions from some politicians, and of course British delegates were present at that conference. I can assure the hon. Gentleman that we will not lose any opportunity in the months ahead, whether from public platforms or in private discussions with the Austrian presidency, to continue to press the case for the kind of open Europe that we believe makes sense in a globalised world.

On subsidiarity, the Sharing Power in Europe conference, which was jointly hosted with the Dutch during our presidency, specifically considered engaging national Parliaments more effectively. It was rather curious for the hon. Gentleman to begin by expressing surprise at Parliament being involved in European Union discussions, and later in the same speech arguing for greater involvement of national Parliaments in the affairs of the European Union. We regard that as an important step that needs to be taken by the EU. That is why we hosted the conference with the Dutch.

I hope that that addresses each of the points that the hon. Gentleman raised, but no doubt other hon. Members will have questions for me in due course.

Dr. Gavin Strang (Edinburgh, East) (Lab): Following yesterday's meeting, does my right hon. Friend agree that it is important that a united Europe and the United States work together on Iran's nuclear programme, to bring maximum pressure to bear through the International Atomic Energy Agency and the United Nations Security Council? Can he assure the House that Ministers are striving to resolve the issue through the UN?

Mr. Alexander: I am happy to give my right hon. Friend that assurance. Even the sternest critics of European diplomacy would struggle to question the importance of the work that, along with the French and the Germans, the British Government have been taking forward as part of the so-called E3 process. Since the outset of that process, we have enjoyed and benefited from the support of the United States. I am glad to say that only last night here in London a meeting of the P5 was convened—the five permanent members of the Security Council, with the Germans also in attendance. That conveys an important message that needs to be heard by the Iranians: the growing consensus across the international community about finding a diplomatic solution to a challenging and complex matter.

Mr. Nick Clegg (Sheffield, Hallam) (LD): On behalf of the Liberal Democrats, I express our sincerest condolences and sympathy to the families and friends of the two British soldiers who, it was announced today, were tragically killed in Iraq.

I am grateful to the Minister for giving us advance notice and sight of his statement. There is much in the statement and in the White Paper with which we do not disagree. Some of the achievements of the UK presidency are rightly underlined as important achievements, notably the very significant agreement to launch accession negotiations for Turkey's eventual membership of the European Union—a decision of enormous long-term significance for the future evolution of the EU.

The White Paper and the statement are characterised by the now time-honoured hyperbole that occurs at the end of presidencies. It is a familiar routine that whoever has occupied the presidency for six months then hypes up its achievements, almost suggesting that any presidency that preceded it or might succeed it could never reach such heights of achievement. Hyperbole aside, much in the White Paper recommends itself. I should like to ask the Minister some questions that might help us to understand whether the decisions taken in the six months of the UK presidency will stand the test of time and be durable decisions that make the difference that is claimed.

On the famous, or infamous, budget deal, part of that deal includes a commitment that there should be a review of the common agricultural policy some time midway through the next budgetary period. Will that review be conducted by the European Commission? If so, what pressure, if any, will be brought to bear on member states to adhere to any of its recommendations? There is a legitimate concern that a review by the Commission, even were it to advocate the kind of agricultural reform that many people in this House wish for, could summarily be ignored if it was not placed on a more forceful footing. Will the review include proposals for co-financing, which Members on both sides of the House have raised as a possible future solution to the financing of the common agricultural policy?

The Minister made much of the summit at Hampton Court at which six areas of work were identified as meriting further investigation—research and development, universities, energy, demographics, security and immigration, and the common foreign and security policy. Can the Minister give us any detail about what occurred at that summit, or subsequently, materially to affect the way in which those policies are being conducted in the European Union? It appeared then, and still appears, to have been a catch-all list of policy areas, ranging from foreign policy through to research and development, which might not contain the substance that he implied in his statement.

The Minister said that the priority for this period of reflection about the fate of the constitutional treaty, and indeed the European Union more generally, must be on economic reform. That is a sentiment that many Liberal Democrat Members share. But does he think that there is no merit in any debate about the constitutional and institutional future of the European Union? Surely it is impossible to deny that in an enlarged European Union the arrangements that were in place for a much smaller club need some re-examination. Some highly positive reforms are suggested in the constitution, including greater Council openness, rearrangements of the way in which the European Union organises its common foreign and security policy, and the involvement of this House and other national Parliaments in examining EU legislation. Can the Minister assure us that while the emphasis is rightly on economic reform, such crucial constitutional and institutional issues will not be forgotten? They cannot be ignored in a club that has expanded so dramatically in recent months.

Mr. Alexander: I join both spokespeople of the Opposition parties in extending deepest sympathy, on behalf of the Government, to the family of the brave serviceman whose life has been lost in Iraq.

Let me first tackle the budget deal, especially the review clause, which the hon. Member for Sheffield, Hallam (Mr. Clegg) mentioned. He is right that the Commission will undertake a review clause, but it will ultimately be for the European Council to decide whether to implement the changes. They could be effected in the coming financial perspective, which runs until 2013.

I do not want to prejudge the review's outcome on co-financing. It is right to acknowledge that the matter has been raised on the Floor of the House several times. Other European Governments have also raised it and I suspect that it may well feature in the discussions. However, I cannot prejudge the review's outcome.

The hon. Gentleman asked about progress on the priorities that were identified at the Hampton Court meeting in October. The six workstreams were subsequently divided into those that high representative Javier Solana would take forward and those that the Commission would tackle. If I recollect correctly, an initial progress report was made to the December European Council.

Another point merits the House's consideration. The notion of the Hampton Court priorities is already entering the lexicon of European policy making. I have been encouraged by the Austrian presidency's willingness to commit time and resources to taking forward the work that we initiated in Hampton Court. If I were to identify one matter that takes special precedence, it would be the recognition in October of the importance of finding a way forward on energy security and supply and a genuinely more open energy market.

The hon. Gentleman asked about institutional change. Labour Members have never denied the need for important and sensible institutional changes. Indeed, in the course of our presidency, following the Prime Minister's reply to questions in one of his appearances before the European Parliament, we made progress on the transparency of the Council of Ministers. However, it is right to reiterate that we perceive the key priorities for the coming months to be, as José Manuel Barroso said, jobs and growth in the European Union and the economic reform that that requires.

Mr. John Redwood (Wokingham) (Con): To save the Austrian presidency and the German Administration time and trouble, will the Minister clearly rule out any new European tax levied through the European Union? Will he rule out introducing the constitution's provisions by the back door before yes votes in all countries that need referendums?

Mr. Alexander: Let me deal with the right hon. Gentleman's latter point first. The Government have consistently made it clear that the mechanism in the

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United Kingdom whereby the European draft constitutional treaty could be implemented is approval by the House of Commons followed by a referendum of the people of Britain. There is no question of implementing it by the back door.

I closely followed Chancellor Schüssel's comments at the outset of the Austrian presidency but the British Government's position remains unchanged. In principle, we are not convinced of the case for a European tax. We believe that there should be fair competition in taxation and that the competence for taxation rests with nation states.

Andrew Mackinlay (Thurrock) (Lab): May I say to my right hon. Friend that there is a genuine danger of his being the longest-serving Minister for Europe in this Administration? I believe that he is about the seventh, on which I congratulate him. I hope that he remains in that position for a long time in the interests of the United Kingdom. The problem is that the Foreign Office often dictates our European policies because Ministers for Europe are not in post for long enough.

Belarus is the elephant in the room that is not mentioned in the White Paper. I urge my right hon. Friend to address the European Union's policy, which is not a sanction against the existing Government in Belarus.

Why is there no permanent diplomatic representative in Podgorica, given that, in a few months, Montenegro is likely to be independent and knocking at the door of European Union membership?

Mr. Alexander: Let me deal with both my hon. Friend's questions. On diplomatic representation in Podgorica, I cannot anticipate the outcome of the referendum that is scheduled to take place later this year in Serbia and Montenegro. My understanding of the constitutional provision is that Serbia and Montenegro is entitled to hold that referendum after February this year, and that it will be held a little while after that. I can assure my hon. Friend that I will take the point that he has raised to the relevant individual in the Foreign Office.

My hon. Friend also asked about Belarus. It is important to emphasise, because this bears more widely on the question of enlargement, that for certain new member states in the European Union of 25 members, Belarus is not a distant country but a near neighbour. We want to see significant change in the approach taken by the regime in Belarus to date, and we should therefore welcome the greater influence that could be brought to bear by those new member states of the European Union taking a full and active role in the development of policy towards that country.

Rev. Ian Paisley (North Antrim) (DUP): I should like to associate my colleagues with the expression of sympathy for those mourning their loved ones who have been lost in Iraq.

The Minister has clearly stated that we need jobs and expansion. The agriculture and fishing industries in my part of this United Kingdom are in serious crisis. It is strange that in a White Paper that contains 186 paragraphs, only seven refer to agriculture, and that the Minister mentioned it only once in his statement. Has he a programme to present to his colleagues in Europe in the coming days that will help us to save the agriculture and fishing industries in the parts of this United Kingdom that are so sorely pressed at the moment?

Mr. Alexander: The Government's position on the need for the fundamental reform of agriculture—and in particular on the type of support provided to the agricultural sector not only in the United Kingdom but across Europe—was set out in a Government paper published in December during our presidency. I appreciate the concerns about agriculture and fishing that the right hon. Gentleman has raised, and I will ensure that they are passed on to the Secretary of State for Environment, Food and Rural Affairs.

Mr. Doug Henderson (Newcastle upon Tyne, North) (Lab): May I follow on from the point raised by my right hon. Friend the Member for Edinburgh, East (Dr. Strang) about Iran? Does the Minister agree that the E3 grouping is crucial in this regard because of the limitations of the United Nations, not in coming to a policy position but in acting on that position and trying to broker a settlement? Does he agree that this is a key role for the European Union, and that the E3 would have no credibility without its role in the European Union? Does he also agree that the European Union needs to promote its role in dealing with such issues? Will he ask the Austrian presidency for some initiatives on this matter?

Mr. Alexander: I will certainly take note of my hon. Friend's final point. The significance of the E3 process speaks to the effective joint working between ourselves, the French and the Germans. It is no secret that there have been disagreements in the past between ourselves and one if not both of those countries on specific issues of concern in the European Union. Notwithstanding whatever challenges we may have faced bilaterally, however, I am heartened by the effective way in which we have worked directly with Berlin and Paris on this issue.

My hon. Friend's question also raises the broader issue of the effectiveness of the United Nations. We have Kofi Annan, the Secretary-General of the United Nations, here with us in London today. I was particularly encouraged by some of the conclusions that were reached at the millennium review summit in New York in September. I had the opportunity to represent the British Government the following week at the United Nations General Assembly and to take part in meetings on behalf of the European Union during the course of that week. It was made very clear to me by the permanent representative of this Government that, had it not been for the significant steps taken by European nations in particular, prior to that summit, we would not have been able to secure the commitments either on development or on United Nations reform that many of us welcomed at the conclusion of the summit.

Mr. David Curry (Skipton and Ripon) (Con): Does the Minister not realise how little time remains before the Doha development round collapses? If it is not

completed before the expiry of fast-track authority in the United States, it will not be completed at all. Do the British Government believe that it is now time for the European Union to make a further offer on agriculture?

Mr. Alexander: First, on the timing of the fast-track procedure, although that does not expire until 2007, any practical assessment of when decisions need to be reached requires us to aim for conclusion of the round itself by the end of this calendar year. That is why I said in my statement that we are keen to ensure that we reach an ambitious and balanced outcome in 2006 to allow sufficient authority for the President to be able to use the fast-track procedure in 2007, before it expires.

On the substance of the right hon. Gentleman's point, I can assure him that we are in discussion with our other European partners—and, indeed with other countries—on how we might secure the sequenced changes to the trade rules that we were unable to secure ahead of December. The European Union has a role to play, but most observers recognise that, increasingly, Brazil and India, and certainly the United States, also have a role to play. That was, in part, the substance of the discussions that took place in the margins of the Davos conference this weekend.

Mr. Jim Cunningham (Coventry, South) (Lab): Will my right hon. Friend bring us up to date on the time scale for Turkey joining the EU?

Mr. Alexander: I can probably do no better than quote the Turkish Government's own assessment of the time scale—they estimate more than a decade, notwithstanding the opening of accession talks on 3 October last year. That reflects the scale of the transformation necessary to be achieved in Turkey, but we continue to believe that it will be the right choice for Turkey, for Europe and, indeed, for Britain.

Mr. Bernard Jenkin (North Essex) (Con): On the question of the failed free trade talks in Hong Kong, raised by my hon. Friend the Member for Mid-Norfolk (Mr. Simpson) from the Front Bench and by my right hon. Friend the Member for Skipton and Ripon (Mr. Curry), is not that failure directly attributable to the EU's failure to offer a reduced agricultural subsidy in that round? Is not that, in turn, directly attributable to the Government's failure to deal with the budget issue? How is the EU meant to offer reduced agricultural spending when it had already been agreed in the botched budget deal given by the Prime Minister? Is it not time for the Government to be more open about what this will cost? At the moment, they are refusing to answer questions that are on—

Mr. Speaker: Order.

Mr. Alexander: It is time for the hon. Gentleman to be more accurate in his questions. The mandate from which the Trade Commissioner operates was agreed in the EU General Affairs and External Relations Council. That is a matter of record. I fully accept, and want, further progress on agriculture, and specifically on agricultural subsidies. I was heartened in December that we managed to secure agreement on agricultural export subsidies, albeit for the later date of 2013. It is a manifesto commitment for us that we would have liked agricultural export subsidies to be phased out by 2010. None the less, there is some progress on which we can build in the months ahead.

It also has to be acknowledged that as well as the EU making offers in relation to agriculture, which preceded the December Hong Kong talks, there is an increasing responsibility that needs to be borne by other key partners in those trade talks. This is partly, not solely, an issue of agriculture. There is also the key issue of non-agricultural market access, which is why it is important that, in the weeks to come, we should talk to other partners—principally Brazil and India, but also the United States—to see whether we can secure the sequenced series of offers that would allow real progress, which eluded us all in Hong Kong.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): The European Union will have to take a decision very rapidly on whether it intends to continue its large contribution to the Palestinian Authority in terms of support. Where will that decision be taken? What will the Government's advice be?

Mr. Alexander: I have already set the position before the House. On the consequences of the decision reached by the Palestinian people, we respect a democratic decision when it is reached, but equally we are clear about the fact that Hamas now faces the primary responsibility. It is for Hamas to answer the question whether it recognises what everyone in the House would recognise, which is that people cannot simultaneously advocate and perpetrate violence while operating as a democratic Government.

The formation of a Government for the new Palestinian Authority will, I understand, take a number of weeks. This matter was discussed at the General Affairs and External Relations Council—the meeting of Foreign Ministers from across the EU—yesterday, but I am unwilling to say, and unenthusiastic about saying, anything today that would do other than place the responsibility for answering that pressing question principally on the shoulders of Hamas.

Dr. Vincent Cable (Twickenham) (LD): Do the Government support the proposed enlargement of economic and monetary union to include three eastern European countries, and how would that affect the prospects of British entry?

Mr. Alexander: It will perhaps not surprise the hon. Gentleman that I have nothing new to add to our policy, set out to the House by the Chancellor of the Exchequer in December 1997, if I recollect accurately, on the key economic tests in relation to the single currency. On the hon. Gentleman's point about the three new member states seeking membership of EMU, that is entirely a matter for them. In that regard, we would allow the decision to be taken on the basis of what they judge to be in their interests, given the obligations under which they entered the European Union.

Tony Lloyd (Manchester, Central) (Lab): To return to the services directive, I urge my right hon. Friend not to listen to the Opposition's seemingly uncritical view of the directive, but to stick with what he told the House

[Tony Lloyd]

some moments ago. If not properly constructed, the directive will cause real concern, not simply to employees but to employers, particularly in terms of the country of origin issue. Were the directive to be passed in its present form, it could seriously jeopardise the ability of many companies in this country to operate without seeing terms and conditions—not simply labour rates but other important contractual terms—set at nought. It is really important that we get this right, and I hope that the Government will stick to their position and get a proper deal.

Mr. Alexander: I think that a balance needs to be struck. On the one hand, there is no doubt that the terms of the original Bolkestein directive did not find favour with many European partners. In that sense, I would fully expect changes to the terms of the original directive. On the other hand, the Government continue to believe as a matter of principle, and on the basis of the evidence available to us, that there is much for the European Union to gain by having an effective services directive. If one considers, for example, the progress made in prosperity and growth as a consequence of the original establishment of the single market, it ill behoves others to criticise the prospect of a genuinely single market in services. It is right, however, to have due consideration for the concerns raised, for example, in relation to labour law, as it was never the intention of those who designed the services directive to change the position fundamentally on labour law. That is why we welcome the ongoing discussions, but we would be keen to see a resolution so that we can secure the very jobs and growth about which José Manuel Barroso spoke only a few weeks ago.

Damian Green (Ashford) (Con): The Minister talked about enlargement and, clearly, one of the key benefits of enlargement is the strengthening of democracy. With an increasingly belligerent Russian Government behaving in damaging ways towards their near neighbours, will he confirm that small countries such as Moldova, which are not yet engaged in accession negotiations, can retain some hope of eventual EU membership? That hope is a real factor in strengthening democratic institutions in that sort of country.

Mr. Alexander: I am fully aware of the importance of the prospect of European Union membership in securing the transition towards effective democracy. I had the privilege of travelling to the western Balkans in September during the British presidency, and saw for myself the tangible evidence that the prospect of European Union membership is perhaps the strongest single motor driving those countries out of a history of ethnic cleansing and civil unrest. The prospects for future enlargement of the European Union are best described on the basis of the existing treaties. In that sense, the basis for an application to be received by the European Commission in relation to further candidates in future is a matter of record.

Keith Vaz (Leicester, East) (Lab): I pay tribute to my right hon. Friend for his impressive work during the presidency and I welcome the commitment in the White Paper to economic reform. He will know that although the United Kingdom has reached seven of the 17 quantifiable benchmarks under the Lisbon agenda, France, Germany and Spain have reached only three. What steps will he take to ensure that our colleagues in the European Union embrace economic reform as effectively as we have done, especially in the run-up to the European Council business meeting in a few weeks' time?

Mr. Alexander: I am grateful to my hon. Friend for raising the important issue of economic reform. We have already worked closely with the Austrians to ensure that the focus of the spring Council meeting will be on exactly the subject of economic reform. We have sought to make progress in relation to the better regulation agenda over recent weeks, but the recent spring report by the European Commission highlights the scale of work that still needs to be taken forward on the Lisbon agenda, which he had so much direct responsibility for authoring several years ago.

Mr. Quentin Davies (Grantham and Stamford) (Con): May I introduce a dissenting note on Turkey? I am aware that there is consensus between the three Front Benches on Turkish accession, but does it really make sense for us to talk in terms of a state joining the European Union when that state does not recognise an existing member state and prosecutes people for writing books on Turkish or Armenian history?

Is there not a real danger in holding out the hope of Turkish accession? It is very likely to be vetoed through either parliamentary vote or referendum by one of the existing member states in some years' time, and that would create a major long-term crisis in our relations with Turkey. Would it not be better to talk in terms of a special relationship that does not involve full accession?

Mr. Alexander: The hon. Gentleman can always be relied on to ensure that consensus does not break out absolutely in the House. I pay tribute to his long-standing interest in these issues. As for the idea of some kind of privileged partnership, Turkey has had that with the European Union for a number of years. A customs union—the Ankara protocol, which I have mentioned—applies to the original EU Fifteen, and the prospect of EU membership has been held out to Turkey for 42 years. The debate has been well rehearsed, especially the hon. Gentleman's argument about the non-recognition of an EU member state. Such issues can, of course, be addressed during the accession talks.

I find common ground with the hon. Gentleman, however, on the need for fundamental reform in the Turkish economy and, indeed, in Turkish society more generally. Labour Members are convinced that those of us who share an interest in a more democratic and effective Turkey would best serve the interests of that goal by seeing Turkey join the EU, if it adheres to the rigorous thresholds of accessibility that are set out for all candidate countries.

I genuinely believe, in relation to, for instance, the case of Orhan Pamuk—who, incidentally, said that he did not wish his trial to be seen as a bar to EU membership for Turkey—that those of us who continue to be concerned about human rights have a great deal to gain from the high level of scrutiny that will take place on civil and human rights issues relating to Turkey,

given the accession process that is now under way. There is a long way to go, but continuing the accession process gives us the best guarantee we can have that the scrutiny will continue.

Kate Hoey (Vauxhall) (Lab): The Minister made an interesting statement, but, as I suspect he will agree, it will not make my constituents jump up and down in great excitement. Will he now deal with two issues that do concern them?

First, has the Minister any intention of giving more priority to stopping the gold-plating of all the EU directives to which we sign up and then reinforce to a much greater extent than the rest of Europe? Secondly, what will he do to protect the pint?

John Bercow (Buckingham) (Con): Very sound!

Mr. Alexander: Again, I had no fear that consensus would break out when my hon. Friend rose.

I can assure my hon. Friend and, indeed, her constituents that I made inquiries of officials about the pint only this morning. I understood from them that the matter was raised by the European Parliament rather than the Commission. The suggestion in many British newspapers that there is a devilish plot by the European Commission against the great British pint is simply untrue. There is no recommendation that we should see the end of, for example, the pint of beer or the pint of milk. On the other hand, the Commission is responsible for ensuring that there can be common measures across the EU—[HON. MEMBERS: "Ah!"] Let me answer the question. Those common measures are to guarantee the degree of transparency that is necessary to ensure that suppliers of products are not able to hoodwink consumers. If my hon. Friend opposes greater transparency in pricing, that might be of direct concern to her constituents.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): I think that this was a batsqueak of a statement with very little substance behind it, and a reflection of the vanity of those who govern us at present. Matters of great substance have not been addressed, such as international competitiveness for the British economy and how we can recapture or retain our ability to make judgments on regulations—a point raised by the hon. Member for Vauxhall (Kate Hoey).

I am struck by the sheer emptiness of the Government's strutting over the past six months. They gave away a huge negotiating hand in terms of the budget. Where is the reform of the common agricultural policy, which is so detrimental to the third world and those who are poor? This was a nothing statement, and an ecological waste of all the paper produced to send more words into the air.

Mr. Alexander: With the greatest respect, I disagree. On the issue of economic reform, not only was there progress on the better regulation agenda, but we set down a course that will, I believe, yield results. Better regulation, whether in Whitehall or Brussels, involves not just process changes—for example, regulatory impact assessments—but cultural change. I was heartened in particular by the comment of Commissioner Verheugen during the British presidency that he now regards better regulation as a key priority, not simply for the presidency of the European Union for six months, but for the Commission.

On the hon. Gentleman's point about the common agricultural policy, we continue to argue for fundamental reform. We set out our position in the Government paper that was published in December. We have secured the 2008–09 review, of which I spoke in my statement and which was mentioned in the White Paper. That will be the means by which we can secure further reform of how Europe spends its money.

As for whether it was worth having the White Paper or, indeed, the statement, the Conservative party cannot have it both ways. It argues that national Parliaments are being disregarded in European policy-making, but when there is an opportunity seriously to discuss European issues, it chooses to indulge in arguments that are not entirely convincing.

With your permission, Mr. Speaker, I will also address the other point that was put to me by my hon. Friend the Member for Vauxhall (Kate Hoey)—

Mr. Speaker: Order. The Minister does not need to do that. That was not a question that I allowed.

Miss Julie Kirkbride (Bromsgrove) (Con): On the intervention by the hon. Member for Vauxhall (Kate Hoey) about the future of the pint, if, as the Minister says, we have to have more transparency and more standard measures in the European Union, what hope will there be of saving the pint in the UK?

Mr. Alexander: I do not know how much more clearly I can put it. I am convinced that there is no threat to either the British pint of beer or the British pint of milk. I was making a general point. I think that, within a single market—I hope that, as a supporter of the single market, the hon. Lady may agree with this point—there is a case for ensuring transparency for consumers. If she disagrees with transparency for consumers, perhaps she could get in touch with me and confirm that.

Mr. Jim Devine (Livingston) (Lab): My right hon. Friend will be aware that, unlike the Conservative party when it was in power, we have a commitment to the development of Africa. Is he convinced that European leaders share our commitment?

Mr. Alexander: I was heartened by the fact that we agreed a strategy for Africa at the December Council of the European Union. That decision came after a decision last year by European Union Finance Ministers and, before that, Development Ministers, significantly to increase the level of development assistance both to Africa and to other developing areas of the world. I believe that one of the things that the British presidency and the European Union in 2005 will be remembered for is the significant progress on the development agenda. The credit for that goes not to one country, but to all 25.

Several hon. Members *rose*—

Mr. Speaker: Order. We must move on. I will give the hon. Member for Broxbourne (Mr. Walker) some priority at the next statement.

Trade in Endangered Animals on the Internet

4.33 pm

Mark Pritchard (The Wrekin) (Con): I beg to move,

That leave be given to bring in a Bill to end the trade in endangered animals on the internet; and for connected purposes.

The trade of endangered animals on the internet is a growing and serious problem. Independent commentators estimate that the trade is worth up to £25 billion globally and up to £3 billion involving UK websites and consumers. Those large figures include both live and dead animals and animal products. Today, I would like to disaggregate those figures and focus on the millions of pounds being spent in the sale of live endangered animals on the internet, driving some of those species near to extinction.

It may come as a shock to some hon. Members to discover that this morning, in my office at the House of Commons, I logged on to the internet and could have purchased a leopard, a zebra, sea turtles, chimpanzees, an American bald eagle, an alligator, a dromedary, a mountain lion and a Lear's macaw. Sadly, the list goes on and on. I was very interested to hear from the hon. Member for Thurrock (Andrew Mackinlay) about the elephant in the room at the Foreign Office. That escaped my research, but I am sure that the hon. Gentleman will pass on the details to me.

In August 2005, the International Fund for Animal Welfare found that 9,000 endangered live animals were offered for sale online in one week. That search was limited to five categories of animal, but I am sure that the House will be interested to know that animals of all categories are sold every minute of every day, year after year. That same research found that 146 primates were available for sale in the UK. All of the sales were illegal: all the animals were endangered, and all were being traded through UK-registered websites. We do not know where the animals involved in such sales come from, how they are transported, or the conditions in which they are kept.

The Government rightly recognise the need to protect the environment, but what about the natural environment? Given the obvious scale of the problem, is not it incumbent on the Government, industry and us all to do far more to tackle this serious problem? The Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for South Dorset (Jim Knight), is attending the debate, and I know that he is a good-natured man who takes animal welfare very seriously. I hope that he will consider the suggestions that I have to make, especially given that the Animal Welfare Bill is currently before the House.

What could the Government do? First, I encourage them to work in collaboration with internet service providers and auction houses to launch a public awareness campaign on this matter. That campaign should be targeted at both consumers and traders and should inform them about what is lawful and what is not. Secondly, I encourage the Government to establish a hotline—for telephones and/or e-mails—so that illegal activity can be reported to the Department for Environment, Food and Rural Affairs. That information should then be shared with wildlife crime officers and the police.

Thirdly, a legal help desk should be set up so that people who are not sure about the law can contact someone to obtain clarification. Very often, the terms and conditions of websites involved in this trade are hidden somewhere in the back of beyond in the ISP's terms and conditions. We need to expose what is lawful and what is not. Finally, as I said earlier, the Government should liaise more closely with crime enforcement agencies.

Earlier, I saw the Home Secretary appear briefly in the Chamber before dashing out. I wish that he had stayed, because I know that the Government are keen on targets. I hope that the Minister will speak gentle words of encouragement in the right hon. Gentleman's ear about the adoption of a new Home Office target to ensure that police forces around the country bring successful prosecutions of those involved in this illegal trade, leading to their conviction. The House will be astounded to hear that only two successful prosecutions were brought last year for trade involving endangered animals. In both cases, the animals were dead and stuffed, but we know that there is a trade in live animals. With the greatest respect, I believe that the fact that there has not been a single prosecution in respect of the trade in live animals is an indictment of the Government.

The Government and the Minister could take the lead in this matter, both in this country and in Europe. Under the convention on international trade in endangered species, they could use our EU block vote to lead the way internationally. There is a CITES conference in June next year: I hope that the Minister will go there and declare that the UK is leading the way on animal welfare and that it has forged agreement in Europe about a new way forward on the matter.

Possibly the best and most immediate way to deal with the illegal trade in endangered animals is to establish a code of conduct for all ISPs and those involved in the internet market place to ensure that they do not facilitate the sale of endangered animals, directly or indirectly, through their products and services. As a Conservative, I hope that that could be achieved through a voluntary code, not a statutory one. We will have to wait and see whether the ISPs are prepared to go along with that.

What can ISPs do? We know that web content can be curbed because we have seen the excellent work of the Internet Watch Foundation, which works to prevent access to child pornography. ISPs should work in partnership, perhaps with the Government, to extend their remit to involve animal watch internet work. If they are not prepared, or are unable, to do that, the Department for Environment, Food and Rural Affairs needs to work with them to set up a dedicated animal watch foundation to ensure that that evil trade stops.

It is no longer good enough for ISPs or the Government to argue that such a task is too great, too complex or the amount of data too overwhelming. We know that when ISPs have a will, they can find a way. For example, they can monitor, block and stop links from sites that promote political thought or messages. We have seen that with Google in China in the past week. If Google and other ISPs can regulate free speech in China, the least they can do is regulate the sale of endangered animals on the internet in the UK.

ISPs should also co-operate with Government and each other in agreeing a code of conduct. They should make it easier to report illegal activity, because current abuse processes are not user friendly, and provide better training for staff. ISPs should not see this Bill as a threat to their business, but as an opportunity to differentiate their products so that discerning and promiscuous—in the marketing sense—consumers can say, "I do not want to give my money to this ISP if it is not animal welfare friendly." Consumers should make the choice. They should email their ISP and threaten to take their business elsewhere unless this issue is taken seriously. I hope that the Government will take the lead on that. ISPs could gain a competitive advantage by taking this matter seriously.

If ISPs do not take action, consumers will, and the courts might. There is a case before the courts at present, but I shall not go into detail. However, we know that the courts may take action if the Government do not. This is a serious and growing problem and I hope that the Government will take it more seriously. I know that the Minister is serious about animal welfare—this is his opportunity to prove that to the country and to put an end to this abhorrent trade.

Question put and agreed to.

Bill ordered to be brought in by Mark Pritchard, Mr. Roger Gale, Jeremy Wright, David Howarth, Mr. Eric Martlew, Hugh Robertson, Mr. David Drew, Michael Fabricant, Ms Celia Barlow, Mr. John Randall, David T. C. Davies and Mr. Edward Vaizey.

TRADE IN ENDANGERED ANIMALS ON THE INTERNET

Mark Pritchard accordingly presented a Bill to end the trade in endangered animals on the internet; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 12 May, and to be printed [Bill 122].

Point of Order

4.45 pm

David T.C. Davies (Monmouth) (Con): On a point of order, Mr. Deputy Speaker. I seek your guidance as a defender of Back-Bench interests. How can I glean from the Home Office how it spent £32 million of taxpayers' money on renovating a building yet refused to answer one parliamentary question and two freedom of information requests?

Mr. Deputy Speaker (Sir Michael Lord): The hon. Gentleman can of course raise the matter on a point of order and I suggest that he persists until he gets the information he needs.

RACIAL AND RELIGIOUS HATRED BILL (PROGRAMME) (NO. 2)

Motion made, and Question put forthwith, pursuant to Standing Order 83A(6) (Programme motions),

That the following provisions shall apply to the Racial and Religious Hatred Bill for the purpose of supplementing the Order of 21st June 2005 (Racial and Religious Hatred Bill (Programme)):

Consideration of Lords Amendments

1. Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion three hours after their commencement at this day's sitting.

Subsequent stages

2. Any further Message from the Lords may be considered forthwith without any Question being put.

3. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—*[Mr. Coaker.]*

The House proceeded to a Division; but no Member being willing to act as Teller for the Noes, MR. DEPUTY SPEAKER *declared that the Ayes had it.*

Question agreed to.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): On a point of order, Mr. Deputy Speaker. When a matter of such constitutional importance is to be debated is it normal for people to call unnecessary votes?

Mr. Deputy Speaker: The hon. Lady is well aware that that, fortunately, is not a matter for the Chair.

Orders of the Day

Racial and Religious Hatred Bill

Lords amendments considered.

Mr. Deputy Speaker (Sir Michael Lord): I draw the attention of the House to the fact that all four Lords amendments are to be debated together. Mr. Speaker's selection shows that a number of Opposition and Back-Bench amendments have been grouped with Government propositions. Members will wish to know that if the questions on the Lords amendments have to be put under the programme motion Standing Order No. 83F does not allow the Speaker discretion to call propositions other than those moved by the Government.

Lords amendment: No. 1, page 1, line 2, leave out "Part 3 of"

4.48 pm

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Deputy Speaker: With this we may discuss Lords amendment No. 2 and Government motion to disagree.

Lords amendment No. 3.

Lords amendment No. 4 and Government motion to disagree.

Government amendment (a) in lieu of Lords amendments Nos. 2 and 4 and amendments (i) to (iii), (xxiii), (iv) to (vi), (xxiv), (vii) to (ix), (xxv), (x) to (xii), (xxvi), (xiii) to (xv), (xxvii) and (xvi) to (xxii) thereto.

Paul Goggins: This promises to be yet another interesting and wide-ranging debate on an important issue. In moving the motions in the name of my right hon. Friend the Home Secretary let me make it clear to the House that the Government support Lords amendments Nos. 1 and 3, but not Lords amendments Nos. 2 and 4.

The Bill was last debated in the House on 11 July 2005, on Report and Third Reading. A number of hon. Members expressed concerns, not so much about the Government's policy aims, but about what they feared would be unintended consequences in relation to the freedom of expression. The Bill passed with a substantial majority, but further debate and Divisions in the other place resulted in substantial changes being made.

The Lords amendments make four significant alterations. They separate the religious hatred offences from the racial hatred offences. They remove what was known as the "likely limb", so that only intentional behaviour will be caught. They insert a wide-ranging freedom of expression provision and remove the words "abusive and insulting" from the offence, so that only threatening speech and behaviour will be caught. Those changes considerably reduce the scope of the Bill, to the extent that, in our view, it would be virtually impossible to bring a successful prosecution.

Mr. John Redwood (Wokingham) (Con): Can the Minister explain why Labour Ministers are so down on the civil liberties of freedom of speech that they now wish to hound religious groups?

Paul Goggins: It is important that we adopt a measured and constructive tone in the debate. That is certainly what I intend to do and I hope that the right hon. Gentleman and hon. Members on both sides of the House will realise by the end of my introductory remarks that the Government are firmly committed to the freedom of expression and that we will fulfil the promise that we made in earlier debates that, if it was possible to find words that would include a commitment to freedom of expression in the Bill, we would do so, and I will come to that in a few moments.

Although the Government were clearly disappointed that their lordships decided to take such an approach, one thing at least is now clear: there is now a consensus that an offence of incitement to religious hatred should be placed on the statute book. The Government have listened, as we said we would, to the widely and deeply held concerns that have been expressed. I fully accept that those views are sincerely and very strongly held both by hon. Members and people outside the House.

In the search for common ground, we have given careful thought to the way that the Bill is framed and taken into consideration a wide range of opinion. As a result, a number of those who actively opposed the Bill as originally drafted have indicated their acceptance of the Government's proposals. We believe that the amendments that we have tabled for consideration today strike the right balance and it may help the House if I set out our approach to them.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): The Minister gives the impression that he has made concessions, but this is his message in the Labour party briefing:

"Is this a climb-down by the Government? Definitely not. Isn't this a watered down bill from your original proposals? No. The Bill does essentially what was originally proposed."

Does the Minister accept that at least he is saying that we are back where we were the first time around, to all intents and purposes?

Paul Goggins: No, I do not accept that position. Our proposals will give us a Bill that deals with not only incitement to religious hatred, but the kind of assurances sought by those who have raised their genuinely and honestly held, strong beliefs with me as the Minister outside the House and during debates.

Mrs. Iris Robinson (Strangford) (DUP): Can the Minister explain whether if at a Christian open-air meeting reference were made to there being only one true God and to Jesus Christ, his son, being the only intermediator between God and man for the forgiveness of sins, that most basic and fundamental cornerstone of the Christian faith would be viewed as incitement to religious hatred?

Paul Goggins: The hon. Lady asks a serious question about a serious subject and my answer to her is absolutely not. That would not be covered by the offence. It would not have been covered even as the Bill was originally drafted and it certainly will not be covered if the Government amendments are accepted because they make it absolutely clear that an individual must have the intention of stirring up hatred, or stir up hatred by acting recklessly through their behaviour or use of words.

Several hon. Members *rose—*

Paul Goggins: There will be plenty of time for hon. Members to intervene, so please let me finish my reply to the hon. Member for Strangford (Mrs. Robinson).

If it is clear that people have intended to stir up hatred, or behaved recklessly, they will be caught. If people express a strong religious belief, or adopt an attitude of ridicule, they will not be caught, even if they use intemperate language, unless there is clear intention.

Rev. Ian Paisley (North Antrim) (DUP): This is an important issue because there was a recent case involving a minister of religion. He was standing in the open air on Christmas day reading the birth record of our Lord Jesus Christ in the gospel of Matthew, as he had done for years. A police officer said to him, "You must stop reading this because it has been objected to," and told the people standing round that they had to move on. I have accepted what has been said by Ministers and spoken about those assurances in speeches that I have made. However, when such a thing happens, we run into great difficulty.

Paul Goggins: The right hon. Gentleman makes an important point and I accept that there is sometimes a lack of clarity in the way in which the law is interpreted. I have said in Committee and on the Floor that, when the Bill is enacted, it will be important to draft appropriate guidance for the police and Crown Prosecution Service, in consultation with organisations outside the House, so that there is confidence in how the law will be interpreted.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): Further to the comments made by the hon. Member for Strangford (Mrs. Robinson), can my hon. Friend confirm that my constituents would not be caught by the Bill for saying, "There is forgiveness only in the name of Jesus," or, "Mohammed's marriage to a six-year-old was immoral, and a call for the right to marry children is to be condemned as immoral."?

Paul Goggins: I can confirm that to my hon. Friend. I hope that hon. Members throughout the House will take this as an assurance in response to various questions that have been asked of them: people will not be caught by the Bill if they use language about their belief, or other beliefs, even to the point at which the language is abusive and insulting, if they do not intend to stir up hatred.

Several hon. Members *rose—*

Paul Goggins: It has been pointed out by Opposition Members that we have three hours for the debate, so I would now like to go through the four areas that are fundamental to my argument. I will of course take interventions at appropriate moments, but if I do not start to make those points now, I will not have even started my speech before the interventions end.

First, I make it clear to the House that we now accept that the religious hatred offences should be separate from the existing racial offences in line with the framework agreed in the other place. The amendments mean that the offences will now form a new part 3A of the Public Order Act 1986, rather than being simply an extension of the racial offences in part 3 of the Act to cover religious hatred. The Government have had to think long and hard about that because we always argued for parity between the racial and religious offences. However, we have come to the view that as long as we can achieve a viable offence of incitement to religious hatred within that format, we should agree to the new framework.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Does the Minister accept that separation is meaningful only if there is a difference? As I read the proposals, there is no difference. What does he see as the difference?

Paul Goggins: There are differences because incitement to racial hatred will still have a likely limb, whereas incitement to religious hatred will have a recklessness limb. This is a serious business. As the Minister in charge of the Bill, I have considered it my responsibility to engage in constructive discussions to determine whether we can achieve the objective of attaining a measure that was a commitment in the Labour party's manifesto at the last election in a way that will calm people's fears and represent a practical way forward. There are differences, but we will achieve our objective of introducing a Bill that tackles incitement to religious hatred and which means something in practice.

5 pm

Mr. Dominic Grieve (Beaconsfield) (Con): I accept that genuine efforts have been made to try to reach consensus, although they have plainly failed. The Minister has decided to stop trying to find absolute parity with racial hatred provisions. In the circumstances, that is a major concession, because the Government placed a huge emphasis on that parity and, indeed, sold it to a large number of communities as such. Having made that concession, why do they not accept the logic of the Lords amendments that the offence of incitement to religious hatred should have a much narrower focus? The amendments that the Government are seeking to overturn would largely turn the Bill back into its original form.

Paul Goggins: What I said was that we were not seeking absolute parity, because I wanted to make a point about complete intransigence and the failure to engage in dialogue people who hold a different view. There is not absolute parity, but we do not want the offences to be so far apart that the difference between the two is very great indeed, because we would not achieve our objective.

Several hon. Members *rose—*

Paul Goggins: I shall accept two further interventions before pressing on.

Bob Spink (Castle Point) (Con): On a point of order, Mr. Deputy Speaker. In the precincts of Parliament, the police have been deployed in extraordinary numbers to watch and to herd into a corner a peaceful group of Christians who are singing hymns. Is that restriction of people's right to come here and demonstrate peacefully a good or decent advert for our Parliament, or does it foretell the way in which the Bill may be used?

Mr. Deputy Speaker: I am not aware of the proceedings to which the hon. Gentleman referred, but I trust that they can be safely left to the Serjeant at Arms and the House authorities. I suggest that we make progress with the matter before us.

Paul Goggins: I was just about to indicate, Mr. Deputy Speaker, that I shall give way to my right hon. Friend the Member for Rotherham (Mr. MacShane) and my hon. Friend the Member for Cannock Chase (Dr. Wright) before I press on with my next point.

Mr. Denis MacShane (Rotherham) (Lab): Wearing three hats as a former president of the National Union of Journalists, as someone who has attended many freedom of information trials in different parts of the world and as the current chairman of an all-party inquiry into anti-Semitism, may I point out that the key provision for working journalists is proposed section 29K? It says that someone is not guilty of an offence if their action

"consists of criticising, expressing antipathy towards, abusing, insulting or ridiculing (or seeking to ridicule) any religion, religious belief or religious practice".—*[Interruption.]*

By any measure of plain English, that gives protection to any journalist, any latter-day Voltaire, anyone writing the equivalent of "The Merchant of Venice", and anyone willing to criticise the Koran and the Bible. I hope that the Minister will stick to his guns and that the views of individuals who have caused huge offence to many of my Muslim constituents, who are anxious that the House of Commons should not reject their genuine beliefs and concerns, are not taken into account when we vote tonight.

Paul Goggins: I am grateful to my right hon. Friend. A number of hon. Members on both sides of the House were shouting "unless" as he read the provision. They were referring to the end of the provision, which says

"unless he intends ... to stir up religious hatred".—*[Interruption.]*

I am familiar with the wording of the motion that I moved. The provision would also apply if the person behaved recklessly.

David T.C. Davies (Monmouth) (Con) *rose—*

Paul Goggins: I am not giving way.

The provision would apply if someone understood that their behaviour could stir up religious hatred, yet persisted with that action. I shall come on to that later. There is no reason why someone in the pulpit or on the stage of a theatre should be allowed to exploit a loophole in the law. If their intention is genuinely to stir up hatred they, too, should be caught by the law.

Dr. Tony Wright (Cannock Chase) (Lab): A number of hon. Members have provided the Minister with example statements and asked him whether the Bill would catch them. In each case, he has said that the Bill would not catch that statement, but it would be helpful if he provided an example of a statement that the Bill would catch.

Paul Goggins: I am grateful to my hon. Friend for raising that point and shall provide him with an example that I used earlier today and on other occasions. The example involves a poster that depicts women, some of whom are white British and some of whom are not, wearing the burqa and that includes quotes from the Koran. The poster states that such women cannot be trusted, because they are recruited in various parts of the world as suicide bombers, and asks what they are hiding under their ugly clothes. That could be the kind of material that would be relevant under the Bill.

Mr. Grieve *rose—*

Paul Goggins: The hon. Gentleman knows me well enough to know that I shall give way to him in a moment.

It is difficult to provide precise examples, which may or may not be relevant. We are seeking to close a loophole in the law. The loophole is not huge, and we do not expect dozens of prosecutions every year. None the less, there is a gap in the current law, and we intend to fill it.

Mr. Grieve: On the Minister's example, is it not the case that such a poster would be caught by the existing provisions of the Public Order Act 1986? He need only read the case of Norwood to see that the existing provisions of the 1986 Act would catch such behaviour. Does that not highlight the lack of need for the provision? If the provision is to mean anything, it must go much further than the Minister's illustration, and I must say that it has that capacity.

Paul Goggins: I provided that example because the poster incites hatred rather than a criminal act. The offence is not racial, because the poster depicts white British people in addition to Asian people. It is not covered by existing provisions on religiously aggravated offences and it does not involve damage. The hon. Gentleman is correct to say that the Public Order Act 1986 might cover the matter, but only if someone were distressed or harassed by seeing the poster. Even so, the maximum penalty for such an offence is only up to six months in prison, while the penalty under the Bill is more severe, which is appropriate. He must acknowledge that there are many circumstances in which the Public Order Act 1986 would not be sufficient.

Mr. David Winnick (Walsall, North) (Lab): Those of us who support the measure simply want to give Muslims the same protection in law, for which many hon. Members fought 40 years ago, as Jews and—this

came later—Sikhs. I understand the criticism from people such as Rowan Atkinson, who is understandably afraid that it will not be possible to criticise religion itself. As my right hon. Friend the Member for Rotherham (Mr. MacShane) said, however, the supplementary provisions such as proposed new paragraph 29K make it clear that religion itself can continue to be criticised and that there is no way in which the Bill can stop such criticism.

Paul Goggins: I am grateful for the comments of my hon. Friend, who has taken us back over 40 years. I welcome the protection that the new provision will provide for Muslims, Hindus, Christians and those of no religious belief.

Several hon. Members *rose—*

Paul Goggins: I have made one substantive point and I have three more to make. As I have said, I am relaxed about taking interventions but I must make progress.

The second effect of the amendments agreed by their Lordships is the removal of what was known as the "likely limb", leaving only intent as the threshold for prosecutions under the offence. It remains our clear view that intent by itself is not enough, but rather than seeking to reinstate the likely limb, we have decided to introduce an additional test of subjective recklessness, so for a prosecution to succeed, it would be necessary to prove either that someone intended to stir up hatred, or that they were aware that their actions or words would stir up religious hatred, yet they continued. No one could be caught out inadvertently, as some have feared.

It is worth pointing out that, in Committee, Opposition Members suggested that a recklessness provision might be a good substitute for the likely limb. Indeed, the hon. Member for Beaconsfield (Mr. Grieve) said that such a provision

"is a sensible test, and one with which juries and judges are enormously familiar."—[*Official Report, Standing Committee E,* 30 June 2005; col. 83.]

In the same debate, the hon. Member for Hornsey and Wood Green (Lynne Featherstone) said:

"I understand that the law uses recklessness as a benchmark to judge whether the perpetrator knew what they were doing and what the likely consequences of it would be, but proceeded to do it anyway."—[*Official Report, Standing Committee E,* 30 June 2005; col. 85.]

I therefore hope that the addition of a recklessness test will provide further common ground.

Mr. Grieve: It will come as no surprise to the Minister to learn that if the choice is between a subjective recklessness test and the "likely limb", I prefer the former, because the latter is even worse than the former. But as he knows from our discussions, such a test would be appropriate only where the offence is confined to threatening behaviour; even then, that in itself would be a contentious matter. Once the Government reintroduce the notion that the offence can be committed through abusive or insulting language or behaviour, any form of recklessness—whether subjective or objective—becomes completely inappropriate.

Paul Goggins: The hon. Gentleman will make his own mind up on this issue. I merely point out that the addition of the recklessness test, which was informed by his own contribution in Committee, is a move forward from the previous position and marks a very constructive step forward.

Mr. Jim Cunningham (Coventry, South) (Lab): Who will apply the test—the Director of Public Prosecutions or the Attorney-General?

Paul Goggins: My hon. Friend brings us back to the very important issue of the Attorney-General's role. Of course, if there is a complaint the police must investigate it, and if there is evidence, they share it with the Crown Prosecution Service. It is at that stage that the Attorney-General has personally to sanction any prosecution. That is a further hurdle in respect of this offence that ought to give people additional confidence.

Mr. Robert Marshall-Andrews (Medway) (Lab): The question of recklessness is, in truth, the most important part of this debate. It is also one reason why our discussion of proposed new section 29K and the "unless" clause was interrupted so often. The "unless" clause introduces the question of recklessness and with great respect to the Minister, recklessness is not knowing that one's actions would stir up religious hatred; it is knowing that one's actions are likely to stir up religious hatred. There is a considerable difference between the two, and on that basis I bring the Minister back to an earlier, helpful intervention. The example was given of the following statement: "Mohammed's marriage to a six-year-old was immoral, and a call for the right to marry children is to be condemned as immoral." How could such a statement not be caught by the recklessness test, given that the person saying it must perceive that their comments are at least likely to stir up religious hatred?

5.15 pm

Paul Goggins: I make the point to my hon. and learned Friend that the precise context in which those words are uttered is the key determinant of whether or not an offence would be committed. Clearly, the same words may be used by different people in different contexts. In one case they may amount to an offence being committed, whereas in another they do not.

Several hon. Members *rose—*

Mr. Gerald Howarth (Aldershot) (Con): When Sir Iqbal Sacranie said on Radio 4, out of a deeply held conviction, that it was his view that homosexuality was harmful, was he being reckless?

Paul Goggins: He was giving his own honest view, based on his religious belief. He would certainly not have committed an offence in the context in which he said it and the manner in which he said it, because his intention—*[Interruption.]* Mr. Deputy Speaker, if hon. Members want to intervene, perhaps they will at least listen to my response. In the context in which Sir Iqbal Sacranie made the remark, he certainly did not intend to stir up religious hatred. However, the hon. Member for Aldershot (Mr. Howarth) points to something which I know is of concern to hon. Members in all parts of the House and elsewhere—that is, the way in which these

[Paul Goggins]

matters are reported and investigated. One extremely important outcome of the Bill once it is enacted will be the drafting of the guidance for the police in their investigation of the offence, and so on.

Angela Watkinson (Upminster) (Con): The Christian Institute has written that a senior Home Office official in a telephone call to the institute yesterday

"readily admitted that the 'free speech' clause in the Government's amendment 'has no legal effect'. That is because the proviso at the end of Clause 29K(1) is entirely circular. In practice it means: 'You have not committed an offence unless you have committed an offence'."

Would the Minister care to comment on that view?

Paul Goggins: The point of putting the freedom of expression amendment into the Bill is this: I have always argued that the Bill as originally drafted would not have caught the comedians, the serious commentators or the people who engage in vibrant debate and discussion about religion, but hon. Members on both sides, including some of my hon. Friends—my hon. Friend the Member for Cannock Chase (Dr. Wright) was foremost among them—said that it was not enough to have the word of a Minister on the Floor of the House and his interpretation of these matters. So we make it clear on the face of the Bill that freedom of expression is permitted and will continue, as it should in a free and open society.

Several hon. Members *rose—*

Mr. David Heath (Somerton and Frome) (LD): I am grateful to the Minister. He is being very generous. The difficulty that many of us have had throughout the passage of the Bill is that whatever sane and sensible comments may be made from the Dispatch Box by a Minister, and whatever sane and sensible decision may be taken by the Attorney-General in bringing a prosecution or by a court in interpreting the facts before a trial, there will be complaints, which will be investigated by the police. The Minister says that he will give guidance to the police, and I am sure he will. The problem is that that may well be the sort of guidance that has allowed over 35,000 people to be stopped and searched under section 44 of the Terrorism Act 2000, with only 455 arrests. Such guidance will give no comfort to people who may be affected by the Bill.

Paul Goggins: I have made the commitment, and I regard it as a personal responsibility to make sure that once the Bill is enacted, the way that the guidance is drafted—

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. The Minister is being generous in giving way, but there is little point in hon. Members intervening if they do not listen to the answer when the Minister is responding. The Minister ought to be given time to complete one intervention before he tries to answer another.

Paul Goggins: Thank you, Mr. Deputy Speaker. I will take one further intervention from my hon. Friend the Member for Stoke-on-Trent, Central (Mark Fisher), once I have answered the hon. Member for Somerton and Frome (Mr. Heath). I regard it as a personal responsibility to make sure that once the Bill is enacted, the guidelines are drawn up properly in consultation with outside organisations, including faith organisations, and those who have mounted the most massive campaign against the Bill. I have no problem with that. I want to engage with them as we draw up the guidance, so that we get it absolutely right and ensure confidence in the way that the Bill will be policed. I shall take one further intervention and then I shall press on.

Mark Fisher (Stoke-on-Trent, Central) (Lab): Will the Minister return to what he was saying about the word, "guidance"? Nobody doubts his personal good intentions in what he says from the Dispatch Box, but we cannot legislate on the basis of guidance that may or may not appear. We are passing laws that will criminalise people by giving them a seven-year sentence. We cannot accept that guidance will get us out of a hole that we are liable to dig for ourselves.

Paul Goggins: I have some sympathy with my hon. Friend. Of course we would want guidance to be available as soon as possible within the process. However, given that we are debating Lords amendments, Government amendments and other amendments, it is not yet clear what legislation will ultimately be enacted. How could we publish guidance about legislation that is not yet determined? As part of the commitment that I have made, I would of course be as open as possible with the House in the way that the guidance is drawn up and involve people as far as possible.

Several hon. Members *rose—*

Paul Goggins: I am going to make some further headway. It is important that I do so to give other hon. Members ample opportunity to contribute to the debate.

I should make it clear that actual evidence that hatred had been stirred up is not required for the offence to be made out. That is reflected in section 27(2A) in part 3 of the Public Order Act 1986 and section 29L(3) in new part 3A. I note that Opposition Members have tabled an amendment that would remove that provision from our proposed wording. However, it seems self-evident, given that the offences that we propose are based on intent or recklessness, that the consequence of such activity does not have to be realised for the offence to be committed. It would be nonsensical if one had to produce someone in court who said that they had been stirred up to hatred in order for the offence to be proved.

I come now to the area that has probably been the source of most concern, which in view of all the comments that have been made means that we could be in for an interesting few minutes—the whole issue of freedom of expression. I stand by the reassurances that I have previously given to the House. I still believe that the Bill as originally drafted would not have prevented anyone from telling jokes, preaching and teaching or engaging in robust discussion about religion or belief. However, I promised, particularly in response to my hon. Friend the Member for Cannock Chase (Dr. Wright) and others, that if suitable wording could

be found I would be in favour of a clear statement in the Bill. Proposed section 29K of new part 3A contains such a statement and makes it clear that discussion, debate, criticism, expression of antipathy, abuse, insult, ridicule or attempts to convert people from one faith to another will not be covered by the Bill unless the requirements of the offences as regards intent or recklessness are satisfied. It also makes it crystal clear—

Several hon. Members *rose—*

Paul Goggins: If I can just finish this point, I will gladly take further interventions.

It also makes it crystal clear that the offences are concerned with the stirring up of hatred against people, not religious belief itself. We believe that that provides the reassurance that many have been seeking. Indeed, Lord Lester, speaking about the way forward proposed by the Government during Third Reading in the other place, said that this form of declaratory statement would be

"a unique addition to the criminal code".—[*Official Report, House of Lords*, 24 January 2006; Vol. 677, c. 1075.]

Mr. Julian Brazier (Canterbury) (Con): The Under-Secretary has been generous in giving way. I want to ask specifically about conversion to another faith. I have several good Islamic friends, and one must understand that attempts to convert anybody from Islam to another faith are deeply offensive to Muslims. Were I or any other Christian to attempt to convert someone, we would commit an offence that is punishable under, for example, all four branches of the Sunni sharia, by death in the case of a male apostate. It is a serious offence if someone in an Islamic country tries to convert somebody from Islam. It is also a serious offence for Islamic people to stand by and listen to someone trying to convert another from Islam. How can that possibly not fulfil the Under-Secretary's criteria?

Paul Goggins: I understand that the hon. Gentleman feels strongly about those matters—he has expressed those opinions previously. I emphasise that people may use offensive language that may make others feel offended, but if they do not intend to stir up hatred and they are not reckless about their behaviour and words, no offence is committed. We are making it clear on the face of the Bill that robust expression, including an attempt to convert people to another faith, will be permitted.

Mr. Gordon Prentice (Pendle) (Lab): My Friend is reintroducing the concept of insulting and abusive behaviour. I refer him to press stories about the huge controversy that is raging in Denmark, where cartoons of the Prophet Mohammed have been published in a newspaper. I shall give him two examples and I want him to tell me whether the cartoons would be banned under the Bill. The first depicts Mohammed wearing a bomb-shaped turban and the second has him telling dead suicide bombers that he has run out of virgins with which to reward them. Would those cartoons be caught by the measure?

Paul Goggins: The straightforward answer is that, if there was an intention to stir up hatred—[HON. MEMBERS: "Oh."] It is the factual answer to the question. If there was an intention to stir up hatred or someone was reckless about the impact of their behaviour—

Mr. Grieve: Will the Under-Secretary give way?

Paul Goggins: I shall not give way until I have given my hon. Friend the Member for Pendle (Mr. Prentice) as full an answer as possible. The measure relates to the intention or the reckless behaviour of an individual.

Someone who was intent on stirring up hatred could use a quotation from the Koran or the Bible. In that case, the words could be caught. However, if they were used as an expression of faith or as part of a debate about faith, they would not.

Mr. Edward Leigh (Gainsborough) (Con): No one doubts the Under-Secretary's good intentions. However, does he realise that, notwithstanding the Bill's legal language, ordinary religious people might be inhibited from engaging in traditional religious disputation for fear of being caught in the Bill's ambit? That is a genuine danger.

Paul Goggins: I do not believe that they should or would be caught. However, I accept that I have a responsibility, in drawing up the guidance for the way in which the measure is to be enacted, to ensure that people have confidence and know what they can and cannot do. The ordinary practice of religion, even in an outward-going manner and using vivid language, should be permitted.

Dr. Julian Lewis (New Forest, East) (Con): Will the Under-Secretary give way?

Paul Goggins: The hon. Gentleman always participates in such debates and I shall therefore give way to him.

Dr. Lewis: Is it not obvious, from the Under-Secretary's difficulties on the "Today" programme this morning and in the House this afternoon, that specific examples cause him immense difficulty in explaining how the Bill would catch any case that should be caught but is not covered by existing legislation? Why is the Bill being introduced? Is it because the Government would have liked several cases to be brought to court but that could not happen? If so, how many such cases have there been? If the number is significant, why does the Under-Secretary find it so difficult to give examples that people find acceptable?

Paul Goggins: Over a period of time, we have received representations from the police and religious leaders that we take seriously. I emphasise that current legislation on incitement to religious hatred protects Jews and Sikhs. We have always sought to ensure that there is parity in the law so those who follow other faiths—including Christians, Hindus, Muslims and people of no faith at all—are also covered.

Several hon. Members *rose—*

Paul Goggins: I shall take one further intervention—

John Bercow (Buckingham) (Con): Will the Minister give way?

Paul Goggins: In a moment. I shall give way to my hon. Friend the Member for Broxtowe (Dr. Palmer), then I want to make some progress. However, I shall certainly give way to the hon. Member for Buckingham (John Bercow) before the end of my speech.

5.30 pm

Dr. Nick Palmer (Broxtowe) (Lab): The Conservatives need to decide whether the proposals would have no effect at all, or whether they would affect a vast number of people. They cannot have it both ways. I offer the House the example—I have known several concrete examples such as this—of a person who says, "All Muslims are, by definition, terrorists." Such statements have led the organisation Christian Voice to urge that British-born Muslims should be encouraged to leave the country, which is a policy adopted only by the British National party. Does my hon. Friend not agree that people of any faith in Britain deserve protection from this kind of mass abuse?

Paul Goggins: I agree strongly with my hon. Friend that people of all faiths and none should have equal protection under the law, and that is what we are seeking to provide.

An amendment has been tabled that would remove intent and recklessness from the freedom of expression clause. That would create a dangerous loophole that could, for example, allow someone to use abusive words about religious practices with the intention of stirring up hatred against people, without being caught by the legislation. We want to make it clear that, in a free and open society, robust discussion and debate must be allowed, but no one should be able to escape prosecution if they intend to stir up hatred against people.

Stewart Hosie (Dundee, East) (SNP): Will the Minister give way?

Paul Goggins: Possibly in a moment. I want to make some further progress.

I shall turn to the issue of "threatening, abusive and insulting". The Government have made it clear throughout that to have only "threatening" as the threshold for the offence would not capture the type of behaviour that we are seeking to outlaw. We have of course taken a serious look at our position on this issue, particularly in the light of the deep concerns expressed in the other place. However, our clear conclusion is that nothing less than the reinstatement of "abusive and insulting" will make the offence viable.

The racial offence has contained the words "threatening, abusive and insulting" for 20 years without creating any difficulty of interpretation. It is, for instance, an offence to use abusive and insulting words or behaviour to stir up hatred against Sikhs, and it would simply not be right for there to be a lower level of protection for Muslims, Christians and members of other faith groups.

Mr. Grieve: Will the Minister give way?

Paul Goggins: I shall give way shortly, but I want to make progress on this point. The hon. Gentleman can rest assured that he will have an opportunity to intervene on me before I finish.

Lord Lester made it clear in his speech on Third Reading in the other place that reinstating "abusive and insulting" would ensure that the offence was compatible with other public order legislation. The term "threatening, abusive and insulting" is an established legal concept that the courts are more than familiar with interpreting. To exclude any element of it would leave the courts unclear about Parliament's intentions. What is more, the words "abusive and insulting" are included in the freedom of expression clause relating to religion and religious practices. We have therefore made it clear that the terms used in relation to the offence relate to the stirring up of hatred against people, not against belief.

John Bercow: I am grateful to the Minister for giving way; he has been extremely generous. He will know that I am a devotee of parliamentary scrutiny, and, like the hon. Member for Stoke-on-Trent, Central (Mark Fisher), I am very concerned about the promise of guidance, which the House will not have the opportunity to scrutinise, being produced later, in contrast to provisions in the Bill or in secondary legislation that we could scrutinise before the Bill's passage. Given that there is no question of a requirement for great investigation, research or analysis, will the Minister tell the House what he will learn later to enable him and his officials to produce the guidance after the passage of the Bill that he cannot furnish us with now?

Paul Goggins: The answer is that we cannot furnish the guidance until we have the legislation. That is a simple point, and one that I have pursued as a Back Bencher and as a Minister. It is impossible to produce guidance until the legislation is in place.

Several hon. Members *rose—*

Paul Goggins: I promised the hon. Member for Beaconsfield (Mr. Grieve) that he could come back at least once more. If he wishes, I shall give way.

Mr. Grieve: May I take the Minister back to the question involving "insulting"? He says—I think it is the Government's position—that "insulting" will not matter because there has to be an intention to stir up hatred against the person on the basis of religion, but how will we distinguish the insult, which might be made recklessly against the individual practitioner, when someone is seeking legitimately to incite hatred against the religious practice? That is the central issue that the Government must grapple with. I have to tell the Minister that, at the moment, he seems completely to have failed to do that.

Paul Goggins: Again, the hon. Gentleman will have his own opinions, but the concept of "threatening, abusive and insulting" is understood and interpreted by the courts. It would be bizarre in the extreme if for this offence, and this offence only, we referred only to threatening behaviour and did not use the words "abusive and insulting". What would the courts make of that in relation to this legislation and, I might say, all other public order legislation?

Several hon. Members *rose—*

Paul Goggins: I shall give way the hon. Member for West Aberdeenshire and Kincardine (Sir Robert Smith) and then to the hon. Member for Upper Bann (David Simpson).

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I thank the Minister for giving way again. He keeps referring to the guidance as a reassurance to the House, but Ministers come and go, and guidance can change within the constraints of what Parliament has set down in legislation. Does he understand that the concern here in the House is to ensure that the legislation is as tightly drawn as possible so that no guidance can lead to people being self-censored or restricted in how they can make their comments?

Paul Goggins: I return to a comment made by my right hon. Friend the Home Secretary when he introduced the Bill on Second Reading. He remarked then that the legislation is narrowly focused. I would argue that, as we consider the amendments, we have a Bill that is still more narrowly focused. I am on record as saying on several occasions this afternoon that I regard it as a personal responsibility to ensure that the guidance reflects the legislation that we pass. There is a wider issue of public confidence, and it is important that we retain the public confidence in relation to this legislation as we move forward.

Several hon. Members *rose—*

Paul Goggins: It is impossible to take interventions from all those who want to intervene. I give way to the hon. Member for Upper Bann.

David Simpson (Upper Bann) (DUP): I thank the Minister for giving way. When the BBC broadcast the scandalous and disgusting "Jerry Springer The Opera", Christians right across the United Kingdom were understandably and obviously outraged. If there ever was a repeat of such a production, would the legislation cover it with respect to the offence given to evangelical Christians?

Paul Goggins: No, this offence would not be relevant to the particular instance that the hon. Gentleman cites. The Jerry Springer example would not be covered by the legislation. [HON. MEMBERS: "Why not?"] Well, it is a rather interesting dichotomy that Opposition Members pose for us. I shall give way to my hon. Friend the Member for Loughborough (Mr. Reed) and then to my right hon. Friend the Member for Southampton, Itchen (Mr. Denham).

Mr. Andy Reed (Loughborough) (Lab/Co-op): I am grateful to my hon. Friend, who is being generous in giving way to Members on both sides of the House. I have expressed in discussions with him concerns over some of the wording and I accept some things that he has been taking forward today. In particular, he has just specifically referred to the fact that existing legislation extends to Sikhs and Jews. What assessment has he made of some criticism of this Bill in relation to the impact that wording such as much of that to which he has just referred has had on those communities and the potential for people to discuss things freely?

As a Christian, I would like to criticise other religions and I believe that the Bill will not prevent me from doing so. Has the Minister made any assessment over the period in which that legislation has been in place of the removal of freedom to discuss those religions? Specifically, what assessment follows for the other religions that will be included here—for example, the Christian and Muslim faiths?

Paul Goggins: The assessment from both the Jewish community and the Sikh community is that the incitement to racial hatred legislation has been beneficial. That gives us confidence to extend that cover to people of all faiths and none.

Mr. John Denham (Southampton, Itchen) (Lab): While the guidance is important in terms of avoiding frivolous complaints and pointless investigations, the Minister does need to rely on it to support the Bill. Is it not the case that every single piece of legislation enacted by this Parliament to deal with issues relating to discrimination and incitement to hatred has confronted entirely the same debate that we are hearing this afternoon? We will have to rely on the judgment of the court and the common sense of the jury in listening to the evidence and reaching a conclusion. He is right in pursuing the legislation, as we can rely on the legislation drafted and the common sense of the courts to distinguish between those matters that should not be pursued and those that should.

Paul Goggins: I am grateful to my right hon. Friend for his encouragement in this regard.

Stewart Hosie: Can I bring the Minister back to the issue of recklessness and the Danish cartoons? Should the cartoons of the Prophet Mohammed or similar be deemed to be abusive or threatening and their publication reckless, would a warrant for the arrest of the publisher be issued if they were published in a Scottish newspaper distributed in England? If so—this is a very serious question—why do the Government's amendments not include the Lords amendment that would allow a search warrant to be issued in Scotland to search for publications that would be placed in the court thereafter?

Paul Goggins: The legislation that we are discussing does not apply to Scotland, and several amendments have had to be made because of that technical issue. Members on both sides of the House have posed various scenarios in the course of this debate and others. Ultimately, it will not be for a Minister to interpret whether, in specific circumstances, an offence has been committed. It will be for the police to investigate and for the Crown Prosecution Service to consider the evidence, and reference will be made to the Attorney-General to consider whether a prosecution can take place.

The amendments contain some minor consequential changes.

Mr. Quentin Davies (Grantham and Stamford) (Con): Will the Minister give way?

Paul Goggins: No, not at the moment.

[Paul Goggins]

We are also seeking to amend the likely limb of the racial hatred offence along the lines originally proposed in the Bill. Given that the provision was only ever intended to make clear that it must be likely rather than proven that material is likely to be seen by someone in whom hatred is likely to be stirred up, and that it is now restricted to the racial offence only, I hope that Members on both sides of the House will accept the proposition.

The Government have made an honest attempt to find common ground with those who have been critical of us. The amendments provide reassurance and the means to introduce a measure that would be one more weapon in the armoury against those extremists who peddle hatred. I commend them to the House.

Mr. Grieve: The Bill has had a long passage through Parliament and, in its later stages, after the Lords substantially amended it, the Government made a genuine attempt to see whether a compromise could be achieved. I would not wish this moment to pass without putting on record my thanks to the Home Secretary and the Minister for the spirit in which those discussions took place. They were constructive, and a credit to all the parties who participated, but ultimately that compromise has proved elusive.

The reason for that is that the Government appear to have got themselves off to a completely wrong start. Through their decision, which was due, I think, to the pressure of various interest groups, to offer an identical Bill in relation to incitement to religious hatred as in relation to incitement to racial hatred, they got completely tangled up, because, in fact, the two issues are entirely different. Race is immutable in its characteristics. Religion, however, is a matter of belief in exactly the same way as politics and political views. The attempt to run the two together is the main reason why the Government got themselves into such a mess.

5.45 pm

The House of Lords made a valiant effort to get the Government out of their mess. The Bill that it returned to us might contain some small details that could do with attention—the Minister mentioned the extent to which it might apply to Scotland: he does not want that—but its architecture is probably the best that could be on offer. Its key components reduce the offence to a narrow scope and concentrate on the issue of threatening behaviour, which I suspect every Member would agree is unacceptable in any discourse. The trouble is that the Government seek to reverse that. They have told the House that they are paying attention to what the House of Lords has done, but the end product of the Government's amendments is jolly close to the original Bill.

Dr. Palmer: The hon. Gentleman has attempted to make a distinction between incitement to hatred on racial grounds and incitement to hatred on religious grounds, saying that we cannot change our race but we can change our religion. Does he not accept that in our society it is unreasonable that people should be so afraid that they feel the need to change their religion in order to escape the hatred incited against them? Are they not entitled to the same protection that they receive on the basis of their racial group?

Mr. Grieve: I do not think that there are people in this country who feel obliged to change their religion because of fear. The problem that we face in this country is that we are on a cusp in relation to the question of religious tolerance and tolerance of plurality and diversity. The decisions that we make this evening will be of great importance over the next decade, influencing the direction in which we proceed.

Mark Fisher: While the hon. Gentleman is advising the Government on various approaches that might have resolved some of the problems, may I ask his opinion about a totally different approach? A level playing field could be created by abolition of the law of blasphemy. Civil law can be relied on to deal with such matters as public order and race; we have robust laws in many other contexts. Would we not have secured a much more straightforward position by abolishing the blasphemy law, and avoided many of the difficult issues that we are discussing now?

Mr. Grieve: The law of blasphemy is entirely obsolete. I voted for its removal when the opportunity presented itself to the House. I regret that we were not allowed to consider it in the context of this Bill, but we were told that that would be procedurally impossible. I should have been much happier if the Bill had included a repeal of that law.

Bob Spink: Does my hon. Friend accept the general proposition that the Bill creates problems that it should be seeking to address? It sets faith against faith, or at least has the potential to do so. It will give weapons to people who wish to attack Christianity, which—whether Labour Members like it or not—is still the established religion of this country.

Mr. Grieve: I think that the problem with the Bill is that it will give a weapon to every malevolent who wishes to browbeat other groups that might criticise him. Many people would disagree with the remarks made by Sir Iqbal Sacranie, but they were clearly honestly made and part of his belief. His fate in the past few weeks—the fact that he was left in a position of uncertainty for several days while police investigated his remarks—is, I am afraid, something of which we shall see a great deal when the Bill is on the statute book. The Bill will be a weapon in the hands of every extremist group, whether religious or secular, with which to browbeat its opponents. I must tell the Minister that I do not believe that any amount of guidance will cure that problem.

Mr. Leigh: One of the reasons why Sir Iqbal Sacranie is so much in favour of the Bill is, no doubt, the letter that the Home Secretary sent to mosques at the time of the general election. It said that he merely wanted to give Muslims the protection enjoyed by Jews and Sikhs. I understand that right-thinking Muslims are concerned, but that is a complete misreading of existing legislation.

The fact is that Jews and Sikhs are protected only by racial laws: there is no protection for the religions of Judaism and Sikhism.

Mr. Grieve: My hon. Friend is right. I fear that many were misled about the impact of the Bill. I have received no representations from the Bill's supporters asking us to adopt a particular position. As the debate has progressed, an increasing awareness may have crept in that the Bill does not deliver what people expected, even those who supported it, and that, on top of that, as Sir Iqbal Sacranie has found in recent weeks, it has unintended consequences that may be rather unpleasant for those who hold religious beliefs.

Mark Pritchard (The Wrekin) (Con): Does my hon. Friend agree that there is concern that some politically correct chief police officers may be malevolent? It may be not religious groups but some chief police officers who seek out cases just to tick a new box.

Mr. Grieve: One of the problems that I have discovered during my time in the House is that the moment one orthodoxy disappears, a new orthodoxy starts to rear its head. I have no doubt from incidents that I have seen in my own constituency, that I have heard about and that I have been written to about, that there is a danger of a new orthodoxy creeping in that prevents people from freely expressing their beliefs because the public good in some way requires it. Just as 150 years ago it was impossible to express one's beliefs on certain matters—certainly before the Catholic emancipation—so we are suddenly moving, after what may turn out, if we are not careful, to be a very brief window of true freedom, into a new orthodoxy. That worries me very much.

Mr. Gordon Prentice: Hon. Members have mentioned Sir Iqbal Sacranie. In 1988, he said, following "The Satanic Verses" affair, that

"death was perhaps too easy"

for Salman Rushdie. Should Sir Iqbal Sacranie be slapped down for such statements?

Mr. Grieve: I suspect that Sir Iqbal was trying to be helpful in view of the fact that some people were calling for the death of Salman Rushdie, but it highlights the need for the House to send the clearest possible message that freedom of speech must be tolerated, that everyone in this country must accept that they may be insulted about their own beliefs, and that that is something we must put up with. The criminal law should prevent people from carrying out and inciting criminal acts, but it should not start to fetter the way in which people express their beliefs. That is the view that I take. I hope that hon. Members share my view, in which case they will support the line of the Opposition in the Lobby.

Kitty Ussher (Burnley) (Lab): The hon. Gentleman speaks of freedom of speech. Does he think that extremist organisations such as those that operate in my constituency of Burnley, which he visited during the election campaign, should have the right to say that Muslim groups should be attacked because of their religion, not because of their race?

Mr. Grieve: Not at all, and we do not require this Bill to protect those groups.

Mr. Redwood: My hon. Friend is making an excellent defence of our right to free speech. Is he, like me, receiving a lot of letters and e-mails from law-abiding, mild-mannered Christians in his constituency who are genuinely afraid that the Bill is out to get them and will restrict their right to speak up for their faith and normal worship? The Minister is stirring up a problem where there was not one.

Mr. Grieve: Many people are worried, and the Bill's opaque nature is one of the things that worry them most. I will come on to that in a moment, but the fact that the Minister has to say that he will issue guidance highlights the fact that this is catch-all legislation. He is saying, "You need not worry too much about that because the Attorney-General and the prosecutors will ensure that only those cases that need prosecuting are prosecuted." However, that leads to a terrible chilling factor among those who wish to express their opinions, whether it be comedians who do not know the limit to which they can go, or those who wish to preach their own beliefs and at the same time, inevitably, to criticise the beliefs of others. They do not know at what point their actions can translate into the reckless insult of another, at which point they will be prosecuted and condemned. That is the nub of the matter.

James Brokenshire (Hornchurch) (Con): Does my hon. Friend agree that there are some parallels with the compensation culture? Vagueness and uncertainty are forcing people into behaviour that is completely mad when it is considered objectively. The Bill is uncertain. Does he agree that the fear of prosecution is likely to lead people into behaving absurdly?

Mr. Grieve: I have no doubt that there will be absurd consequences. For example, I have no doubt that those who really do wish to stir up hatred will make speeches in which, although they use horrific language to criticise the beliefs and practices of other faiths, their every fifth phrase will be, "But of course I exempt the practitioners." That will have exactly the same corrosive impact. It will cause exactly the same damage but they will be able to say, "I am completely in the clear." Therefore, the mischief cuts in every direction. Far from bringing about the quietening of discourse, which is what I think the Minister intends, that will be exploited in every possible way. One will find that it will be the innocent who will fall foul of the law and will be left most defenceless.

Anne Main (St. Albans) (Con): Can my hon. Friend give me an example of a single faith that does not have any practitioners? He said that people would say that they exempt practitioners. I cannot imagine how they could do so because practitioners and faith go together—one cannot criticise one without criticising the other.

Mr. Grieve: My hon. Friend is right. The problem is that all beliefs have their adherents, unless the belief is

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dead and wrong. In those circumstances, attacking the belief must undermine the status of the adherent. That is the Bill's most fundamental flaw.

Several hon. Members *rose—*

Mr. Grieve: I am conscious that I must get on. I apologise to hon. Members, but I give way for the last time to the hon. Member for Walsall, North (Mr. Winnick).

Mr. Winnick: I accept entirely that the hon. Gentleman has a genuine commitment to civil liberties and that he argues with complete sincerity, but does he accept that Labour Members who support the measure have no less a commitment to free speech, and that we were warned constantly that, if we passed race relations measures to ban racial discrimination, we would undermine the honourable tradition of free speech in this country? The critics were proved wrong. We are no less a free country than we were before those laws were passed. We may be making a mistake today. I accept that that is a possibility but the warnings that he and his colleagues are expressing may prove no more right than those of Conservative Members so many years ago.

Mr. Grieve: I am sure that the hon. Gentleman is sincere. I am sure that the Government are sincere in their intentions. I believe sincerely that the Government and the hon. Gentleman are profoundly mistaken in their analysis of the way in which the Bill will work. As I said earlier, part of the reason is the failure to carry out a rigorous exercise to separate race and religion. The fact that those two things have been conflated is at the heart of the Government's misunderstanding of the issue. Politics and religion are much closer than religion and race, and no one in the House would argue that we should have a Bill of this kind to protect people's political views, although, having said that, that might be tempting providence.

Several hon. Members *rose—*

Mr. Grieve: May I move on as other hon. Members want to speak in the debate?

I turn to the matters that have been raised by the Minister. He sought to provide reassurance that new paragraph 29K will provide a crucial protection to debate in respect of freedom of expression. I disagree. First, the Lords amended the Bill to protect freedom of speech. I think that their version is better than what the Government propose, as it makes specific reference to "adherents". Interestingly, the Government chose not to include that in their amendments but, that apart, there is not a great deal between the two versions.

However, paragraph 29K(2) of the Government's proposed new schedule—the "avoidance of doubt" provision—is a different matter. I am aware of its origin, and I am sure that Lord Lester had good intentions, but the more I read it the more I am convinced that it is not the worth the paper it is written on. It is an entirely circular argument, whose consequence may be that almost every prosecution will spiral down into oblivion. However, it will not prevent the police from knocking on people's doors and saying, "You'd better be careful. We heard what you had to say in your preaching hall last week and we didn't like it."

It is obvious that people who indulge in

"criticising, expressing antipathy towards, abusing, insulting or ridiculing . . . any religion, religious belief or religious practice"

will lay themselves open to the charge that they intend to stir up religious hatred against individuals. The Government place great emphasis on that distinction, but I do not think that it is one that, logically, can be made.

6 pm

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): Does my hon. Friend agree that the use of the word "reckless" ignores the fact that almost every religion, with the possible exception of Judaism, is proselytising by nature? Therefore, are not missionaries and others who set out to persuade people about their faith in one sense reckless, as they often disregard the consequences of what they are doing because their faith is so great? Will not that cause the police and others to bully them and lean on them to make them stop proselytising, with the result that there will be great division in society?

Mr. Grieve: There is no doubt that people who preach Islam, the gospels or any other faith embark on a process of confronting people who may be unconvinced. In some cases, they encounter physical or verbal abuse, and the process can be vigorous and cause disturbance. The criminal law exists to keep that disturbance within reasonable bounds. I accept that we need those laws, but the Government want to go further and to produce what is in effect a straitjacket for such encounters. In my view, that is wholly misplaced.

Dr. William McCrea (South Antrim) (DUP): Many people believe that the Bill will lead to the persecution of people who preach the simple gospel of Jesus Christ. Does the hon. Gentleman agree that the House is right to rein in this Administration in that respect?

Mr. Grieve: My fear is that the Bill will cause people of all faiths—and none—increasingly to be constrained in their ability to follow their consciences, even though they live within the criminal law. That is the mischief in the Bill, and it applies to every religion, and to none.

Lembit Öpik (Montgomeryshire) (LD): I grew up in Northern Ireland. Does the hon. Gentleman agree that the consequence of the Bill could be the exact antithesis of what the Government intend? Debates between people of different religions can often be robust and offensive, but they can also produce the sort of accord that is leading to a more peaceful and settled environment in Northern Ireland. If the Bill goes through, there is a good chance that it will cause division between religions, rather than encouraging the environment for debate that can settle differences.

Mr. Grieve: I agree entirely. That is the nub of the problem.

Dr. Julian Lewis (New Forest, East) (Con): Will my hon. Friend consider a slightly different angle on the problems that the Bill is likely to create? If a group of people following a particular form of undesirable activity set themselves up as a cult or religion, could they not use the Bill to claim protection from criticism? It is gradually dawning on moderate Muslims just how restrictive the Bill could be. For instance, a group or people with bizarre sexual preferences might say that those practices were part of their religion. [HON. MEMBERS: "Like the Liberal Democrats."] I was not referring to the Liberal Democrats. Could someone criticise that group of people without falling into the trap that the Government are blunderingly setting out for the House?

Mr. Grieve: My hon. Friend makes a good point. Earlier in the Bill's passage through the House, we debated the real possibility that people of extreme political views could claim that their views were part of their articles of faith. In that event, they could use that to prevent criticism of their beliefs. I am aware that the definition of religion can be brought before a court, but religions can be created quite easily. They are not confined to the principal, monotheistic faiths.

Huw Irranca-Davies (Ogmore) (Lab): The hon. Gentleman will appreciate that only rarely do I allow my faith into the realm of politics. I am a Christian, and I would be very worried if I believed that the Bill would restrict my right, or the right of other Christians, freely to espouse our belief system. However, I accept that there have to be restrictions on how far I go in expressing my views. I trust the judiciary to make sensible and correct decisions about any statements that I might make. That is what they have done with legislation on sexism and racism. Would the hon. Gentleman, as a lawyer, put his faith in the judiciary to make those correct and sensible decisions?

Mr. Grieve: The starting point is the quality of the legislation that we enact. Unfortunately, the Bill is of very poor quality. It is uncertain in scope, it requires guidance to define it, and its

"Savings for discussion, debate and criticism"

come very close to gobbledegook, as we have discussed. The meaning of those provisions will be argued endlessly in court. Lawyers will have a field day with them, and make a lot of money out of them—as they usually do when bad legislation is enacted.

My view is that the Bill is unnecessary. The Lords have done their best to make it as good as it can be and, although I recognise that the Government want to have the Bill on the statute book, we should stick with what the Lords have done.

In conclusion, I turn to the provisions concerning the savings for discussion and debate. The Government insist that it is somehow possible to split belief and believer. As I said earlier, that is not practical, and I shall read a short excerpt from a letter written by Rowan Atkinson in December. He put the matter so tellingly that I cannot improve on it. He wrote:

"As you may know, I have always been sceptical of the benefits of separating the concepts of beliefs and believers in that I have never believed that you can attack one without attacking the other . . . One should try to look at it from a comedian's or dramatist's point of view. A comedian is unlikely to attack a religion by pure reference to religious practices or beliefs: he is going to attack it by reference to the people who believe or follow those practices. All jokes and drama have to characterise a situation in human form. Knowing that there is a law that states that it is a crime to "threaten, abuse or insult a group of people defined by their religion" remains, I am afraid to say, very intimidating."

That is the simple truth of how the Bill will be constructed if the Government amendments are accepted. It is intimidating. What is permissible, and what is not, is completely unclear. Most people get to know about beliefs or practices that they may not like or approve of through the medium of other people who practise them. To those who believe that the Government's proposals will constitute a safeguard in that respect, I say simply that they really are not worth the paper that they are written on. I accept that the Bill is well intentioned, but it is not in any way capable of providing protection.

Dr. Evan Harris: We have heard much concern from people of religion, but those on the left, as it were, also have a concern. If I say, as I might well do outside this House, that we should hate Christian fundamentalist homophobic bigots—contentious, but I should be allowed to say it—it is clearly intended to stir up hatred against people on the basis of their religious beliefs, and I would be prosecuted. Even if I restricted my remarks to bigotry, which I should not have to do, I would be reckless as to whether other people might blame the bigots for the bigotry, as we blame Nazis for Nazism or communists for communism. The worry is that fair, free speech would be caught under the Bill, and the Minister has never given me any reassurance on that point.

Mr. Grieve: The hon. Gentleman is right. I hope that I made it clear earlier that this is not just about protecting people with religious beliefs but people with all beliefs. They are entitled to their say. Those of us who have beliefs—like the hon. Member for Ogmore (Huw Irranca-Davies), I am a Christian and a practising member of the Church of England—just have to lump it when people say things that we find offensive. We have grown used to doing so in the period of greater tolerance that developed in the last century, and it worries me that the Government are asking us to take a step backwards on the issue, instead of saying, "Those are our values, and people who live in this country have jolly well got to subscribe to them." Without that, we will move towards the dominance of whichever group makes the loudest noise, is the most insistent and threatens other people—in subtle ways—the most. That is profoundly undesirable.

My next issue is what constitutes "abusive and insulting". We have touched on the issue already, so I may not need to say too much about it. The fact is that abusive and insulting words and behaviour are different from threatening words and behaviour. If the word "insulting" is put back in the Bill, even remarks that to an ordinary person might appear innocuous but are deeply wounding to a person with a particular religion or belief would be caught. A person could engage in a moderate discourse that nevertheless caused great insult—the examples given earlier included calling into question the divinity of Christ or calling into question whether the Prophet Mohammed's revelations were divinely inspired. Another example is the play "Beshti",

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which was profoundly insulting to Sikhs. It was insulting in its concepts and its implications about the behaviour of priests and elders in gurdwaras, and it is that sort of play that would, logically, be caught by this legislation, even if the Minister thinks that any guidelines that might be enacted would provide protection. "Beshti" is a classic example and that is why the House should not allow the words "abusive and insulting" back into the Bill. By keeping the word "threatening", we latch on to the very things that were identified by the Minister, such as the Norwood case and the poster with the twin towers that said "Muslims out of Britain". That is threatening. The examples that the Minister gave of people attacking women wearing the hijab or calling for people to be thrown out are threatening and would not require the words "abusive and insulting" to be added.

Mr. Sadiq Khan (Tooting) (Lab): The hon. Gentleman suggests that "Beshti" is a classic example of the sort of play that would be caught under the legislation. However, the existing law against incitement to racial hatred applies to the Sikh faith, so why were the producers of the play not prosecuted? Does not that provide the reassurance that future plays about the Islamic faith would also not be caught under the Bill?

Mr. Grieve: I disagree with the hon. Gentleman's analysis. The racial hatred laws do not exist to protect the beliefs, but to protect the racial and ethnic identity of the believer. Hypothetically, "Beshti" could have come under the existing racial hatred laws, but in practical terms it would never have done so. Once we introduce religion into the matter, it is entirely possible that it would do so.

Philip Davies (Shipley) (Con): The Government intend that the Bill will not restrict free speech and will deter extremists. However, does my hon. Friend agree that the Bill will follow the same route as every piece of political correctness? Ordinary, decent people will be afraid to speak their minds for fear of breaking the law. Resentment will build up and drive them into the hands of the extremists—nasty groups such as the BNP—because they feel that they have no other way of expressing their reasonable views. People will be encouraged towards the extremists, not deterred from them.

6.15 pm

Mr. Grieve: I agree with my hon. Friend that a far better weapon for those of us who wish to see moderation in discourse is ridicule of those who do not, because ridicule is a very powerful weapon. Societal pressure on people to behave in ways that are not offensive to others is a much better course than trying to impose criminal sanctions on people. From that point of view, my hon. Friend is right. There is a danger that some people will become martyrs and resentment will build up, which are entirely undesirable.

Mark Pritchard: Does not the Bill create a new danger that people of a certain religious faith will sit in judgment as jurors over those from another religious faith in a situation in which the former's religious faith might call on them to put religious law before the law of the land? Would not that create chaos in the courts?

Mr. Grieve: I do not agree with my hon. Friend on that point. I hope that the legal system is sufficiently robust to deal with such attacks. However, there are clear signs, as we see around Europe, that groups—and not just Muslims—are seeking to invoke special privileges and rights, or demanding consideration and requiring other people to accept that. It is—and I can put it no other way—a growing fad. Therefore, it is all the more desirable that the House should restate clearly that that is not the way that we believe society should be conducted. If we made special concessions to various groups, it would not facilitate the exchange of ideas that underpins a multi-faith and multicultural society, but would reinforce difference and create the ghettos of the mind that are so inimical to our making sensible progress.

Mrs. Iris Robinson: Does the hon. Gentleman agree that Christianity has become a target even before this legislation is enacted? For example, we are not allowed to put Christ on Christmas cards, because they should say "Season's Greetings" and we are not allowed to have nativity plays because other faiths might be offended.

Mr. Grieve: As I said earlier, there is a tendency towards a new orthodoxy abroad, but the example the hon. Lady gives would not be the result of this Bill, whatever form it finally takes. I would prefer to keep my remarks on the subject of the Bill.

The issue of recklessness has been touched on and, indeed, it merges into the other two. The Government had a "likely limb" that went much too far, and they have made a concession by withdrawing it. However, while there might be some shred of justification in putting in a test of subjective recklessness if the Bill were confined to threatening behaviour, it would be utterly pernicious if the Government managed to add "insulting and abusive" behaviour. There is no way in which a person who seeks to criticise a faith can be sure that in the process he will not be held to have been reckless as to whether he was invoking hatred for the adherents of that faith. That is one of the fundamental flaws of the Bill and the only way to cure it is to take out recklessness. That leaves an offence of specific intent, which will be amply sufficient in most cases, and I hope that the Government and Members will see clearly that if the offence can be caused by recklessness the climate of uncertainty that will be created will be extremely damaging.

Kitty Ussher: I am grateful to the hon. Gentleman for giving way to me again.

What is the attitude of the hon. Gentleman's party to the statement made by Nick Griffin, the leader of the British National party, filmed secretly by an undercover journalist and broadcast on national television, that he was advising his supporters to focus on religion rather than race? He made a statement; he was not telling them to go out and do anything. Is not that precisely the type of reckless activity that we are trying to avoid?

Mr. Grieve: I hope that the hon. Lady will accept the fact that I do not intend to comment on a matter that is

uniquely sub judice at present. It would not be proper of me to do so. I should be happy, outside the Chamber, to communicate my views to her, but I shall not do so here in any circumstances.

Dr. Julian Lewis: Nick Griffin is being prosecuted in any case.

Mr. Grieve: He is indeed and we shall have to wait for the outcome.

Mr. Marshall-Andrews: Before the hon. Gentleman leaves the question of recklessness, will he consider this point? Recklessness is in truth the curse of this legislation and if it were removed most Members would be able to accept the measure. The problem is not that the legislation is unclear, but that it is too blisteringly clear, in that the examples that have been given recently—the cartoons of the Prophet—would undoubtedly be caught under the recklessness provisions. It could not possibly be argued that those who produced them were not reckless as to the fact that some people were likely to have religious hatred stirred within them. Does not that underline the fact that whereas we have always inhibited our freedom of speech to deal with race and racial matters, for 300 years we have turned our face against protecting faith by legislation because we cannot protect faith without protecting bigotry?

Mr. Grieve: I agree entirely with the hon. and learned Gentleman. I add only that it is precisely because we did not provide that protection that our society has been able to evolve as it has, towards something of which everyone in the House can be proud in terms of the maintenance of freedom, moderation and liberty, which are capable of being ruthlessly undermined by the proposals if we get the measure wrong.

Mr. Leigh: Could not it be said that the Prophet Mohammed and Jesus Christ were so reckless in the way that they conducted themselves that they would have fallen foul of the legislation?

Mr. Grieve: Indeed. When our Lord drove the moneychangers from the temple he would probably have been arrested under the public order Acts and served with an ASBO, but after that illustration I shall not try to look more closely into such issues. My hon. Friend is right: religious belief has sometimes been promoted in turbulent fashion, which is not to say that we should necessarily allow it to continue too turbulently but we should ensure that our historic traditions of robust discourse are maintained.

For those reasons, although there will be limited scope to vote, when the time comes we shall vote against the Government's motions to disagree with Lords amendments Nos. 2 and 4. We shall invite other Members to join us, and we very much hope that those who have considered and taken part in the debate will realise that we are not trying to cut off the Government's feet; it is simply that they have got it wrong.

It is for the House to send out a simple message. The Government can have their legislation. They can put it on the statute book in the form that the Lords have wisely altered and it can then go forward, but we should get away from the dead end on which we shall embark if we are not careful.

Frank Dobson (Holborn and St. Pancras) (Lab): I speak as a declared and unashamed unbeliever. I have argued in this place for the repeal of the ridiculous blasphemy law, which goes far beyond what we are proposing today yet covers only the established Church. I have argued and voted in this place against the extension of religious schools and, where they exist, to require them to take pupils from other faiths and of no faith at all.

David T.C. Davies (Monmouth) (Con): Will the right hon. Gentleman give way?

Frank Dobson: No, I want to continue so that other Members can speak.

I was brought up always to respect the religious beliefs, or unbeliefs, of others as part of a tolerant and understanding society. That is why I support what the Minister has been saying, accepting some of the improvements made in the House of Lords but rejecting some of their proposals that would be damaging.

I do not believe that anyone should be allowed to incite hatred against someone else because of that person's religion, partly because it is wrong in principle, but also because incitement has consequences. Incitement leads to people being abused and assaulted due to their religious belief. When I say that, I am told that if people are abused and assaulted action can be taken against the offenders and they can be prosecuted, but before a prosecution can take place someone has to suffer the spitting, abuse and assault. I want to prevent people from being assaulted and abused.

I do not believe that anyone—Rowan Atkinson or anyone else—needs the right to incite hatred against someone because of their religion. He has apparently said that we should look at things from the point of view of the comedian. Other people in the world are just as important as comedians. Muslim women who have been assaulted, abused and spat on for wearing the hijab are as important to me as Rowan Atkinson, for all his sense of humour.

Mr. Tobias Ellwood (Bournemouth, East) (Con): Will the right hon. Gentleman give way?

Frank Dobson: No.

I do not believe that anyone's conscience, whatever their religious belief, requires them to attack the religious belief of anyone else. Cannot they be satisfied with their own religion? Furthermore, people of religious belief have the right not to be incited against—if that is a proper piece of English. We have to give people the right to be protected against such incitement. The Government's proposals would make that incitement a crime and there would be two effects: first, reducing incitement would reduce the consequences of incitement, and secondly, and much more important, there would be a clear declaration in law that such incitement is wrong.

My hon. Friend the Member for Walsall, North (Mr. Winnick) was present many years ago when the House passed a law that made incitement to racial hatred an

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offence. As a consequence, there has been a great reduction in incitement to racial hatred. Loose, abusive and vile language against people of different races has been much reduced, because there was a demonstrable declaratory effect when that incitement was outlawed. To extend that principle to outlaw incitement to hatred of people due to their religious belief would have the same effect and we would have a better society. I see no reason why people who cleave to their religious belief—or people such as me who cleave to none and are proud of it—should be inhibited in saying what we think in promoting our beliefs. But no one needs the right—the right—to incite hatred against someone else because of their religious belief.

Mr. Carmichael: I shall attempt to emulate the brevity of the right hon. Member for Holborn and St. Pancras (Frank Dobson), but I am afraid that I would seek to follow little else in his speech. He still seems stuck in the same problem as the one that the Government have been stuck with throughout the proceedings on the Bill—trying to create some sort of equivalence between the treatment of people according to their race with that according to their religion. Those are very different aspects and they must be treated very differently.

6.30 pm

I wish to associate myself with the remarks about the Minister made by the hon. Member for Beaconsfield (Mr. Grieve). The debates have often been difficult and emotive, as we have heard today, and I want to place on the record my appreciation of the Minister for the fact that he has been unfailingly courteous to those who have opposed him throughout the proceedings on the Bill.

The Liberal Democrats invite the House not to agree with the Government's motions to disagree with the other place. The arguments about the Bill in its broadest sense have been well rehearsed, and I do not intend to repeat them. However, by saying that there will not be a huge number of prosecutions under the legislation, the Minister does not bring any great comfort to the House. I seem to recall that the same arguments were advanced with regard to demonstrations in Parliament square, but in excess of 28 people have been arrested on allegations of breaching that legislation merely a few months after it came into force. Such reassurance does not address our concern that there will be a fundamental chilling of the freedom of expression.

In our view, the Bill is very much improved by the amendments that have been made in the other place, and we very much regret that the Government again seek to change it in two ways. First, they want to expand the state of mind involved from merely making the crime one of intent by including recklessness. That is our most fundamental objection, and I will expand on that later. Secondly, the expansion to include conduct that is covered by abusive or insulting words or behaviour is also exceptionally worrying and very wrong. In fact, we find the combination of both those elements fundamentally obnoxious. If the crime were merely one of intent, I could probably live with the extension to include abusive and insulting behaviour.

Dr. Evan Harris: I could not.

Mr. Carmichael: My hon. Friend is something of a purist in these matters, but as a matter of pragmatism, I think that most of us could live with that. However, the extension to include recklessness, along with that to include abusive and insulting words and behaviour, causes me the greatest difficulty.

We questioned initially the need for the Bill, but I accept that the Government will get it. We have asked the Minister throughout the process what is the demonstrable need for the Bill, but he has never properly answered us. The Government must still justify the need to extend the offences in the way that they propose. What conduct will be caught by the Government's new proposed form of words that is not already caught by the form of words introduced by the Lords?

The question of recklessness lies at the heart of our debate today. In our submission, it represents a significant lowering of the threshold of what constitutes an offence under the Bill. Of course, recklessness is a well-known legal concept, but it is normally applied to crimes against property or the person, and it is normally quite easy to establish and apply without difficultly because there is usually an element of physical damage or injury. Expanding that concept to a speech offence, such as the one that we are debating, is dangerous in the extreme. To my mind, that gives rise to a number of questions about the proportionality of the Government's proposals.

Many hon. Members remained unconvinced that such proposals represent an appropriate way to frame terrorism legislation. Allowing recklessness to become the test in relation to encouraging terrorism under the Terrorism Bill, which the other place is currently considering, is still a matter of some controversy. Those Labour Members who engaged in that debate and had that concern should carefully consider whether it is appropriate to extend the application of recklessness to an offence whose importance must come somewhere further down the hierarchy. If the Government have their way, a citizen can fall foul of the law by being reckless about the consequence of using insulting language, and that is going too far for the Liberal Democrats.

When I was a law student, I was told by a tutor that a breach of the peace under Scots law was anything that two cops did not quite like the look of, and we are in danger of replicating that attitude in the offence that we are considering today. On other occasions, my hon. Friend the Member for Oxford, West and Abingdon (Dr. Harris) has used the example of the producer of a play who is warned by the police that if he proceeds in putting on the production, it is likely that he will incite racial hatred because the language or behaviour used will be insulting or abusive. Given that warning, it is difficult to understand how the producer of that play, if he proceeds, will not fall foul of the recklessness element of the Bill. If we go beyond constituting the offence merely by intent, the chilling effect on the producer in that circumstance is absolute and apparent.

Mr. David Burrowes (Enfield, Southgate) (Con): Let us consider the chilling effect on the streets in, for

example, the Green Lanes area of my constituency. Let us say, for example, that while a constituent was reading some words from the Bible or, indeed, the Koran, he was warned by a police officer that he risked offending the people who were listening. Is that not similar to someone who reads aloud without the intention of stirring up religious hatred? Is not that person putting himself within the remit of being reckless? If a listener's complaint is taken further, does he not risk at least being arrested, if not being convicted in court?

Mr. Carmichael: That is absolutely true, and it certainly applies as much to religion as to the example of the theatre producer that I have already offered to the House. Of course, the Government will say that there is the safeguard of the Attorney-General's intervention and so on. Again, that is highly unlikely to be of any great use when someone has been taken to the police station, questioned, arrested and perhaps spent a night in the cells. That is where the real chilling effect will be felt.

We will never be able to quantify the chilling effect, because the people who do not proceed because they have been warned that they could fall foul of the law will never be recorded anywhere. The people who are prepared to make a stand will become apparent, because they will go through the system and the statistics will be gathered. The real danger is for the people who heed the warnings, and they will be substantial in number.

Lowering the threshold to include recklessness will be counter-productive. Where little is needed to constitute an offence, one is almost inviting complaints to be made, either inter-faith or intra-faith, by different sects in a religion, one against the other. In that way, the protection of religious freedom that the Government seek to enshrine and encourage will be weakened.

By trying to frame the Bill in such a way, the Government are putting great reliance on the distinction between the belief and the believer. For example, they want to criminalise attacks on Christians, but not Christianity itself. That is exceptionally unrealistic. I think that most Christians—I am one—and especially fundamentalist Christians, will perceive an attack on their faith as an attack on themselves. At the very least, they will see that as insulting. Indeed, if the test is to be recklessness, it is difficult to envisage how such an attack could not be covered.

I wish to say a few words about the free expression rider. I am afraid that I do not draw great comfort from a measure that effectively says that conduct will not be an offence if it is an offence. It is worth reading into the record the terms of the rider that the Government are recommending:

"a person is not guilty of an offence under this Part of being reckless as to whether religious hatred would be stirred up if he is reckless as to whether hatred would be stirred up against a religion, religious belief or religious practice but is not also reckless as to whether hatred would be stirred up against a group of persons defined as mentioned in"

proposed new section 29A of the Public Order Act 1986. The provision is there

"For the avoidance of doubt".

I now understand why the hon. Member for Beaconsfield was getting excited by the prospect of the litigation that would arise as a consequence of the measure. It might have been proposed for the avoidance of doubt, but as far as lawyers are concerned, it is certainly not for the avoidance of profit.

The hon. Member for Dundee, East (Stewart Hosie) asked the Minister about the Bill's impact on Scotland. The Bill will, of course, apply only to England and Wales but, as he observed, it will be have impact on Scotland. I commend to the House an example cited by the Christian Institute. It obtained the opinion of one of Scotland's leading Queen's counsel, Herbert Kerrigan. He says:

"though it is correct to say that the Religious Hatred law will not directly apply to Scotland it is simplistic to say that it will have no effect on Scotland. In practical terms the law will affect Scotland and every institution in Scotland which is in any way involved in writing, publishing or broadcasting will have to obey it even though it is not part of Scots law. The law is being criticised in England because of its 'chilling' effect on religious debate and because it will inevitably lead to 'self censorship' and caution. It will certainly have those effects in Scotland also."

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): Is it not the that case not only will publishing and broadcasting in Scotland be censored, but broadcasts for the UK that emanate from London could change dramatically over the next few years, which would affect what people in Scotland heard and read?

Mr. Carmichael: Yes. I do not want to over-emphasise the point, but it shows the Bill's lack of cross-border workability. I wonder whether there has been any consultation with the Scottish Executive. Given the Bill's possible chilling effect and the need for propriety in the constitutional settlement, such contact should have been made, at the very least.

The Minister repeatedly referred to the guidance for the police that he will draft if the Bill is passed. Much as I respect him and have no doubt that he is a man who honours his word, I do not find that reassuring in any way. He offered the House his personal assurance. That is worth something, but I remind him that there is a reshuffle coming. If he were to be moved as part of that reshuffle, his successor need not feel bound by his personal, rather than official, assurance. In any event, Ministers who hold his post in the future might well feel differently about the matter due to different circumstances and a different climate. They could well provide alternative guidance to the police, but such guidance would never have to come to the House for ratification or debate.

Mr. Ellwood: Would not life be a lot simpler if we could consider some form of draft guidance? We could then at least determine the Bill's likely impact if it were ever to become law.

6.45 pm

Mr. Carmichael: Such guidance would assist us by giving us a practical idea of what we would be subjecting the citizen to by passing the Bill, but it would be of limited use because guidance is not binding in any way and, as we know, draft guidance can be changed dramatically by the time that it is imposed. Hon. Members will never be given a proper and formal opportunity to debate the guidance.

Dr. Evan Harris: Regardless of the guidance, is not the basic problem that the Government have failed to

[Dr. Evan Harris]

give a single example of something that is happening and needs to be caught by the Bill, but is not caught by existing race hate measures or public order offences? At the same time, we know that the Bill will have a chilling effect on people's ability to criticise religions, not least because of the recklessness provisions. The guidance is immaterial to that problem. The Minister has still not given such an example, although the House has asked for it on three occasions.

Mr. Carmichael: I think that the Minister has been asked substantially more than three times, if we consider the Bill's proceedings on Second Reading, in Committee and on Report and Third Reading. The request has been made repeatedly, but it has never been met by the Minister.

Dr. Julian Lewis: Is not the reason why the Minister cannot give examples the fact that there are few, if any, examples to give? The Government are caught on the hook because they know the Bill to be bad, but feel that they must go through with it simply because it was offered as an electoral bribe to a part of society.

Mr. Carmichael: There is perhaps some merit in the hon. Gentleman's suggestion, although I would hesitate to use the term "electoral bribe" because I fear that it might be unparliamentary. The Government rather oversold the proposal during the general election. It was suggested to some faith communities that they would be getting the equivalent to Christian blasphemy measures, but clearly the Bill was never intended to be such a thing.

Mr. Leigh: I respect the hon. Member for Oxford, West and Abingdon (Dr. Harris) greatly, but he was somewhat unfair on the Government, so I must put the record straight. He said that the Government could not cite a single example, but the Under-Secretary of State for the Home Department, the hon. Member for Slough (Fiona Mactaggart), gave me an example. She said that a group in her constituency had been accused of using sex to recruit members and that someone had attacked it on that basis. She told me that the group would have been protected by the Bill. However, surely one should be allowed to attack groups—they are often such things as cults—that use sex to recruit members. That shows the problem with the Bill, as was pointed out earlier.

Mr. Carmichael: That sounds like an interesting example, but given recent events, it is not one that I intend to explore on the Floor of the House.

Dr. Evan Harris: That is Slough for you.

Mr. Carmichael: I know not of Slough, other than the references to it in Betjeman's poems.

The choice is clear. We can either accept the Minister's reassurances about guidance to come that will make everything clear, or we can do our jobs as parliamentarians by scrutinising the legislation before us. We cannot do both.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. It is clear that many hon. Members would like to contribute to the debate. Time is limited, so may I make a plea that contributions be brief?

Mr. Winnick: I will certainly be brief. On Report on 11 July 2005, I said that I supported what the Government intended to do, but had certain reservations. To some extent, my reservations were being echoed by Rowan Atkinson and others who were saying that if the Bill were passed, it would be difficult to criticise religion. I believe that the Government should take that matter very seriously. I have no religion myself—I am virtually a lifelong non-believer—but it goes without saying that I believe in people's right to practise, or not to practise, a religion. I certainly take the view that religion should be the subject of criticism. That applies to any religion, although it is mainly the Christian religion that is the subject of satire. There is no reason, as I said on 11 July, why Islam, or the Jewish, Hindu or Sikh religions should not face the same ridicule and criticism that the Christian religion has faced over the past 25 years or so. I am pleased with the Government's supplementary provisions—I know that they will not satisfy the critics because, frankly, nothing will, given that they are largely opposed to the measure—which make it perfectly clear that someone is not guilty of an offence unless they are

"reckless as to whether religious hatred would be stirred up".

Moreover, the provisions state that

"a person is not guilty of an offence under this Part of intending to stir up religious hatred if he intends to stir up hatred against a religion, religious belief or religious practice".

To a large extent, the Government have tried to meet the criticism of those of us who were concerned that Rowan Atkinson had a valid point. He may not be satisfied, as critics are generally not satisfied, but the Government have tried to tackle concerns, and they should be congratulated.

In our debate, as on previous occasions, the Government have repeatedly been asked to give examples. My hon. Friend the Member for Cannock Chase (Dr. Wright), for instance, wanted them to give examples of offences that are not covered by existing law and the Minister tried to explain the position.

To return to the core issue, why are the Government introducing the legislation? The cynical, simplistic view, certainly of the Opposition, is that it is a tactic to attract Muslim votes. That may be a crude way of putting it, but I do not believe that is the case. Neither do I believe that Muslims will vote Labour simply because of the measure. There is no evidence in the past 40 years that people of Jewish origin or people who practise the Jewish religion said that they would vote Labour because of legislation on incitement to race hatred. Indeed, if we look at the Jewish vote, we can see that it turned to Labour when the lower-middle class and the middle class proper started to vote Labour in 1997. I simply do not believe that the Muslim population will say, "Ah, the Government have passed a measure on the religious hatred. That's a good reason to vote Labour."

The Government are genuinely concerned, as has been pointed out by my hon. Friends today and on previous occasions, about people who are being victimised, spat on, looked on with contempt and spoken of in a certain way simply because they belong to the Muslim faith. That is the reason why they have acted, just as, more than 40 years ago, previous Labour Governments—not Conservative Governments—introduced the measures to which I referred and which were the subject of intense criticism and

opposition by the Conservatives. Reference has been made to political correctness. If political correctness means in effect that people are protected in law against religious or racial abuse and so on, I am very much in favour of it. Whatever it has brought about—there are some distortions and exaggerations—it is better than the situation that existed before those laws were passed.

Mr. Jim McGovern (Dundee, West) (Lab): On examples, in a previous debate in the House on the subject, my hon. Friend the Member for Tooting (Mr. Khan) gave the example of the British National party, which advised its members to put posters in their windows. It knew that it could not get away with saying, "Jews out" or "Sikhs out", but it knew that it could say, "Muslims out". That is a good example. If the BNP is exploiting such a loophole, Members on both sides of the House should take every opportunity to close it.

Mr. Winnick: I fully endorse that. Some Opposition Members—I except Opposition spokesmen, who do not deny that there is a problem but believe that it can be resolved by existing laws, so clearly we disagree—simply do not accept what my hon. Friend said. They do not accept that Muslims are demonised and subject to unacceptable abuse.

Dr. Evan Harris: People who aspire to the hon. Gentleman's track record on anti-racism oppose the measure because they recognise that religion and race are different. The hon. Member for Dundee, West (Mr. McGovern) is wrong because, the Norwood case, which has already been cited, shows that such acts are public order offences under section 5 of the Public Order Act 1986. Someone who put up a poster saying, "Muslims out of Britain", with a picture of the twin towers, was prosecuted under that legislation. Sub judice rules do not apply when we are making law, so I can say that Nick Griffin has been prosecuted for his disguised racism using religious words, which is evidence that the existing law bites. I urge the hon. Member for Walsall, North (Mr. Winnick) to reconsider his criticism in this area.

Mr. Winnick: I do not question, any more than he does mine, the hon. Gentleman's total commitment to anti-racism. That goes without saying, but the Government disagree with him, as I do, because there are certain forms of abuse and so on that are not covered by existing law. The argument that there is a difference between race and religion is true to some extent. Someone cannot change their race. I have previously given the example of Disraeli, who may have been a Christian many times over but in many people's eyes remained a Jew because he was born a Jew. However, we should accept that, although we can change our religion, for many people, especially among ethnic minorities, religion is something that they hold dear. We cannot simply say that someone can choose their religion, as we must recognise that the religion they follow is fundamental to their personality and their way of life.

I said that I would be brief, so I shall conclude. I said in an intervention on the hon. Member for Beaconsfield (Mr. Grieve) that he may well be correct. In practice, his criticisms may be such that we may regret what I hope we will do tonight. I do not believe that that will be the case. I repeat that all those who criticised race legislation and who argued that, by passing the Race Relations Act 1976 and incitement to race hatred measures, we would undermine the traditional liberties and freedoms of our countries were wrong. Just as I believe that they were wrong, I believe that those who oppose what we are doing now will prove to be wrong.

7 pm

Mr. John Hayes (South Holland and The Deepings) (Con): Much of the time in the House, Members are obliged to resist the temptation to indulge in overstatement. Tonight, we must resist the temptation to understate the case, because this is a matter of great seriousness that goes to the very heart of the nature of our society and the freedoms that we enjoy.

The Lords amendments are an attempt to improve the Bill, or perhaps an attempt to limit the damage that it may do. They go to the very heart of the matter. The nub of our consideration concerns the essence and expression of belief. That men hold strong belief is not itself virtuous. As has been said by hon. Members on both sides of the House, some beliefs are repugnant, but beyond such repugnant views, it is arguable that belief in anything is better than belief in nothing. The absence of purposeful passion—the ugly nihilism that leads men to murder carelessly or to abuse without conscience—is not merely the absence of goodness but its antithesis. When I am asked whether I detest cruelty, whether I abhor mindless destructiveness and whether I hate evil, I reply, "Yes, I do." In that, I am inspired by the Bible, which tells me that I must

"Hate what is evil; cling to what is good."

For those hon. Members who are not as familiar with the Bible as you, Madam Deputy Speaker, that is Romans 12:9.

I must hate wrong actions and wrong ideas. Those who flew the aeroplanes into New York's twin towers believed that they died martyrs' deaths and that they would go straight to paradise. Such evil ideas are not matters of indifference. They should be hated—indeed, they must be hated, so that society remains free. If I promote hatred of those ideas, someone will undoubtedly allege that I am either intentionally or recklessly promoting hatred of people.

Mr. Gerald Howarth: My hon. Friend will remain completely invulnerable to the Bill, but our constituents, who will live in fear in the atmosphere that this Bill is about to create, will not.

Mr. Hayes: With the alacrity and perspicacity for which my hon. Friend is renowned, he has anticipated my next point. The only people who will be free from the culture of fear, of which my hon. Friend the Member for Beaconsfield (Mr. Grieve) painted a picture in his excellent appraisal from the Front Bench, are hon. Members, who are protected by parliamentary privilege. As my hon. Friend the Member for Aldershot (Mr. Howarth) said, this House will be the only place in the kingdom where we can speak our minds. The distinction between the proper exposition of hatred of evil and the Minister's case on recklessness and intent is so narrow that it is impossible to draft amendments adequately to deal with it, but at least the Lords have attempted to modify the excesses of the Bill.

[Mr. Hayes]

The hon. Member for Walsall, North (Mr. Winnick) said that many people do not believe that we need a Racial and Religious Hatred Bill, and he was right. Hon. Members on both sides of the Chamber have touched on the reason why many of us believe that such a Bill is unnecessary: there is already law to protect people from the sort of thing that he fears. As has been said repeatedly, statute already exists to protect people and, since 2001, it has had a religious element, too.

If we believe that it is right to hate wrong, and if we believe that it is right to express that hatred, we may well fall foul of the new legislation. Most people who have strong beliefs want to express them and those who have strong political or religious beliefs have a mission to express them and, indeed, to convert. Some people will undoubtedly perceive that as insulting or offensive, while others will undoubtedly perceive it as a threat. Such people will go to the police, who will find themselves in the impossible situation of having to make theological or political judgments on matters about which they may know very little.

The freedom to express strong belief is not unlimited—those hon. Members who know me well know that I would never make the case for unlimited freedom—but freedom is best constrained by manners, courtesy, custom and convention. Occasionally, freedom must be constrained by law, but it should always be done with the utmost caution. The Minister, who is an honourable and decent man, should exercise great caution tonight in making his argument and directing Government Members.

The Lords amendments form a perfectly reasonable compromise and I and other hon. Members cannot understand why the Government do not simply accept them. The Government's manifesto pledge to create a religious hatred offence would be fulfilled and they could return to those with whom they no doubt brokered a deal and tell them that they have delivered on their promise. Furthermore, Rowan Atkinson, Justice, the Christian Institute, the National Secular Society, the Muslim Association of Britain and many other groups that have lobbied against the Bill would go away if not exactly happy, then at least relieved that the scope of the offence had been circumscribed.

It is notable that many religious and secular believers do not seek the legal protection that the Government seem so enthusiastic to give them. That is because the new offence is like an unguided missile—no one can be entirely sure who it will hit. That is why an unlikely alliance of writers, comedians, lawyers, secular groups and religious interests are combined in their opposition to the Government's proposal. Interestingly, none of those groups has been deterred by what the Government claim is a compromise and none has been put off their course by the Government amendments.

Like many hon. Members, that broad coalition is not satisfied by the Government's proposals and is less satisfied by the Minister's lukewarm assurances that our safety lies in guidance or legal interpretation. When a Minister relies on that argument at the Dispatch Box, we know that he is on weak ground, however good a man and however well intentioned he may be. If I may be allowed a brief aside in a serious speech, any man with a direct relationship with "Postman Pat" must be a decent fellow.

The Government have floundered on two particular matters, which I shall briefly reprise before sitting down so that other hon. Members can contribute. First, the hon. and learned Member for Medway (Mr. Marshall-Andrews) pointed out that it is impossible to understand how the Government can reconcile recklessness, which is extreme carelessness, with intent or intention, which implies a deliberate decision to act.

Mr. Leigh: In the past, recklessness has always been used to deal with a mischief that has already taken place, such as grievous bodily harm. For the first time, recklessness will deal with a mischief that has not yet taken place, which is a new concept in British law.

Mr. Hayes: My hon. Friend is a distinguished lawyer and an even more distinguished human being, so I am guided by his expertise.

Secondly, the person in the world of religion and politics who has not suffered abuse or insults and who has not accepted that that is part of the package is not being entirely truthful or does not exist.

The Lords amendments are reasonable. It is a widely held view that it is the Government who are acting recklessly and so I hope that the whole House will support the Lords amendments and oppose the Government.

Mark Fisher: We are into the last half hour of several months of debate on the Bill, and several problems and difficulties remain unresolved. In a brave attempt to explain the Government's position, the Minister has tried to address those problems, but particularly in relation to proposed new section 29K, where the language is opaque and the argument circular, his reassurances are not substantial enough to justify supporting the Government.

The Minister has placed a great deal of stress on the guidance, but as has been said, these laws are very serious and the offences carry a seven-year prison sentence. Guidance does not have the force of law, and we can be concerned only with what is on the face of the Bill, which will be the law of the land.

The Minister has also placed a lot of confidence in the fact that the courts will decide such matters. However, I am surprised that there have not been more references in the debate to the state of Victoria in Australia, where similar legislation has been on the statute book for several years, but the courts are asking the Government to relieve them of it. Our courts are set up as criminal and civil courts, not as theological courts capable of making such distinctions. They will be asked to do an impossible job: to make judgments that they have neither the competence nor the will to undertake.

The Minister said that we should leave such matters to the good sense of juries, but by the time that we get to the juries—who will probably take the same view that the jurists in Australia are taking: that they do not want to be involved because they do not have the necessary competence—the damage will have been done by what has been referred to tonight as the "chill" factor. The damage is done as soon as an offence is reported; that is when the suppression of views takes place.

Nobody disputes that the Government have the perfectly good and fair intention of creating a level playing field in these matters. However, in not accepting the idea of creating a "negative" level playing field by abolishing the law of blasphemy—the Minister offered no explanation as to why they did not accept that idea—they may, I fear, have done exactly the reverse of their intention. The level playing field that they have created will consist of mischievous prosecutions and accusations. All Muslim organisations in this country, other than the Muslim Council of Britain, recognise that this legislation is deeply flawed, and almost all Muslims in this country understand that they will be as much the victims of it as anybody else. There will be a rash of mischievous and extremist accusations, attempted prosecutions and reports to the police. We will have a level playing field, but it will be one of misery.

This legislation does not protect Muslims, who will be as vulnerable as anybody else. It is deeply confused and wholly unnecessary in this form, and I fear that it will be very counter-productive.

Miss Ann Widdecombe (Maidstone and The Weald) (Con): This is one of those Bills whose face is liberalism, but whose heart is oppression. The society in which we now live is unrecognisable from the freedom that we knew only a few years ago. We are not in danger of being shanghaied off to the Lubyanka, but we are in danger of the police knocking on the door or ringing us up and starting an investigation against us not on the basis of what we have allegedly done, or of threats that we have allegedly uttered, but merely on the basis of a view that we have expressed.

There have been some ludicrous examples and some dangerous examples. I do not often stand up for the Prime Minister and I shall not make a habit of it, but perhaps the most ludicrous occurred when the Prime Minister made a rather disobliging comment about the Welsh to his own television set. It was deemed to be worthy of investigation by the North Wales constabulary. You could not make it up, Madam Deputy Speaker, but it actually happened. Then, there was the much more serious example involving Lynette Burrowes, who is a respected children's writer. She expressed the view that she had reservations about the adoption of children by same-sex couples. That same view was freely expressed by Members in this House, and without any danger of police proceedings, when we debated the law in question. *[Interruption.]* My colleagues are right to say that we are okay—that we are protected. However, Lynette Burrowes had the police on the phone to her.

There is an even worse example. A couple living in Lancashire asked their local council if they could display Christian literature—they did not say anything in public—alongside material from the council promoting civil partnerships. If the council had simply said no, that would have been one thing. Did it? No, it called in the police. The couple were interviewed in their own home by the police for an hour and 20 minutes. That should frighten any Member who is seriously concerned for the liberties of this nation. There is the further example, often quoted tonight, of Sir Iqbal Sacranie. He did nothing more than elucidate Muslim teaching, yet he was immediately investigated by the police because somebody made a complaint.

7.15 pm

All those examples have one thing in common. Someone somewhere decided to take offence at what had been said. That person made a complaint to the police, who believe—erroneously, in my view—that it is sufficient for a complaint to be made for it to have to be investigated. If they apply this Bill's provisions in that way, there will be an immensely oppressive impact not only on Christians and Muslims, but on anybody who says anything that somebody else decides is worthy of police investigation.

I would go along with such a provision if we narrowed it to intent, because nobody is going to say that one should "intend" to stir up religious hatred. But this is not about intent; it is about subjective judgments such as abuse and insults. As I have said before, the right hon. Member for North Antrim (Rev. Ian Paisley) should be allowed to say, if he wants to—he has mellowed a bit recently, so he might not want to—that I have signed up with the Antichrist. He should be allowed to say, if he wants to, that when I go into a church in which there are statues, I am practising idolatry. He should be allowed to say, if he wants to, that when I take part in the sacrifice of the mass, I am committing blasphemy. He can say all those things, and yes, I will find them insulting, but I am 58 and I have often been insulted in my life. I have no doubt whatever that I will be insulted again, but I shall not think that the remedy for feeling insulted is to go off whingeing to a policeman.

It is regrettable that we have only three hours for this important debate. I accept wholly that there have been previous stages of this Bill, but the other place has made some very important amendments that need careful study. We already live in a society in which things that would have been unthinkable a few years ago are a daily reality: a society in which, if one simply speaks to a viewpoint, one can end up on the wrong end of a police investigation. That is not the Britain that I want to live in, and this Bill makes it more likely that that effect will be increased, not decreased.

Dr. Tony Wright: As my hon. Friend the Minister knows, I have genuinely worked hard in trying to support the Bill, even up until yesterday evening. If today's vote was on whether the Minister is a good man, we would have no need for a Division. If the question was whether his assurances can be trusted, there would be no need for a Division. If the question was whether there are good intentions behind the Bill, there would be no need for a Division.

It is a source of regret, by the way, that we have to discuss such issues on the basis of whipped party votes. Whatever view the House comes to, the outcome would have far more legitimacy in the eyes of the public and of all the groups affected by this legislation if they could feel that we had reached it on the basis of genuinely open judgments of our own. We, as a House, do ourselves a huge disservice when we treat such issues in this way.

A central issue that I and others have wrestled with has run through the entire debate surrounding the Bill from the very outset: is it possible to give additional protection to believers for the reasons that have been adduced, while at the same time avoiding giving unwarranted protection to beliefs?

[Dr. Tony Wright]

I started off by thinking that it would be almost impossible to do that. I wanted the ability to say that I hate religious bigots. I do hate religious bigots. Hatred means intense loathing. I have intense loathing of religious bigots. In fact, I want to go around urging other people to hate religious bigots. The world would be a better place if we all hated religious bigots, and I am instinctively anxious about a piece of legislation that makes it in some respects harder, and in other respects illegal, to go around saying that I hate religious bigots.

However, I was prepared to examine the case to see whether we could achieve a balance. When I asked the Minister about these things before, he assured me, and he has done his best to redeem the pledge, that he would try to find the correct balance and to insert a savings clause in the Bill guaranteeing the free speech that we were worried about. In the immensely difficult task of squaring the circle, he was helped hugely by what the other place has done.

The Lords delivered to us a Bill which, if it did not completely square the circle, did it as well as it was humanly possible to do. I would have been very happy to support it on that basis. We would have fulfilled our manifesto commitment, but we would have done it in a way that did not damage the traditions of free speech that are essential to our society. I regret the fact that the Government have not felt it possible to accept what the other place has done. They have put into the Bill a savings clause, but they have done that in a way that cuts it away again. That is the difficulty.

I am a rebel, but a very reluctant rebel. I did not want to oppose the Bill, because the Government are introducing it for the right reasons, but we should be wary about crossing a boundary. Whichever view people take on what we are doing, we are crossing a boundary tonight as we move from believers to beliefs. I do not feel comfortable crossing that boundary. I do not feel comfortable giving protections to belief systems, which is essentially what we are doing. In doing that, we are cutting against what we think is the tradition of an open society.

The only values that we should seek to protect in law are the values that protect our democracy itself. One of those values—the key value—is the ability to attack other people's belief systems with all the vigour that we can command. In so far as we depart from that and depart from it knowingly, we do damage to the democratic system itself.

Michael Gove (Surrey Heath) (Con): It is a great privilege to be called to speak after my right hon. Friend the Member for Maidstone and The Weald (Miss Widdecombe) and the hon. Member for Cannock Chase (Dr. Wright). In their speeches, both were tremendous advertisements for independence of mind.

It is independence of mind that is under assault in the Bill before the House this evening. If the Government get their way and their amendments are carried, we will see not only a significant curtailment of freedom of speech in this country, but perhaps the most significant undermining of religious liberty since 1688. I mention the 17th century advisedly, because that was the last time in this country when questions of political and religious strife put lives at risk on the mainland of the United Kingdom. During that period of the 17th century, one of our greatest writers, Milton, even at that time of strife, made a heartfelt plea for liberty in his work, "Areopagitica". Milton pointed out that truth did not need the law to suppress falsehood in order to prevail. In open debate, those who are confident of their beliefs will not want the state to intervene on their side, because the confidence in their beliefs will be enough to sustain them.

It is significant that almost all the religious groups in this country which are organised and respectable are opposed to the Bill. They have sufficient confidence in the strength of their own beliefs not to pray the state in aid. It is striking that there are only one or two significant exceptions to that rule. One of them has been the Muslim Council of Britain. Its head, Sir Iqbal Sacranie, has throughout his career been a doughty fighter against prejudice against those whom he represents.

I would happily acknowledge that there is much that can be done by Government and by all politicians to fight prejudice and racism against Muslims and other minorities, but I suspect that in the past few weeks Sir Iqbal and others have begun to realise how dangerous it is to criminalise free speech in this country. As my right hon. Friend the Member for Maidstone and The Weald pointed out, Sir Iqbal himself was on the receiving end of the attentions of the police for words that he uttered on Radio 4—words that I find offensive, but which I believe that he has every right to utter on whatever platform is given to him. Because of that intervention in Sir Iqbal's right to speak freely, we can all see the dangers of criminalising speech.

Sir Iqbal was referred to earlier by the hon. Member for Pendle (Mr. Prentice) in the context of the debate about "The Satanic Verses". It is appropriate that we consider for a moment the controversy that surrounded the publication of Salman Rushdie's novel. If we imagine that the law that the Government intend to pass today were in place then, I submit that "The Satanic Verses" would never have been published by Penguin.

Let us look at proposed new section 29K and the references to abusive and insulting behaviour and to recklessness, and ask ourselves this question: if we had been executives at Penguin and had read that text and calculated the effect that it was likely to have on the Muslim community in this Britain, would we have calculated that it would abuse the Muslim faith? We would certainly have made that calculation. Would we have known that individual Muslims would be insulted? Of course we would have recognised that. Would we have known that, by publishing, we could have been accused of recklessness? We would have been aware that that accusation would be flung at us.

Would we therefore have taken the risk of publishing? I suspect that we would not, and that, to me, would have been not just a loss for freedom of speech, but an attack on the creative spirit and a loss of what makes us a distinctive and cherishably free country. That chill factor, which would have applied to "The Satanic Verses" if the legislation had been in place, has been mentioned by several hon. Members. It is a worrying curtailment of liberty and an ominous extension of state power.

There are two other areas that I shall cite briefly where the state extends its power in an ominous way in the Bill. First, there is an unwarranted and ominous extension of Executive power in the reliance that the Minister places on guidance to the prosecuting authorities and to the police. As nearly every hon. Member who has referred to the guidance has pointed out, we all have complete faith in the Minister to frame guidance that would be sensible and proportionate, but whatever our beliefs about the immortality of the Minister's soul, we know that he will not be permanently in office. We cannot trust future Ministers and future Governments necessarily to frame guidance that will be proportionate and correct. It is quite wrong for us to trust the Executive to decide what prosecutions could and should be brought in the future. We should decide now and write that into the Bill as we discuss it.

There is one final area where the state arrogates to itself unwarranted power in the Bill—that is, in the very definition of what constitutes religion. It is wrong that the state should be able to extend to any group of believers a privileged status by saying that they constitute a fit and proper religion. If we consider recent reports about what happened in the Navy when an individual officer claimed for himself, on the basis that he was a Satanist, a safe religious space in which to enact his rituals, we can see that the present Government and future Governments may extend to all sorts of cults and other unsavoury groups the protection that is in the Bill.

I have no hesitation in saying, safeguarded by privilege as I am, that I regard Scientology as an evil cult founded by an individual purely in the interests of enriching himself and sustained by those who are either wicked or wayward. But if the Bill were to pass and I were to repeat those comments outside this House as an ordinary civilian, I would lay myself open to prosecution simply for having sought to point out the dangers of a fraudulent organisation masquerading as a religion.

I have pointed to three dangers—three extensions of state power—which are three very good reasons why I believe that the Government should withdraw their amendments and we should accept the wisdom of the other place.

7.30 pm

Mr. Marshall-Andrews: I have my name on a bewilderingly large number of amendments that would have the effect of putting the Lords amendments back into force. I say straight away that I put my name to those amendments somewhat unwillingly. It is an awesome and awful thing to put one's name to an amendment that is critical of one's own Government. That is the first matter that I take on board.

The second is that at the outset, when the Bill began its passage through this House on Second Reading, I was one of those who believed that it was ill-conceived and should fall. I have changed my mind on that, which is why I have signed the amendments as they stand.

It is relevant to consider why I took that view. I am one of those who believes that there is a profound division between race and religion and that the sentry posts that man that division are the moral imperatives of "ought" and "should". Nobody can say to me that I ought to be black, white, Chinese or Russian, but there is no shortage of people outside this House, and some inside it, who would have no hesitation in saying that I ought to be Christian, Islamic, or Jewish, particularly if I chose to marry into that faith.

For 300 years, we have from time to time issued edicts to protect minorities on the ground of race—the Race Relations Act 1976 was not the first example of that. I tried to discover one that is a particular favourite of mine in the statute book, but I was unable to do so. I know that it exists, so Members will have to take it from me. It is the enactment in the vagabond legislation that a man should not be taken to be a vagabond simply because he is Scottish.

However, we have always set our face against the protection of faith by statute. The reason for that is very simple. Because of 200 years of religious intolerance, which led to nothing but bigotry and death, we have always understood that one cannot protect the faith without protecting the fundamentalist and the bigot who lie within it. Indeed, the legislation that we pass has precisely the reverse effect because the people whom we protect most are those who come close to committing the offences that we are attempting to place on the statute book. We end up with a gloomy vortex whereby I loathe bigotry and those who preach against any faith, and then those people say that my loathing them makes me liable under the very legislation that we have passed. We will create not a tolerant society but a legislative and cultural bear pit.

The thing is made infinitely worse by importing the concept of recklessness. Recklessness is the bastard part of intention. It has caused more trouble in the English criminal law than any other single concept. It is so wide as to be practically devoid of definition. If I may bore the House for a moment, there are two classic cases. The first is the so-called firebreak case, whereby a man who perceives that there may be a small danger sets up a firebreak that destroys the forest, city, town or whatever he perceived to be in danger. His motives were good, but he was undoubtedly reckless. The second concerns the bus driver who loses his way in a double-decker bus, approaches a low bridge, and says, "I don't know whether I can get this bus under there; I might not be able to but let's have a go anyway." He does not intend to kill all the passengers on the top deck, but he is undoubtedly reckless.

I say that in order to demonstrate just how wide this test is. We have heard excellent examples today concerning the cartoons about the Prophet. Those would undoubtedly be caught by the Bill—it would not be a question of how one construes the law or of worrying about the courts, judges or juries bringing in perverse verdicts.

If we pass this Bill in its present form, we will regret it for many years to come. I urge the Government now, before it is too late, to remove the concept of recklessness. Ultimately, we will all agree that an avowed or explicit intention to cause or stir up religious hatred is something that may justifiably be impugned. Anything else will be an incursion on our freedom of speech of historic proportions that will be regretted for generations to come.

Stewart Hosie: In common with many Members, I think that if the Bill was about threatening behaviour,

[Stewart Hosie]

actions or words it is unlikely that there would be any requirement for a Division. But, again in common with many Members, I think that the scope of recklessness and the subjectivity of abuse and insulting behaviour mean that almost anyone could be charged with this offence. We have heard several examples—there will be many more—that could fall foul of this. Hon. Members have made the case that it is likely to lead to a large number of spurious cases being brought on the basis of a handful of complainants in any given circumstance.

I am concerned about the impact that the Bill will have on Scotland. As the Minister said, it extends only to England and Wales. New paragraph 29H(2) in the Lords amendments would allow for a sheriff to have a warrant to search a premises in Scotland, presumably after a suspect had been charged on a warrant for his or her arrest issued in England. The Government amendment removes the possibility of such a search warrant being applied for. That may leave us in the ludicrous situation whereby a warrant is issued in England for the arrest of somebody in Scotland, the warrant is exercised and the person is arrested and charged, but no search can be performed on his premises to produce evidence in court.

That is a contradiction, irrespective of whether one supports the Bill. We know that it will be possible for an English warrant to be exercised for someone furth of England for a crime committed in England. The excellent counsel's opinion cited by the hon. Member for Orkney and Shetland (Mr. Carmichael) makes it clear that the cases of the Crown *v.* Harden in 1963 and the Crown *v.* Manning in 1998 will allow that to happen. We could end up with a situation in which someone who is subject to an arrest warrant issued in England is living in Scotland, having committed a crime in England but not in Scotland.

That is deeply troubling. In the Criminal Justice (Scotland) Act 2003, Scotland has already passed legislation to tackle religious hatred based on a joint cross-party report on such matters and after public consultation.

The relevant section states that an offence is aggravated by religious prejudice if immediately before, during or after the offence the offender evinces malice and ill will based on the victim's membership or presumed membership of a religious group or of a social or cultural group with a perceived religious affiliation. Equally, an offence is aggravated by religious prejudice if it is motivated wholly or partly by malice towards the same group. In such circumstances, the court must take action on the aggravation and the sentence must be different from the sentence that would have been passed if no religious aggravation had occurred.

It is therefore peculiar that someone acting wholly innocently in Scotland could be the subject of an arrest warrant in England for a crime that exists here but would not be deemed a crime under similar legislation in Scotland. The cases that legal counsel cited as especially worrying relate to broadcasting, journalism and so on.

According to legal counsel, newspapers would have to obey both current Scottish law and the English religious hatred law for any editions that were sold in England and Wales. For example, *The Scotsman* could publish a report that was legal in Scotland but could be censored in England. An English distributor could also be found guilty under the Bill while a distributor in Scotland would not be prosecuted.

The same logic would apply to a Scottish publisher selling books to bookshops in England or to English customers ordering books via mail order or the internet. Once publication or distribution occurred, people could be arrested and prosecuted under the Bill. There are several similar examples and concerns are widespread. Broadcasting, publishing, entertainment and so on that is perfectly innocent and legitimate under Scottish legislation could be prosecuted under English law.

The Under-Secretary can intervene if he wants to tell me that none of that could happen and that a warrant could not be issued, under any circumstances, for the arrest of someone in the circumstances that I outlined.

All the examples that have been given, from the mild-mannered Christians, to whom a spokesman on the Tory Benches referred, to Polly Toynbee in *The Guardian* today, suggest that the Bill goes too far and satisfies almost no one.

Mr. John Grogan (Selby) (Lab): I shall speak briefly from the perspective of three passionately held beliefs. First, I believe in the Labour party. As a Labour loyalist, I carry a pocket edition of the manifesto. However, it is the responsibility of all Labour Members to deliver the manifesto. We said that we would legislate to outlaw religious hatred but we also said that we would balance protection with tolerance and free speech. I suspect that the vote will be close and I plead with my hon. Friend the Under-Secretary to accept, even at this late stage, the House of Lords position, which delivers our manifesto pledge.

I speak secondly as a practising Catholic and, thirdly, as a strong believer in free speech. For me, the debate turned on my hon. Friend the Under-Secretary's interview on "Today" this morning. He said that there was a small problem with existing legislation and a gap to fill. Not unreasonably, he was asked to give one example from the past four years of a case in which existing law was deficient or that the Lords amendments would not cover. He attempted to give an example and I have been asking people about it all day. He cited a horrendous poster about the Muslim religion.

There have been plenty of lawyers around the place to consult today. They include lawyers from the National Secular Society and the Christian Alliance, and those representing actors. I have even rung several friends who are lawyers but belong to none of those groups. All agreed that the example that the Under-Secretary cited was exactly analogous to the 2003 Norwood case, in which a similarly offensive poster featured. Prosecution occurred because a policeman saw it, a public order offence was brought and a conviction was secured.

If we are to endure the deleterious consequences of the Bill, it is not too much to ask for examples. My hon. Friend the Member for Walsall, North (Mr. Winnick) was not his normal confident self today. He said that we may live to regret the Bill. He also said that he did not believe that we would, but when such a defender of free speech says, even when backing the Government, that we may live to regret something, it gives me cause for concern.

7.45 pm

As a Catholic, I simply say that free speech is the best defence of any religion. My religion has been persecuted and has also persecuted people. Free speech is the best defence. Given the freedom of speech defences that the Government have included in the Bill, it is regrettable that they are stymied and reduced basically to saying, "This is not an offence if it is not an offence." Such tautology is not good enough. I plead with my hon. Friends on the Front Bench to withdraw their objections to the Lords amendments, which satisfactorily fulfil the manifesto on which we stood for office.

Rev. Ian Paisley (North Antrim) (DUP): I should like to say a few words with reference to what has been said by the right hon. Member for Maidstone and The Weald (Miss Widdecombe). I am glad to be able to say to her that, when we come into this House every day, we have prayers and that the "Book of Common Prayer" is opened, and that everything that I believe is in that book, although I am a Presbyterian. The right hon. Lady can work that out in her own way.

I believe in the integrity of the Ministers on the Front Bench, and I believe that they would like us to put our faith in them. But when this matter comes before the courts, they will not be there. It will not matter what they have said; we could bring 10 pages of *Hansard* and read them out in court, but they would not be accepted. We are making the law in the House tonight. I must say honestly that, when I listened to the Minister arguing, I realised that he was arguing in a circle and that he could not get out of that circle. That is the crux of the matter. If we want to unite our nation, we should go for free speech. We should say, "Look, we are all different, but we must be allowed to express our differences, not to stir up strife but to maintain the principle of freedom." I say to the House tonight that that freedom was bought at a terrible price; please do not sell it, or we shall all regret it.

It being three hours after the commencement of proceedings, MADAM DEPUTY SPEAKER *proceeded to put the Questions necessary to conclude the proceedings on the consideration of the Lords' amendments, pursuant to Order [this day].*

Lords amendment agreed to.

Lords amendment: No. 2.

Motion made, and Question put, That this House disagrees with the Lords in the said amendment.—*[Paul Goggins.]*

The House proceeded to a Division.

Mr. Deputy Speaker (Sir Alan Haselhurst): I ask the Serjeant at Arms to investigate the delay in the Aye Lobby.

The House having divided: Ayes 278, Noes 288.

Division No. 147] **[7.49 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Bell, Sir Stuart
Benn, rh Hilary
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Caton, Mr. Martin
Cawsey, Mr. Ian
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fitzpatrick, Jim
Fiello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Galloway, Mr. George
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon

Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Prentice, Bridget
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Rurldock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wyatt, Derek

Tellers for the Ayes:
Claire Ward and
Mr. Dave Watts

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Benton, Mr. Joe
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Berry, Roger
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Challen, Colin
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cook, Frank
Corbyn, Jeremy
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Ellwood, Mr. Tobias
Etherington, Bill
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, rh Mr. Frank
Field, Mr. Mark
Fisher, Mark
Flynn, Paul
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gibson, Dr. Ian
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Grogan, Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hoey, Kate
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Hopkins, Kelvin
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kilfoyle, Mr. Peter
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Mackinlay, Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Marshall-Andrews, Mr. Robert
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick

Meale, Mr. Alan
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osten, Mr. Mark
Opik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prentice, Mr. Gordon
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simpson, David
Simpson, Mr. Keith
Smith, Geraldine
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, David
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Vis, Dr. Rudi
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waring, Mr. Robert N.
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wright, Jeremy
Wright, Dr. Tony
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Henry Bellingham and Lorely Burt

Question accordingly negatived.

Lords amendment agreed to.

The Schedule

Lords amendment: No. 4.

Motion made, and Question put, That this House disagrees with the Lords in the said amendment.—*[Joan Ryan.]*

The House divided: Ayes 282, Noes 283.

Division No. 148] **[8.7 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Bell, Sir Stuart
Benn, rh Hilary
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Caton, Mr. Martin
Cawsey, Mr. Ian
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Galloway, Mr. George
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid

Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Oliver, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Prentice, Bridget
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, rh Jacqui
Smith, John
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wyatt, Derek

Tellers for the Ayes:
Mr. Dave Watts and Claire Ward

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Ames, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benton, Mr. Joe
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Challen, Colin
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cook, Frank
Corbyn, Jeremy
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Durkan, Mark
Ellwood, Mr. Tobias
Etherington, Bill
Evans, Mr. Nigel
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Fisher, Mark
Flynn, Paul
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gibson, Dr. Ian
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Grogan, Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hoey, Kate
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Hopkins, Kelvin
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Mackinlay, Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Marshall-Andrews, Mr. Robert
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa

McCrea, Dr. William
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prentice, Mr. Gordon
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simpson, David
Simpson, Mr. Keith
Smith, Geraldine
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, David
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Trebinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Vis, Dr. Rudi
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wright, Jeremy
Wright, Dr. Tony
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. David Evennett and Lorely Burt

Question accordingly negatived.

Lords amendment agreed to.

Lords amendment No. 3 agreed to.

Mr. Charles Clarke: On a point of order, Mr. Deputy Speaker. In the light of the House's decisions this evening, I think it appropriate to inform the House—if that is acceptable to you—of how we see the position at the moment. *[Interruption.]* The Bill will now proceed to Royal Assent as it stands. That means that the debate between the House of Commons and the House of Lords will be about threatening behaviour, but will not include insulting and abusive behaviour; it will concern intent only, not recklessness; and it will deal with a wide-ranging freedom of expression clause.

Despite this evening's defeat for the Government, I am delighted that we are introducing legislation to deal with the issues that we must address. There have been substantial arguments in both the House of Commons and the other place—*[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The Home Secretary is trying to address the House and the Chair on a point of order, which I must hear fully. I do not think that this barracking helps.

Mr. Clarke: Is it in order, Mr. Deputy Speaker, to say clearly that the Government accept the House's decision this evening, that we are delighted that the Bill is proceeding to its Royal Assent, and that we are delighted to have a Bill that deals with incitement to religious hatred? We regret that the agreements and discussions in the other place did not happen, but I hope, Mr. Deputy Speaker, that you will accept our determination to carry the Bill through.

Mr. Deputy Speaker: I must tell the Home Secretary that that developed into rather more than a point of order, but it is on the record. The House has made its decision tonight, and people will reflect on that.

Pensions

[Relevant documents: The Minutes of Evidence taken before the Work and Pensions Committee on 14 December, Session 2005–06, HC 618 on the Pensions Commission report.]

Motion made, and Question proposed, That this House do now adjourn.—*[Joan Ryan.]*

8.25 pm

The Secretary of State for Work and Pensions (Mr. John Hutton): I shall try to keep my remarks to a minimum, so that Back Benchers on both sides of the House can contribute fully to what will unfortunately be a much shorter debate than many of us would have liked.

The publication of the second report of the Pensions Commission in November marked the beginning of a major new phase in the ongoing national debate about the long-term future of our pensions system. I believe that its analysis is comprehensive and thorough, and that its recommendations are radical and far-reaching. That is why I believe that its proposals have given us an opportunity to build a consensus on the long-term direction that we should take.

Mr. Quentin Davies (Grantham and Stamford) (Con): Does the Secretary of State not agree—at least in retrospect, following the drama of the earlier part of the evening—that it would be wrong to suggest that the Turner report, given its potentially momentous conclusions for the whole population, can be dealt with adequately by Parliament in the hour and a half between now and 10 pm? Will he have a word with his right hon. Friend the Leader of the House to find out whether we can have a second session?

Mr. Hutton: We have three hours for the debate, not an hour and a half. Perhaps the hon. Gentleman will make his own speech during that time. However—I mean no disrespect to Opposition Members or, indeed, my hon. Friends—I do not intend to accept many interventions. I hoped that the hon. Gentleman was going to make a point about pensions, but, sadly, he did not.

Given the importance of the issues, I think it is absolutely right for Members to have an opportunity to participate in, and lead, the debate. In all parts of the House, there is a depth of knowledge and expertise that may be enormously helpful as we prepare our response to Lord Turner's proposals. We are therefore keen to hear the views of every Member. In response to what was said by the hon. Member for Grantham and Stamford (Mr. Davies), let me express the hope that we shall have another opportunity to debate the issues before we produce our White Paper in the spring.

I am glad that the Pensions Commission acknowledged the progress that we have made in reducing pensioner poverty since 1997. It was our first priority when we came to office, and rightly so. By targeting resources through the minimum income guarantee and then through pension credit we have ensured that there is help for the poorest pensioners, tackling the shameful legacy of pensioner poverty that we inherited in 1997. We now spend nearly £11 billion extra each year on pensioners, and almost half that additional spending goes to the poorest third. We have succeeded in helping nearly 2 million pensioners to escape from the poverty line. As is shown by figures from the Institute for Fiscal Studies, we are now in an almost unprecedented position in which pensioners are no more likely to be poor than any other group in society.

Mr. Peter Bone (Wellingborough) (Con): I am not going to sit here and listen to that. The Government have been in power for 10 years. To try to say that the pensions crisis is to do with the previous Tory Government is ridiculous.

Mr. Hutton: No one is keeping the hon. Gentleman here. He does not have to stay to listen to anything that he does not find comfortable or worth listening to, but I point out the reality of pensioner poverty that we inherited in 1997. He can go on disputing that. He just needs to check the historical record.

We have taken measures in the Pensions Act 2004 to tackle the loss of confidence in the private pensions market, including addressing the pensions mis-selling scandal, and the impact of a falling stock market and rising longevity on occupational pension schemes. The introduction of the Sandler suite and stakeholder pensions have been important steps in facilitating low-cost private savings.

All those were critical and necessary measures, dealing with the most immediate and serious challenges that we faced when we came into office, but now we must go further to build a system that will enable us to meet two significant challenges. The first is the unprecedented demographic changes that are taking place in our society. Soon, for the first time in our country's history, there will be more people over the age of 80 than under the age of five. The second challenge is the extent of under-saving, which the Pensions Commission calculated as leaving nearly 10 million people not saving enough for their own retirement.

It was to meet those challenges that we established the commission. We must now build on the progress that we have made in tackling poverty and in promoting equality and security, reduce the complexity of the current system and ensure that people can plan and save with confidence. We are looking for the widest possible cross-party consensus on those reforms.

In my statement to the House on the publication of Lord Turner's report, I said that our response would be based on five key tests. The first is personal responsibility. As my predecessors have made clear, the primary responsibility for security in old age must rest with the individual and their family. An active welfare state must provide a floor below which no one should be allowed to fall, but its primary role must be to enable people to provide for themselves, giving everyone the opportunity to build a decent retirement income that will meet their personal needs and expectations.

Of course, to achieve that, we need to achieve two of Lord Turner's central objectives: first, strongly to encourage individuals and their employers to provide for a pension that will deliver at least a minimum base load of earnings replacement; and secondly, to enable all people to have the opportunity to save for a decent pension at the lowest possible cost.

Lord Turner saw a major expansion of workplace savings as being fundamental to achieving both those objectives, recommending that all employees should be automatically enrolled into either a high-quality employer pension scheme or a newly created national pensions savings scheme. The principle of personal accounts has been widely welcomed, rightly, because I believe that that is the right way forward. Not unreasonably, the pensions industry is keen to explore alternative ways of achieving Lord Turner's objectives. That is why my hon. Friend the Minister for Pensions Reform has invited all those in the industry who believe that they can produce a better model for personal accounts to work up the details of their alternative approach.

There are three priorities for all of us here. First, any model must be able to achieve a radical extension of pension coverage, including lower and moderate earners, the self-employed and those working for small employers. Secondly, it must achieve a radical reduction in cost in terms of both low management charges and reduced administration costs for business, boosting in the process the value of any pension that will be paid out. Finally, it must be portable and reliable, adaptable to lifestyle choices and tailored to the personal needs of consumers.

Mr. Philip Hollobone (Kettering) (Con): In looking at groups that are not taking up pension entitlements as all of us would wish, may I urge the Secretary of State to focus on married women who stay at home to bring up their children? *[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sorry to interrupt the hon. Gentleman, but whoever has that phone should silence it immediately. It is quite out of order.

Mr. Hollobone: Thank you, Mr. Deputy Speaker. That may have been a married woman listening to the debate and wanting to urge me to make this point. There are demonstrable benefits to society from women staying at home and bringing up their children, but many of those women lose out later in life because they do not have adequate pension savings.

Mr. Hutton: I broadly agree with the hon. Gentleman. I shall say something about the position of women under the current system, and how they fare quite badly, in a few moments.

David Taylor (North-West Leicestershire) (Lab/Co-op): A moment ago, the Secretary of State said that it was important that people take responsibility for their pensions, and the public increasingly accept that. However, does he agree that contributions to the state system should be made on a fair and progressive basis? The cap means that a person earning just over the average income of £30,000 pays 9.2 per cent. in national insurance, whereas someone earning £100,000 pays 3.7 per cent. and someone earning £1 million pays 1.3 per cent. That cannot be fair. Surely there must be some scope to make the contribution system fairer?

Mr. Hutton: Matters to do with national insurance are, of course, for my right hon. Friend the Chancellor of the Exchequer.

Finding the right approach to achieve the objective of a personalised, flexible tool that can enable people to save at low cost is a key part of any long-term pension reform. We start with a clear view about our objectives, but we have an open mind about how they can best be achieved.

However, one thing is clear, and it is that employers have an important responsibility to fulfil. Many employers already contribute much more than the 3 per cent. proposed by the Pensions Commission. For those who do not, the question is whether some form of compulsion is necessary and appropriate.

In 2004, nearly 80 per cent. of funded pension contributions came from employers. An employer contribution adds value to the pensions saving of an individual, as the figures make clear, and it can also act as an important catalyst for employee participation in the first place. However, the Government must be aware of the economic burden that adding costs to employers through any form of compulsion would impose.

That is especially true for smaller businesses. Clearly, a compulsion on small employers to contribute to pension schemes could have a disproportionate impact. We must be mindful of all such considerations before we proceed along this path.

The second test is that any proposals for reform must be fair, as the hon. Member for Kettering (Mr. Hollobone) said. Any reform package must continue to protect the poorest people, so that the poverty that blighted the lives of millions of pensioners at the end of the last century will never recur. The package must be fair to those who have saved, reward those who have contributed and incentivise those who can save to do so. Crucially, it must be fair to women and carers, correcting past inequalities and reflecting those people's changing role in today's society.

Mr. Andrew Love (Edmonton) (Lab/Co-op): May I press my right hon. Friend on the issue of fairness? The Turner commission had very little to say about the massive inequality that exists between those who receive very significant tax relief on pension pots of up to £1.5 million and those at the bottom of the income scale who receive very little in the way of support. Will he put that disparity at the centre of his considerations of fairness when he comes to decide the shape of any future system?

Mr. Hutton: Obviously, we will look at all such matters in our White Paper proposals. It is not true that Lord Turner was not concerned about correcting inequalities in the pension system, especially as they affect women. He proposed a number of solutions, to which I shall come in a moment. Moreover, the tax simplifications introduced by my right hon. Friend the Chancellor will come into effect this April. They will offer significant improvements and advances in the current tax arrangements. We are making progress, and my hon. Friend may have an opportunity to explore his own proposals later in the debate.

We have already introduced a range of measures to improve the position of women pensioners in particular, both in the labour market and in terms of income in retirement. The minimum wage and the pension credit regime have been especially beneficial to women. Two

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thirds of the pensioners lifted out of absolute poverty since 1997 are women. The introduction of the state second pension means that the proportion of women now accruing significant state pension rights is similar to that of men, while almost all of the 1.9 million carers, and two thirds of the 5.8 million low earners, who have been helped have been women.

Vera Baird (Redcar) (Lab): My right hon. Friend makes a powerful point, as there is no doubt that this Government have helped women pensioners hugely, especially through the pension credit. However, if a women does not have a full basic state pension she will not, by virtue of the state second pension, come out of the pension credit limit. Is not the real difficulty, therefore, the fact that only 17 per cent. of women have a full basic state pension when they retire?

Mr. Hutton: Yes, those figures are broadly right. It is worth bearing in mind that we estimate that over the next 20 years men and women will accrue an equal entitlement to state pensions. That is progress, and it is progress that some people thought would not happen. I agree with my hon. and learned Friend that the current system does not treat women fairly, and we will address those issues in the White Paper to be published in the spring. I wish to pay tribute, quickly but sincerely, to my hon. and learned Friend for the work that she has done, together with colleagues from both sides of the House, in campaigning for more equitable treatment for women.

My argument today is that we can and must do more. Doing so will, however, require making some difficult choices. One approach favoured by Lord Turner is the introduction of a new universal basic state pension for those aged over 75. Another would be to remain true to the contributory principle, but to make adjustments to the number of qualifying years—for example, removing the 25 per cent. de minimis limit and turning home responsibilities protection into a system of national insurance credits. In every case, there is more than one way to achieve the objectives that Lord Turner set out. Lord Turner himself judged, for example, that an evolutionary approach to state pension reform was preferable to adopting a more immediate citizen's pension. The citizen's pension would involve spending large amounts of extra money on helping better off pensioners rather than poorer pensioners, so while it offers greater simplicity more quickly—and a route to greater equality for women—it does so at the cost of helping better off pensioners. It also destroys completely the contributory principle and carries significant implications for the crucial third test of affordability.

Clearly any system needs to be affordable for taxpayers and the economy as a whole. We have an obligation, especially on the Government side of the House, to continue to manage public expenditure prudently and responsibly. Several of the commission's proposals raised the prospect of significant additional Government spending—in particular, the proposed re-linking of the basic state pension to earnings, which was of course scrapped by the last Conservative Government. Ministers have made it clear that there will be no relaxation in our fiscal discipline and we will not put the public finances at risk. So the affordability test is central. If we are to fund a more generous state pension, such as the one Lord Turner has proposed, the critical question will be how we pay for it.

Mr. David Laws (Yeovil) (LD): The Secretary of State says that he is concerned about affordability in relation to the basic state pension, but is he also concerned about the affordability of public sector pensions? As a share of the national economy, the cost of public sector pensions is going up by 50 per cent. at a time when the basic state pension is static.

Mr. Hutton: We have entered into arrangements that are sustainable. The new arrangements for public sector pensions that we have reached with the trade unions open up the prospect of significant savings for the taxpayer in the next few years. It is not clear to me that the hon. Gentleman is proposing what he suggests he is proposing in relation to public sector pensions. I suspect that we will hear more from him in due course, as we will from the hon. Member for Runnymede and Weybridge (Mr. Hammond). If I may get my defence in before the attack has been delivered, I would point out that we have spent the past few weeks looking at what the hon. Gentleman and his colleagues said about public sector pensions during the election campaign. I tentatively suggest to the hon. Gentleman that he treads warily down the path of suggesting that the deal is not a good one for the taxpayer, because—as he will know— he made no proposals during the election campaign to make any changes to public sector pensions.

Lord Turner has suggested that the state pension age should rise broadly in proportion to the increase in life expectancy. While that raises questions under the fairness test, it is not possible to have the debate about affordability without seriously considering an increase in the state pension age. My view is that some increase from 2020 is inevitable, but we should consider very carefully all the options for how that can best be delivered.

The fourth test is simplicity. Any credible package of reform must represent a clear deal between citizens and the state, so that people know what the Government will do for them and what is expected of them in return. The state must be clear about its priorities: a decent pension for both men and women, which can act as a platform on which individuals can be encouraged to save even more themselves, with continued extra help for the poorest pensioners.

Simplicity also means clarity for individuals about the value of their savings pot. It means clear, credible financial education and advice and an important role for pension information and pension forecasts to show people how much they need to save to achieve the income they want in retirement. Of course, it means people understanding the nature of the risks entailed in any type of savings product. Pensions are never a risk-free business and they should never be presented as such.

Finally, simplicity means having a system that allows people to plan and which is sustainable for future generations and that is my fifth and final test. If we are to lay the foundations for a lasting pension settlement, it is crucial that any reform package must be underpinned by an enduring national consensus—a system that will stand the test of time and not be pulled apart by successive Governments.

At the beginning of my remarks, I said that securing consensus on the right way forward is our objective, which is why I shall welcome contributions from Members on both sides of the House in the debate. Let us all try to demonstrate a common purpose: to make proper provision for this and future generations of pensioners; to continue to reduce pensioner poverty and to take the long-term decisions on pensions that need to be taken now, building on the progress that has been made, and which are right for both our constituents and our country.

8.46 pm

Mr. Philip Hammond (Runnymede and Weybridge) (Con): This debate was always at risk of being an anti-climax after events earlier in the evening, but it is none the less about a big issue, which is important for all of us—those of us already drawing a pension, those of us approaching retirement and even those of us at the beginning of our working life.

We are faced with some truly long-term decisions, which our adversarial party political system with its four or five-year cycle may not be ideally designed to address. We caught a little of that in the Secretary of State's tone of voice. He tells us that he wants to build consensus, and the Opposition have certainly come to the debate with that intention. The British people will expect us to lift the debate out of the party political arena and genuinely attempt to build a consensus that gives them the security to plan for the long term, knowing that the settlement we eventually reach will not be unravelled by a spin of the wheel of political fortune.

This is the first opportunity that we have had to discuss pensions since the publication of the Turner report and at this stage an Adjournment debate is a good forum in which to conduct our discussions. Such is the magnitude of the issue, however, that we shall need further debates, and I am pleased that the Secretary of State acknowledged that that would be possible. I want to consider some of the preliminary issues that we feel need to be addressed to allow us to hold a serious and open debate in the attempt to reach consensus about the long-term future of our pension system. My main focus will be Turner.

Turner said that there is no immediate crisis. Although there may be no immediate crisis in relation to the state pension or the public sector's ever-mounting liability in respect of its pensions, many people coming up to retirement, who are stakeholders in private pension schemes, are experiencing something that feels remarkably like a crisis. I want to deal with that issue, as I am sure that many Members will want to raise it.

There are several reasons for the real, current crisis in the private pension sector—significantly lower investment returns and rising life expectancy, which is good news for everybody except actuaries. Nobody, not even in our most rabid moments, could hold the Government responsible for those issues. There are other things for which the Government must take responsibility, such as the Chancellor's £5 billion-a-year raid on pension funds, which has wiped about £125 million off the value of pension funds.

I hope that the Minister will refer to one issue in particular that is outside the scope of the big, long-term debate, although the Government could address it in the shorter term. It is the extent to which the regulatory regime under the Pensions Act 2004, which is supposed to encourage and protect private pensions, is encouraging a retreat from higher risk, higher return assets in favour of liability-driven investment in gilts, with a series of self-reinforcing and rather negative outcomes that we are seeing at the moment. That has driven up demand for long-dated gilts, thus driving down yields. Pension fund liabilities are calculated by reference to the yield on the long-dated gilt, which in turn has increased the deficits of those pensions and fuelled the next round of liability-driven gilt buying. Meanwhile, the funds have missed out on a recovery in the equity markets and perhaps an opportunity to repair the damage that previous stock market downturns have done to their balance sheets.

I certainly subscribe to the view that politicians, especially Opposition politicians, should not lecture the Debt Management Office on how it manages the public sector debt, so I shall not offer the Minister any recommendation about how the Government should fund their debt, and I urge my colleagues to follow that lead. However, the Minister could look at the demand side of the problem. He could consider the regulatory environment that is driving the flight from risk to gilts. He could also consider the extent to which the regulatory regime and the risk-based pension protection fund levy, which is now anticipated, are reinforcing patterns of investment behaviour that are making it more and more difficult for companies to plug the holes in their pension funds. I should be grateful if the Minister said something about that very immediate problem tonight.

While the Minister is responding, he might just take a quick look at the financial assistance scheme, which was set up with a great fanfare nearly two years ago to provide a solution for the estimated 85,000 people who have been left high and dry by the collapse of pension funds. The financial assistance scheme has so far paid out to just 15 people, and that figure represents an advance. The latest published Government figure shows that 13 people have benefited, but we are grateful to the Minister for yesterday updating that figure to 15 people. If we could deal with those short-term, immediate issues, that would be great.

Let us go back to the long-term reform agenda. The Turner report represents a serious analysis of the twin challenges that the Secretary of State for Work and Pensions has spelled out, namely, of dealing with the demographic changes in Britain's population while maintaining Britain's world competitiveness, which is essential to the prosperity of all of us. Pensioners, those in work and those unable to work all depend on that international competitiveness for our future prosperity.

Whether or not the Opposition or, indeed, any other hon. Member adopts Lord Turner's recommendations in the end, we should treat his report with respect and use it as the basis of an attempt to build the great consensus that the Secretary of State spoke about—a consensus between political parties in the House, between generations in the country, between the sexes and between different groups in our society. The Opposition are formulating our response to Turner's proposals on the basis of the principles of fairness, sustainability, security and affordability. The settlement must be fair by embracing all types of pension—state,

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public and private sector—and it must recognise the differences in people's life expectancy and the need for flexibility to accommodate them. It must address the discrimination against women that is built into the present state system.

On security, people must be given a clear understanding of what the state will and will not do. That security must be based on a consensus that gives people the confidence to plan ahead and make their own arrangements, with an understanding that the settlement that is reached will endure for many years. On sustainability, the settlement must be durable in the long term. It must provide a solution for today's pensioners, as well as people in work and those who are not yet of working age. Of course, the settlement must be affordable, both now and in the future, against an objective baseline of the likely future cost of the present system, if it remains unaltered.

As we analyse and consult on the Turner proposals, which the Government are also doing, the big questions are becoming clear. Is the trade-off of a higher state pension age for higher state pensions the right one? Is it affordable and can it be made sufficiently flexible to be fair to those whose life expectancy will be different from the rising average? What degree of compulsion should be employed when encouraging people to save for a second pension? Should employers be required to contribute and, if so, how much? Should there be special arrangements—either subsidies or exemptions—for small and medium-sized enterprises? How should such a second savings scheme be managed and how will it impact on the existing pensions industry? As the Secretary of State said, the Government are actively pursuing answers to those questions and a lively debate has already begun. Is the balance between public and private provision that Turner proposes the right one for Britain in the 21st century?

The process is not competitive because we are not trying to get better answers than the Secretary of State. I genuinely hope that by separately pursuing the answers to those questions, we will find not that we get precisely the same answers—that would be too much to expect—but that our answers are sufficiently close to make it possible to build a genuine consensus across the political divide. If we are to have a genuine debate and a real consensus is to be formed, the Government must come to the debate with an open mind. They must be ready to engage in some give and take, because without that we cannot build a consensus.

The political reality is that if all bar one member of the population reaches a consensus and the one is the Chancellor of the Exchequer, we will not have a way forward. It was thus disappointing to those of us who want a consensus that the Chancellor tried to shut down the debate before it got started. He positioned himself from the outset as the road block to pension reform. If we are to have a proper debate, we need transparency, flexibility and impartiality. Nothing must be ruled out and nothing must be off limits in advance of the debate. I have to say that the Government's track record on that is not good, although that is no reflection on the Secretary of State or the Minister for Pensions Reform, because the culprits in this case are the Secretary of State's predecessor but one and the Chancellor of the Exchequer.

Although private sector pension stakeholders are facing tough choices and often negotiating against the constraint of the viability of their employers in the face of burgeoning pension deficits, public sector unions face no such constraints. Whether funded or unfunded, any gap in public sector pension provision must be met by the taxpayer. The Secretary of State's party fatally undermined any claim it could make to be addressing the matter impartially when it caved in to the public sector unions on retirement at 60 before the general election, and caved in again in October last year. If we are to have a serious debate and face up to the tough decisions that must be made, the burden of adjustment must be shared equitably. There can be no exclusions or favours for specific groups. We must all be in this together.

Mr. Hutton: I had not intended to intervene on the hon. Gentleman, so I am grateful to him for giving way. Will he clarify whether he is suggesting that the Government should go back on the agreement that we reached with the public sector trade unions? If that is his position, will he explain why he made it clear during the election that he had no plans to change any aspect of the public sector pension deals?

Mr. Hammond: The Secretary of State should talk to his right hon. Friend the Chancellor of the Exchequer. The Secretary of State for Trade and Industry said that the deal is done and that it is set in stone. However, according to the minutes recording the Chancellor's appearance at the Treasury Select Committee on 15 or 16 December, the Chancellor clearly suggested that that was not the case and that it was not set in stone. He said there was merely a framework in place and that negotiations are still to be conducted.

There is therefore a chink of light, and we need to understand what the Government's position is. Everyone needs to understand their position on this vital issue. *[Interruption.]* My position is that we are all in this together, whether we have a state, public, or private sector pension. A sometimes painful and difficult adjustment must be made if we are to achieve a sustainable settlement. May I tell the Secretary of State that it is not sustainable to say, before the debate begins, that any group in society should be excluded from facing up to the realities of demographic change, reduced investment returns and all the other factors— *[Interruption.]* The Secretary of State may talk about U-turns now that the election is over, but his Government took on the public sector unions only to back off for party political reasons when the election was called.

Kelvin Hopkins (Luton, North) (Lab): I am glad that the hon. Gentleman does not want anything to be ruled out or ruled in, and that he wants an equitable and fair arrangement. Will he throw into the mix the £20 billion of tax reliefs that go mainly to the richest 10 per cent. of the population, and thereby help the rest of the population?

Mr. Hammond: Our debate is supposed to be about building consensus, but it is becoming a little fraught.

Kelvin Hopkins: Consensus?

Mr. Hammond: I do not think we can honestly conduct a debate on the basis that we are trying to build a consensus if we rule anything out before the debate begins. We must consider every aspect, as it would be unreasonable not to do so. People outside the House would not understand what we were trying to do if we were not prepared to look at every aspect of the way in which our pension system works. On the table is a set of proposals from Lord Turner. No one will agree with all of them, but it is a serious piece of work, and it should be the starting point for our debate. I hope that the Minister for Pensions Reform can make it clear that while public sector workers, like their private sector counterparts, are entitled to expect fairness and proper recognition of the accrued pension rights that they have acquired during their period of employment, they, too, are part of the real world and cannot be insulated from the reality of rising life expectancy, which is the key factor underlying our debate.

Affordability is another critical issue. We cannot have a serious debate unless we are transparent about the financing assumptions underlying the proposals. The Chancellor has already dismissed Turner as unaffordable. A serious debate needs a clear baseline, and Lord Turner sets out his baseline on page 13 of his report. The Government should come clean. We need to know whether we are costing Turner's proposals against a baseline of a minimum income guarantee rising in line with incomes, or against one that rises in line with prices. If the Chancellor wishes to make his baseline assumption an end to the income link in 2008, let him do so and defend the decision publicly. He should not use de-indexing as a stick with which to beat Turner, or as a tool to undermine Turner's proposal, without being prepared to announce and defend that policy.

The Government must come clean, too, about the savings from the equalisation of women's pension age—a net £10.1 billion a year by 2020. Turner assumes that that money is available, but will the Minister confirm in his winding-up speech that the Government's position is that it is not available, because it has been spent on something else? Alone among Organisation for Economic Co-operation and Development countries, the UK will see the percentage of gross domestic product spent on state-funded pensions and state-funded pensioner benefits declining between 2010 and 2020. If that is the Chancellor's response to the pensions crisis, he should say so. If not, he should have the courage to acknowledge that Turner's assumptions are no more than realistic politics.

At a time when the private sector has been forced to acknowledge and confront its pension deficits through the Pension Protection Fund levy, FRS 17 and the explicit statement of pension fund liabilities on companies' balance sheets, we can no longer accept the Government shrouding the public sector pension liability in a smokescreen. We need an objective, independent, regularly updated assessment of public sector liabilities as an integral part of the public accounts. Perhaps the Secretary of State will have a word with the Chancellor to see whether the Chancellor can manage that in time for the Budget in March or April. If there is not time to work out the figure, an estimate has been published today, which is somewhat ahead of the Government's most recent estimates.

Finally, a small but important request to the Minister—if we and others are going to engage in this debate at a serious level, we need the tools to do it. The Turner report contains a wealth of detail, but not the disaggregated data required seriously to examine the options. I have written to the Secretary of State requesting that the Opposition have access to the Department's software model, PenSim2, which was made available to Turner and other outside bodies, because only by using PenSim2 can modelling outputs be directly and robustly compared with Turner's conclusions. Surely the Department is currently examining a range of options, and even if it is not I assure the Minister that the Treasury is. Will the Minister take the opportunity in his winding-up speech to underline the consensual approach by sending a real message to people outside this House that this is not politics as usual and that we are trying to build something together by announcing that he will allow appropriately qualified researchers from the official Opposition and, indeed, any other parties that want to avail themselves of the opportunity, access to the PenSim2 model?

We are ready to engage in a real debate about long-term solutions to the pensions challenges facing Britain, and we are ready to work with the Government to build a consensus, which is what the British people want and expect.

Vera Baird: Will the hon. Gentleman give way?

Mr. Hammond: I am concluding, and the hon. and learned Lady will have a chance to make her own remarks.

The future retirement security of the British people is too important an issue and too long-term a challenge to be allowed to become a political football. However, the debate must be genuine. The Government must act now to provide the transparency to allow the debate to be conducted seriously. They must rule out special treatment or exemptions for any group in society. In short, they must sign up to the notion that we are all in this together—then, together, we can find a lasting solution.

Mr. Deputy Speaker: Order. I remind the House that Mr. Speaker has placed a 10-minute limit on speeches by Back Benchers, which operates from now.

9.8 pm

Mr. Frank Field (Birkenhead) (Lab): This debate is narrowly focused on the Pensions Commission report, which is not fit for purpose in three significant ways. Any one of the issues that I hope to raise this evening suggests that we should not go down the path advocated by Turner.

First, the Pensions Commission report ignores the golden opportunity created by the Chancellor for serious, long-term pension reform. Secondly, it does not examine the dangers to long-term security for pensioners posed by the proposed measures. Thirdly, the proposals simply will not last politically.

[Mr. Frank Field]

I turn first to the golden opportunity that the Chancellor has created for us. Every major pension reform put before this House in the past 30 or more years, by Governments of both persuasions, has been bedevilled by the fact that, while trying to think about long-term reform, the Government of the day had to deal with how long-term reform might help to deal with the immediate problem of rising pensioner poverty. Through the pension credit, the Chancellor has not merely redistributed more funds to the poorest pensioners than any other Chancellor since 1948—I say merely, but that is immensely important to our constituents—but opened the door for Governments to think carefully about the long term. They no longer need be tripped up by thinking that they should modify the proposals because of the mega-issue of desperate and rising pensioner poverty.

My disappointment with the Pensions Commission report is that it fiddles around with the furniture, which the Chancellor said he was not happy to do. Such fiddling is also against the report's original terms of reference and distracts our attention from the opportunity for long-term reform. Serious as that is, the report does not stop there: it also presents particular dangers for pension provision. Tucked away in an appendix is the devastating fact that five sixths of the final salary schemes that have closed have done so since 2000; in other words, they have closed under our watch. My worry is that the commission's soft option of trying to entice employers who are not currently contributing directly to their employees' pensions will result in many more employers thinking, "Thank God! We can get off this longer-term liability that our predecessors committed us to." Far from extending funded pension coverage, the commission's proposals, if implemented as drafted in the report, could mean the end not merely of final salary schemes, but of defined contribution schemes. Many employers will think that the way for them to remain competitive is to opt into the new national pension saving scheme.

There is another danger that Turner holds: mis-selling. In his charming and non-controversial way, the Secretary of State warmly shook the neck of the Opposition and reminded them of their responsibilities in respect of previous mis-selling. What will be the charge against any Government who introduce the national pension saving scheme? It is being set up with Government approval, the contributory agency may well make the collections and presumably, the Government will make some warm noises about its being an ideal way to save. They are having difficulties with the ombudsman's report, for which we are waiting, because they produced merely a leaflet telling people that occupational pensions are a good thing, so imagine the rumpus that will occur if one of the proposed schemes does not perform as well as the other savings products to be provided under this particular pension hat. That is not an avenue to go down.

In my efforts to build a consensus with the Liberal Democrats—I have not yet done so with the Tories—I, along with Matthew Owen, a Liberal Democrat, proposed a national pension savings plan back in 1993. We looked at the real strength of the national savings movement in this country. If the Government wanted additional savings, why not capitalise on that route and set up a national pension savings plan? There would be one product and it would be clear what that was. There would be minimal charges because it would be index-linked—a tracker fund—with trustees elected by the members to make sure the Government did not get their sticky fingers on those funds, and it would not leave the Government open to mis-selling charges.

The third disadvantage of the provision that the Pensions Commission proposes is that it ignores the huge risk to individuals when they save through individual pots of savings in the private market. I thought that the hon. Member for Runnymede and Weybridge (Mr. Hammond) would continue his analysis of the dangers that companies were facing. We all know what those dangers are, but private individual savers are facing even more horrendous problems than are companies. To say that a well-managed private pension scheme will advise people to move at the right stage from equities into bonds ignores the fact that that advice might be given just when the equity market has collapsed, so the money being moved into bonds which will buy the annuity has been devalued. For all those reasons, there are huge dangers in going down the Pensions Commission route.

Finally, I do not think it will last. A serious reform that tries to raise the basic pension significantly for all our citizens and which is on a pay-as-you-go basis will not last the course. We tried that model before. A previous Secretary of State asked me why we opted for SERPS to be pay as you go and not funded. I said, "Secretary of State, we were against capitalism then." "Ah," he said. "That explains why we went down the pay-as-you-go route."

For all the faults inherent in a funded scheme, it gives us property rights in the capital of the country, but we need to share the risks attached to property owning as a means of providing pensions. When the Government Actuary has costed the proposals with which I am associated—the pension reform group proposals—I hope we will have an alternative that takes as a starting point the chance of a huge breakthrough in this debate, by uncoupling the question of how we deal with today's poor pensioners from the question of long-term reform. To a huge extent, pension credit has done that.

We can therefore think genuinely about the long-term, which must be a funded provision. That, combined with the state pension, offers us a minimum pension that does not merely take means-testing for old people down to 30 per cent., but abolishes it for practically all. We ought to grasp that opportunity. We ought not to be concerned with moving the furniture about in a way that does not deliver that important objective. I ask other speakers in the debate to say, if they have time in their 10 minutes, to what extent their proposals aim for a future that ensures that all those who are part of any new reform will draw a minimum pension free of means-testing.

9.18 pm

Mr. David Laws (Yeovil) (LD): This is a short debate on a big subject, although we have already had some good contributions, including the thoughtful one we have just heard from the right hon. Member for Birkenhead (Mr. Field). Given that we have only three

hours, it is tempting to suggest that we should have more of these debates over the next few months and more time available for contributions, but we have had much consultation on pensions and pension reform, not only over the past year, but since the Government came to power in 1997.

Many in the House and in the country are desperate to see some proposals from the Government that arrive on the promised time scale, so that we can get stuck into a meaningful debate knowing that there is a clear position on the part of the Government as a whole and that we will not be strung along for a long time before we get some half-baked, small-scale proposals that command the support of the various members of the Government.

I will make some relatively short comments on the broad aspects of the direction of pensions policy. I hope that, in time, the Government's own pensions policy will turn up so that everybody, including outside groups, can engage seriously in the debate.

I join the hon. Member for Runnymede and Weybridge (Mr. Hammond) in congratulating Lord Turner on his contribution to the debate in his excellent and well thought through report. Liberal Democrat Members strongly agree with some of his principal conclusions, including his view that the existing pension system

"is not fit for purpose looking forward",

that

"the current state system will deliver increasingly inadequate and unequal results"

and that

"significant future growth of means-testing would . . . undermine voluntary private pension saving by the very groups of people . . . most in danger of under-provision."

Lord Turner's report was a powerful indictment of the future direction of Government pension policy. It clearly shows that, in his view and in that of the other commissioners, a fairly significant change will be needed if we are to have a pension system that the country can rely on in the decades ahead.

I welcome the contributions that the Secretary of State for Work and Pensions made to the debate. They have been modest and hedged with various conditions, but on the whole what I hear from him is promising, as is what I hear from the Prime Minister. The Prime Minister was rather quiet when Lord Turner's report emerged and did not take any opportunities to get involved in the rather sharp-edged debate that was going on between Lord Turner, the Department for Work and Pensions and the Treasury. However, his speech to the CBI conference on 29 November will command broad support across the country. The Minister is no doubt aware of his comments, but I remind him of what he said:

"On any basis, we will need to spend more on retirement if there are more retired people".

That is an obvious statement that does not seem to have hit home in the Treasury as yet. He went on:

"We need a system that enshrines a decent basic state pension, funded by the tax-payer; that allows top-ups in a way that is easy to save; a retirement age that begins, over time, to reflect the changing demographic reality; and a proper balance between the obligations of the employer, the employee and the state. And, of course, any reform has to be affordable."

He also said:

"The basic construct of Turner is right; it addresses these requirements."

We very much agree with the broad thrust of those comments and with the broad thrust of Turner, although there is immense detail, particularly in the proposals on the basic state pension architecture, that people will want to debate further. Lord Turner has done a good job, the DWP has, cautiously, done a good job, and the Prime Minister has, very cautiously, done a good job.

It is tedious to have to go back to the issue that dominated Lord Turner's report—the battle between the Treasury and Lord Turner—but it is fair to say that the contributions of the Chancellor of the Exchequer and the Treasury to the pensions debate have not been very constructive. In particular, they have confused the issues of affordability, which any Treasury will be concerned about, and sustainability, which those who design the state pension system must be concerned about. At the moment, we have an affordable system that is not sustainable. Unless the Chancellor can hold both those concepts in his mind at the same time, we will have a problem. It is significant that, after Lord Turner's report was published, he had to publish a document rebutting Treasury allegations about his figures entitled, "Sanity in Figures". When *The Daily Telegraph* asked him in an interview on 3 December whether it followed that he believed that some of the briefing by the so-called Brownites was insane, he replied:

"Yes . . . The Treasury has a legitimate role in looking at the cost implications . . . but we have to have a sensible debate about the figures."

He is right.

We must hold a sensible debate about the point that the Prime Minister made gently in his speech to the CBI conference when he mentioned that our pensioner population will increase by approximately 50 per cent. in the next three or four decades. Yet the Government forecast that the amount of gross domestic product that goes into the state pension architecture will remain roughly stable. As the Pensions Commission has pointed out for months, that can only mean pensioners becoming significantly poorer compared with the rest of the population.

It is unrealistic to believe that any party, let alone the Labour party, would allow pensioners at the bottom of the pile to fall behind the rest of the population by ceasing to link means-tested benefits to average earnings and reverting to prices. No Labour Member seriously believes that any Government would entertain that option for long.

We are left with several key issues. We must consider what to do with the basic state pension architecture. Our view is similar to that of the Prime Minister and Lord Turner: there should be a much better and simpler basic state pension. There is a big debate to be held about its nature, how women are dealt with, whether it is a citizens pension and whether the contributory principle will be respected. However, the basic principle is a much simpler state pension that everybody can understand and that lifts people out of poverty. The Government's

[Mr. David Laws]

job is to fund that properly to ensure that people can rely on it. We need as much consensus as possible across the political spectrum so that it lasts.

Mr. Frank Field: I am pleased that the hon. Gentleman says that lifting people out of poverty should be our goal. Given the generosity of pension credit, there is a huge hurdle to surmount if one is considering only a tax-financed retirement pension. Is he committing the Liberal Democrats to only a tax-financed basic state pension or is he considering both tax and funded provision?

Mr. Laws: I am talking about a tax-financed basic state pension. The right hon. Gentleman is experienced enough in the subject to know that there are several different methods of delivering that. Some try to tackle the issues that the Secretary of State mentioned earlier, including fairness, given the limited resources.

A better funded basic state pension or citizens pension requires better methods of funding it. We must not only consider the transition from our current position to where we want to be but seek savings elsewhere in our pension system and in public expenditure. That is why the amount of money that goes into public sector pensions is so crucial. The Government imply that we cannot possibly put more money into the current basic state pension architecture because that is unaffordable. Yet the cost of public sector pensions has increased and is projected to rise by 50 per cent. as a share of GDP in the next few decades.

If it is impossible to find the money for the basic state pension architecture, it is odd that the Government are allowing the cost of public sector pensions to increase so rapidly. As the right hon. Member for Birkenhead knows, the controversial proposals that have recently been agreed between the public sector unions and the Government make a small contribution to reducing the cost in the next few decades. We believe that any Government will eventually need a version of the Turner report that must tackle public sector pension reform. We appreciate that that is controversial but fundamental reform is unthinkable without objective analysis.

As Lord Turner hinted heavily in his report, although he was not allowed to examine the issue in detail, the current level of pension right accrual is deficient in total and increasingly unequal. His main target was clear.

John Penrose (Weston-super-Mare) (Con): Does the hon. Gentleman agree that there is something unexpected about the Government's apparent commitment to final salary schemes in the public sector, given that Lord Turner has said that the people who end up on high final salaries—typically the few most senior people in a final salary scheme—will have paid the smallest percentage of their lifetime earnings to achieve their final pension payment? That does not seem entirely fair and I am surprised that more Labour Members have not picked that up.

Mr. Laws: I agree with the hon. Gentleman. The Government have obviously tried to address that to some extent by looking at career averaging. However, in some public sector schemes—not all, in fairness; the local government scheme is clearly not comparable with some of the others—the effective contribution rates, which after all involve the taxpayer, are many multiples of what we see in defined contribution schemes, and even double some of the defined benefit schemes in the private sector. I would have thought that many people, even in the public sector, understood that unfairness. Of course they want to see decent pensions in the public sector, but they understand that we cannot rely solely on the taxpayer to pick up the bill. People in the public sector, including Members of Parliament, might have to decide whether they want to receive a less generous pension or to make larger contributions to their pension to ensure that it can be delivered.

Mr. Jim McGovern (Dundee, West) (Lab): Does the hon. Gentleman agree that pensions, particularly occupational pensions, are in effect deferred wages, and that any proposed changes to pension schemes should be introduced only after negotiation with the appropriate trade unions and with the full agreement of the scheme's members?

Mr. Laws: I agree with the hon. Gentleman that there are major issues involved and that remuneration needs to be looked at as a package. Often, however, the better pension benefits in the public sector do not look as though they are simply compensating for lower pay, although that seems to be what most economic evidence suggests today. Of course the hon. Gentleman is right to say that there should be negotiation on these matters.

Whenever I have discussed these issues with people in my constituency who work in the public sector, I have found that they are far more grown up than we assume. They understand that there are no blank cheques to be signed in this regard. Many of them, including people in the local government scheme, have suggested that they should be paying higher employee contributions. They ask why employee contributions have not risen over time, even though people are living longer. One of the mistakes that we make in politics is to treat people as though they are children who cannot understand these basic issues, but most people understand that there is no such thing as a free lunch, and that Governments of all parties have to grapple with these difficult issues.

Another issue that needs to be looked at if we are to afford a better basic state pension architecture is the state pension age. The Government appear to have made a significant change in their policy in this area; I think I heard the Secretary of State say today that he thought an increase in the state pension age was inevitable. That is quite a striking change in Government policy from that of the Secretary of State's predecessor but one, the right hon. Member for Oxford, East (Mr. Smith)—

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): Predecessor but two.

Mr. Laws: I am most grateful to the Minister for updating me; it is difficult to keep up. I hope that I have not missed anything new today.

The right hon. Member for Oxford, East had previously put it clearly on record that the Government opposed any increase in the state pension age. Some of

the concerns about that came from the Treasury. I do not know whether, when the Secretary of State spoke today about the increase in the state pension age being inevitable, he was speaking on behalf of the Government with the support of the Treasury, or whether he was simply speaking on his own behalf.

The right hon. Member for Birkenhead spent some time talking about the difficult issue of what any additional pension should be, if one were available in addition to the basic state pension or citizens pension. It is clear that no one would want simply to rely on a basic state pension in future, even if it were considerably higher and better than the state pension that people rely on today. We are still talking about a pension that would seek to protect people from poverty rather than to give them a life of luxury in retirement. We want most people not only to have access to the state pension but to have a second pension into which they put savings and to which their employer contributes. It would be right, particularly if we are to address the unfairnesses of the public sector scheme, to ensure that employees, employers and the state contribute to those second-tier pensions, although clearly that highlights particular issues for small businesses and others to which the Government will have to be sensitive. A partnership between those three seems to me to be sensible and the only way to get enough money in the pension pots of workers on low incomes to make a real difference.

There are some massive issues here, which the right hon. Member for Birkenhead highlighted very clearly. He was concerned about the impact on defined benefit schemes. Frankly, my view is that defined benefit schemes, in the private sector at least, seem to be on the way out anyway because of the economics of such schemes. How will we manage the risk transfers involved? We are talking, potentially, about an enormous transfer of risk from the Government—as we have seen many times, there is a risk in relying on them—and from employers, who have not been able to handle this risk recently, towards individuals, many of whom are completely unprepared to handle risk of this type. Indeed, I dare say that most people are completely unprepared to handle it.

I do not see many alternatives to transferring those risks to individuals and I think we will end up going in that direction whoever is in government, but I am under no illusion about people's preparedness to take on that responsibility. An enormous extension of financial literacy, starting from school, and of financial advice to people on low incomes is required. As the right hon. Gentleman correctly said, careful thought from the Government on maximising choice for those who want to be able to choose their second pension and structure it in a way that they, rather than the Government, think desirable is also required.

Careful consideration is required to deal with the issue that the right hon. Gentleman raised about risk and not ending up with people thinking that they have two Government-guaranteed pensions. The ingenious scheme proposed by Lord Turner must not be considered a Government-guaranteed second pension, because it is not that. No future Government could provide such a guarantee.

Those are the major challenges that the Government have to address on pensions policy. I genuinely hope that we can find a consensus across parties that lasts rather longer than consensuses have in the past. The experience of the 1970s is not encouraging in looking at the period for which a consensus can be held together. This is a big challenge for the Government, as is seeking consensus internally first. I look forward to the time—in the promised couple of months I hope, although such periods tend to expand, as we see with the Child Support Agency—when we have the opportunity to hear the Government's proposals and to know that they are agreed across the Government. Then we can engage in a serious debate, knowing that something will come out of it.

9.37 pm

Mr. Terry Rooney (Bradford, North) (Lab): We on the Select Committee had the pleasure of the company of Lord Turner and John Hills at our hearing on 14 December. I want to give a word of warning to any Members who intend to invite Lord Turner to a meeting: they will find a man who is sincere, passionate and knowledgeable—he can recite reams of his report without notes—but extremely loquacious. If the meeting is for one hour, allow two.

The key thing with Turner is that the analysis is superb, but the problems come with the solutions he offers. I do not think I am breaking any secrets when I say that I chaired a parliamentary Labour party meeting about a month ago where 31 people were present and 28 different solutions were on offer. That is the situation we are going to be in.

There is such a wide range of ways out in terms of how Turner analyses things and I am intrigued, but also concerned, by the use of the word "consensus". Who are we aiming to get consensus with and between? Is it with and between men and women, because that has never been there before? Is it between young and old? Is it between contributors and beneficiaries? Is it between the public and private sectors? Is it between professionals and manual workers? Let us not forget that if we move at some time to a retirement age of 69, a less than academically gifted child who leaves school at 16 will have to work for 53 years. A professional person, however, will have a working life of around 40 years. That is a huge difference in terms of retirement age.

Consensus between the various parties in the House is the most dangerous consensus of all. In 1975, we had that consensus across all parties in the House including the Scottish National party, and it lasted five years. With the best will in the world towards Opposition Members, it is an absolute betrayal to pretend that they agree with something and will stand by it should there be a change of Government. That is a pretence and a sham. The consensus needs to be among the public, consumers and those most affected by the issue, not between the Government and Opposition Benches.

There is no doubt that there is a crisis of confidence among consumers about the pensions and savings industry. Often, that crisis of confidence is used by individuals to justify not doing something that they had no intention of doing in the first place. We must recognise, however, that there have been successive broken promises, mainly by Governments but also by

[Mr. Terry Rooney]

financial institutions—changes to the state earnings-related pension scheme, pensions mis-selling, low-cost endowment policies—

Mr. Philip Hammond: £5 billion.

Mr. Rooney: There was £13 billion lost in pensions mis-selling. The hon. Gentleman should just grow up.

Mr. Hammond: Will the hon. Gentleman give way?

Mr. Rooney: No.

That lack of confidence is reinforced daily by various financial scandals in all sorts of spheres, not necessarily involving pensions and savings. Every time that someone sees a financial scandal, whether it is credit cards being ripped off on the internet or whatever, that loss of confidence is reinforced. Any measure brought forward by Government—this is where I take great exception to what the hon. Member for Yeovil (Mr. Laws) said—must therefore carry some form of Government-backed guarantee to people that any scheme that they enter into will not take away their money, and that they will not find out at 59 or 64 that the pension that they thought they had saved for has disappeared. Should we finish up with a model along the lines of the national pension savings scheme, it needs to be managed by a body such as National Savings and Investments, which has credibility and is semi-autonomous but has the backing of Government.

We can contract out investment management. I have been heavily lobbied, as, I am sure, many other Members have been, by the Association of British Insurers, the National Association of Pension Funds and others who are just vested interests scared stiff that if NPSS or anything similar comes about, they will lose business. They have little concern for the individual and the consumer, and are much more concerned about what is happening to their business. Within the benchmarks and costings, however, they can bid against anyone else for the investment management programme.

We need to be honest with people, and I suspect that the only source of such cost-free advice is Government. We need to be honest with people in different income bands about what is definitely right for them, and what is definitely wrong for them.

Mr. Nigel Waterson (Eastbourne) (Con): Has the Chairman of the Work and Pensions Committee given any thought to what consumer protection and regulatory framework should apply to NPSS if it is set up in that sort of form?

Mr. Rooney: That is the voice of the independent financial adviser, which I have heard many times in the past few days.

Mr. Waterson: What did he say?

Mr. Rooney: The hon. Gentleman should let me finish. He has not been listening.

Such advice would be along the lines of what is definitely in and definitely out for people in different income bands. For instance, anybody on less than about £13,000 should be in the state second pension and nothing else. People on more than £30,000 to £35,000 will always take care of themselves. My hon. Friend the Member for Luton, North (Kelvin Hopkins) referred earlier to the 55 per cent. of tax relief that goes to 10 per cent. of earners. People in that income band are mad not to invest in pensions.

The big gaps are between those who are below the lower earnings limit—largely women—who are excluded, the self-employed, and those whose annual incomes are between £13,000 and £30,000. They are the people who have opted out. Ironically, they have reached the conclusion—by whatever convoluted means—that they need not be involved in the pensions system. That is silly. It is stupid and irrational. But would those people take any notice of a financial adviser who would charge them anything between £150 and £600? Under the current system, pensions are not bought; they are sold. No one wakes up in the morning and says "I will buy a pension today." Pensions are sold, through a friend, a contact or an advertisement. It is usually an accident, in that no one decides to buy a pension.

I hope that my colleagues in the Government will forgive me for saying that if the Government can give advice on animal welfare and how to look after cats, on how to wear slippers and on how to be safe going in and out of the shower, they can surely give some responsible advice on pension products.

I do not think we can ignore the fact that owing to changes made last year following the Pensions Act 2004 and the Finance Act 2005, we are giving higher-paid earners up to £600,000 in tax relief. That can never be part of the mantra "The many, not the few". The issue will keep coming back, as will the issue of contracted-out rebates, which time prevents me from exploring. Those are big issues, which the Government will have to address. We will certainly examine them during our Select Committee inquiry this summer.

9.46 pm

Mr. Quentin Davies (Grantham and Stamford) (Con): In the new mode or fashion, my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond)—who made an excellent and extremely well-informed speech—was very emollient and kind to the Government. I think I have a reputation in this place for calling a spade a spade, and I will live up to that. People must be reminded—and I reminded my constituents at the last election, although I may have been the only Conservative to do so—that since 1997 the Government have presided over nothing less than a dramatic and systemic pensions disaster.

In 1997 we had the strongest pensions system in western Europe, together with The Netherlands, and one of the strongest and soundest in the world.

Kelvin Hopkins: Will the hon. Gentleman give way?

Mr. Davies: I cannot, because of the time constraint. I hope that the hon. Gentleman will forgive me.

What has happened to the system since then? A third of the defined-benefit schemes that were operating in 1997 have closed altogether, and another third have

closed to all new entrants. The same is true throughout the voluntary pensions sector. Let me quote from page 2 of the Turner report, no less. It states that

"voluntary private pension provision is not growing: rather it is in serious and probably irreversible decline".

That is a terrible indictment of a Government who should have regarded the maintenance, indeed *strengthening*, of our pensions system as an elementary, fundamental responsibility when they came to power.

Far from being prudent, as he likes to say that he is, the Chancellor has behaved with reckless irresponsibility. In 1997, the stock market was doing very well. The Chancellor thought "Fine: the stock market will go on for ever doing so well that it will be able to absorb not just the costs of increasing longevity—the actuarial costs that will be borne by these schemes—but another £5 billion a year in gratuitous tax." Of course, he was completely wrong.

The Government have compounded that with further mistakes. My hon. Friend the Member for Runnymede and Weybridge mentioned the regulatory regime, and the perversity of forcing pension funds to move from equities to gilts—

Kelvin Hopkins: Will the hon. Gentleman give way?

Mr. Davies: I really cannot. It is not my fault that we are subject to these time restrictions.

It is perverse to force pensions funds to move from equities to gilts. The only way that one can have a decent return on a pension fund, which is by definition a long-term investment, is by being substantially in equities.

The Government's attempts to do something about that have been completely mishandled and misconceived. As I predicted when I was pensions spokesman for my party in the 1997 Parliament, the stakeholder pension did not work because it was running against the enormous weight of the extension of means-testing. That meant that, for people on modest incomes, it made no sense to go into a voluntary pension scheme. That is the fatal flaw in so many of the Government's calculations and so much of what they have been saying tonight, although it is no doubt well-intentioned. It will not work in those circumstances.

Edward Miliband (Doncaster, North) (Lab): Will the hon. Gentleman give way?

Mr. Davies: Of course not.

I calculated when I was pensions spokesman that, if one saved £100,000 a year in one's pension fund, one would gain no benefit at all. The result would be an annuity of about £4,000 a year, about the amount that one would lose in means-tested benefits such as the minimum income guarantee system, including housing benefit and council tax relief.

Those amounts have greatly increased. One probably has to save £150,000 a year before one even starts to make a return. That means that, if one saves £300,000 a year, one will get half the market return—half what one should expect for the sacrifice of consumption and for the risk. If one saves £500,000 or more, it is worth it but, by definition, that can interest only a small minority of our population. That is a fatal flaw that is not recognised in Turner. That is why I want to emphasise the point this evening.

What is the solution? Again, we have too little time to get into the subject, but let me set out four points that will be essential in any solution. First, we must maintain the contributory principle. The Government's emphasis on responsibility means nothing if we get rid of the *contributory principle*. That is why I strongly disagree with Turner on such matters as making the state retirement pension residential by qualification, rather than contributory.

Several hon. Members *rose*—

Mr. Davies: Secondly, most importantly, we must reduce means-testing in our social security system. The indexation must be reversed. It is economically perverse and an insult to—

David Taylor: On a point of order, Mr. Speaker.

Mr. Speaker: I am wondering whether it is really a point of order but I will allow the hon. Gentleman to proceed.

David Taylor: Can you advise whether, in this debate, as in most such debates, one-minute injury time is allowed for an hon. Member to accept an intervention?

Mr. Speaker: That is not a point of order. We well know the rules of the House, but the main thing is that the hon. Member for Grantham and Stamford (Mr. Davies) has a right to refuse to give way. That is his privilege.

Mr. Davies: As you know, Mr. Speaker, I like to give way when I can but the answer to questions on a complicated matter such as pensions can take longer than the extra time that is available. I have now lost about 25 seconds, of course, so well done to the hon. Member for North-West Leicestershire (David Taylor).

Mr. Speaker: I will give the hon. Gentleman injury time.

Mr. Davies: Bless you, Mr. Speaker.

Means-testing must be reduced and indexation must be reversed. It is both perverse economically and insulting to those who save to say that a less favourable regime will be applied to savings when one is working and contributing to a pension than when one has a means-tested, non-contributory pension. In my view, one cannot do anything about a second pension going above the basic state retirement pension until the contributory pension, if one is entitled to the maximum pension, is higher than the means-tested tax credit, pension credit or whatever one wants to call it. Only from that point on would it not be mis-selling to force people into a second-tier pension.

Thirdly, on that basis, we should go for compulsion. It is reasonable to do so. It is actually essential because there are enormous external costs in not having universal saving; people tend to fall back on the state unduly. That must be covered. There are also enormous

[Mr. Davies]

internal costs in any pension scheme if it has to be distributed and sold. If we have compulsion, we will get rid of the major cost element in the pension industry: the cost of marketing, distribution and administration, which is very great if there is a voluntary system. I do not believe that the funds should be in the hands of the state. I believe that they should be in the private sector.

The best model that I have come across is the Australian superannuation scheme. That scheme introduced compulsory contributions by both employers and employees very gradually, and we should adopt the same approach. The process in Australia took about 15 years, and no single increase in contribution amounted to more than 1 or 2 per cent. of salary, for either the employer or the employee.

If employers are told that they have to set aside 1 per cent. of their wage bill for contributions in one year, with the same amount to be so allocated in the following year or the year after, they can often take that amount out of the increases in wages or salaries that they would grant in that period. In that way, compulsory contributions can be phased in without creating problems.

The Government and the Turner commission are alive to the fact that problems must not be created for employers, especially for those with small businesses. Such problems can drive people out of business or so raise the cost of labour that demand for it is reduced and unnecessary unemployment is created. The Australians have shown how that circle can be squared to a remarkable degree. Turner has in mind a scheme that would yield about 15 per cent. of beneficiaries' salaries by way of a second pension, but I think that we should be much more ambitious.

I have set out my four basic approaches, but there are more than 600 Members of this House and I accept that there will be at least 500 pet schemes to solve the problem. That is why I reiterate my earlier appeal for another opportunity to debate this matter. Moreover, the subject of pensions deserves a full-day debate. We should not require it to be shared with another big issue of the day, even one as dramatic and exciting as the one on which we spent so much time this afternoon.

9.56 pm

Mr. Jim Cunningham (Coventry, South) (Lab): I was interested to hear the previous speaker, the hon. Member for Grantham and Stamford (Mr. Davies), say that he wanted to break the consensus evident in the Chamber in this debate. That was in direct conflict with the comments of the Opposition spokesman, the hon. Member for Runnymede and Weybridge (Mr. Hammond).

One of the problems with Turner is the way in which pension schemes will be funded. If compulsion is chosen, what happens if someone loses their job? We have been here before. The Crossman proposals of 1969 or 1970 introduced expanded social services in this country, and proposed the introduction of SERPS. Conservative Governments since then have always wanted to move away from the SERPS system.

As I have told the House before, I used to work at Rolls-Royce. The previous Conservative Government encouraged people to opt out of SERPS and go into private pension schemes. That caused all sorts of problems. People would have what used to be called "pension holidays", when money that should have gone into their pension scheme did not do so. Moreover, it is important to remember that many occupational pension schemes formed part of the wage deals agreed by millions of people, some of whom have retired and some of whom are still in employment.

For example, people might have put in for a wage increase of 5 per cent. and settled for 3 per cent. The difference of 2 per cent. was either put into the pension or took the form of additional holidays. Many people enjoyed the benefit of that, but sadly the practice has disappeared over the past 20 years or so, mainly due to the activities of the previous Conservative Government.

David Taylor: My hon. Friend makes it clear that pensions are often part of an overall wage deal. Does he agree that that is especially true in the public sector? A substantial number of people with public sector pensions earn wages that are significantly below average, in the expectation that they will be compensated by a reasonable pension at the end of their working lives. Does my hon. Friend know why the Opposition attack that approach?

Mr. Cunningham: I was about to elaborate on that very point. The public sector includes the civil service, and the Government have been attacked for the deal that they made in that regard. However, we do not know how local government pension schemes will be funded, and that is a major problem.

I am conscious of the terms of reference for this debate, and do not want to digress too far, but in Coventry the problem of equal status has been around for seven or eight years and still has not been settled. Local authorities will be confronted by both issues—pensions and equal status—but they will receive no assistance to deal with them.

Only 17 per cent. of women have an occupational pension or a SERPS pension. Many of them have brought up a family and found, for a variety of reasons—in some cases, their husband has died—that they are not entitled to a pension. That is one of the reasons for pensioner poverty and why I welcome the fact that one of the first things that this Government did was to tackle that. It would have been criminal to leave those 3 million pensioners in the state that they were left in by the previous Government.

Edward Miliband: Does my hon. Friend agree that there has been insufficient recognition in this debate so far—certainly by Opposition Members—of the significant gains that have been made in terms of pensioner poverty? If we followed the advice of the hon. Member for Grantham and Stamford (Mr. Davies) and reversed indexation, we would put all those pensioners back into poverty, which would be an absolute scandal.

Mr. Cunningham: That occurred to me, too. Some people have been unpaid carers for people with disabilities or serious illness, and they lose out on pension rights. We also have the scandal of Federal-Mogul. Many people in Coventry—and some in Derbyshire—worked for that company but they cannot

get their occupational pensions because the money is trapped in the American courts. When that is sorted out, the issue has to come back to the British courts, because Federal-Mogul has gone into liquidation. What should we say to those people when we ask them to contribute to private pension schemes?

I am a little old-fashioned, but I believe in a decent state pension. After we have got that, we can debate whether it should be linked to earnings or something else. It is not easy to achieve and will probably take some time, but it is one of the problems that we will have in implementing Turner.

Other hon. Members have mentioned the mis-selling of pensions. Opposition Members have poured scorn on the pension protection scheme, but at least this Government had the courage to set it up. We should ensure that there is less bureaucracy in the scheme and that the figures are accurate. The scheme also needs to be talked up.

The Opposition strategy is obvious—they are blaming everything on the Chancellor because they know that the Prime Minister is standing down. However, the Opposition spokesman made a good point when he said that pension funds are also invested. They are invested in various schemes, in this country and throughout the world. If there is an economic downturn, as there is in the rest of the world, pension schemes will suffer. We have to be careful that we are not in a Catch-22 situation.

This issue has been around for some 47 years now. We have had many debates and I look forward to many more, especially on Turner. We will see whether the Chancellor is right—it has not yet been proved that he put the blockers on Turner. A wise man would advise waiting until we decide which of Turner's recommendations we will pick. It is natural for the Chancellor to say that we will make an announcement on how we will implement the scheme at the appropriate time. The Opposition speculate about what he will say, but they do not know. As I said earlier, their attacks on the Chancellor are purely political in an attempt to discredit him. We have all read the insulting remarks that the Opposition have made about the Chancellor. However, if they want any consensus on the issue, they will have to bite the bullet as much as anybody else.

There are many issues involved in pensions, including how to fund care for people as they get older. Some pensioners have to delve into their savings to pay for that. I remember when funeral benefits were withdrawn. We have to address a range of matters, not only pensions. We must stop paying lip service and merely saying how much we value our pensioners; we must do something about a decent pension and decent care in old age.

10.5 pm

Peter Viggers (Gosport) (Con): Like my hon. Friend the Member for Grantham and Stamford (Mr. Davies), I did not approach the debate in a particularly consensual mood. I have a declared interest in relation to the pensions industry. Although the pension fund of which I am chairman is well funded and robust, it brings me into contact with a wide range of people in the pensions field, so I know of the distress and difficulty caused to them and to the employees of their companies by the difficulty in which the industry has been put.

Currently, a large number of people can live with some dignity in retirement—the high proportion of people who retired on final salary pensions. However, I do not share the sturdy optimism that seems to permeate the Turner report and I fear for the future pensions of people in their 30s and 40s. The situation will deteriorate, and badly.

Why? I have heard some people simplistically blame the Chancellor of the Exchequer for the impost of £5 billion a year on the pensions industry in 1997, but that does not put things into the correct context. The causes of this massive crisis—the shortfall of funding in the pensions industry—are more varied. The Association of Consulting Actuaries has estimated the deficit at £130 billion. That is a massive deficit and it is difficult to see how it can be overcome. Its first cause is longevity.

For continuous mortality investigation—CMI—actuaries normally use the mortality tables of the 92 series, which means that they are basing mortality estimates on the period from 1991 to 1994. They will not be using the 00 series, which covers 1999 to 2002, until much later; indeed, that series will not even be published until the late spring of 2006. The difference in projecting tables forward is dramatic. Forward projections using the 92 tables, making the assumptions on which the 00 tables are based—even those are not fully up to date—would be that a 60-year-old man in 2006 would live to between 85 and three quarters and 92 and three quarters, with a central assumption of 88 and three quarter years. That is one and a quarter to eight and a quarter years more than the previous central assumption of four and three quarter years. In case anyone writes to me after the debate saying that the sums do not add up, I point out that they are actuarial figures not arithmetical ones. The numbers are dramatic and they throw out of gear most of the previous calculations.

The second cause of the shortfall was stock exchange weakness, which has led to a rush into gilts. The gilts yield has gone down, thereby increasing the problem of covering projected pension costs, because of asset liability modelling.

Thirdly, FRS 17 accounting standards have caused companies to include pensions in their general accounts. Fourthly, the ACA says that the increasing regulation and cost of pension fund administration causes a considerable burden. Fifthly, there is the unreality of final salary schemes—defined benefits—and unsustainable benefits. To a certain extent, we all lived in a fool's paradise in the 1980s and 1990s, failing to realise that the aspirations of those who were due to retire could not be sustained.

Finally, there is the Chancellor of the Exchequer, who in 1997 failed to see the weakness of the pensions industry and kicked the patient downstairs. A range of measures were taken in the 1997, of which the then Financial Secretary said,

"this should benefit all investors—including pension funds".—[*Official Report*, 7 November 2002; Vol. 392, c. 766W.]

In fact, the Chancellor of the Exchequer imposed a £3 billion charge on pension funds and actuaries took account of that; they factored it in and adjusted their figures accordingly, so £3 billion a year has been taken out of the pensions industry since 1997, which has caused this massive crisis.

[Peter Viggers]

What are the problems to be faced? First, my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond), who spoke from the Front Bench, made the fair point that the Chancellor of the Exchequer must accept that the solution to the pensions crisis will cost public funds a great deal of money. When I first became involved in the pensions industry, I used to take a factor of 18 to multiply the amount that would be needed to generate a pension—so to generate a pension of £10,000 a year, for instance, one would need a fund of £180,000. Now I take a factor of 24 to 26. It would take £240,000 to £260,000 to generate a pension of £10,000 a year. There is no such thing as a cheap pension.

Secondly, I agree with my hon Friend the Member for Grantham and Stamford (Mr. Davies) in saying that, having considered the matter carefully, there is no alternative to compulsion. I cannot understand how we can succeed in persuading enough people to go in for the amount of pension that is needed without compulsion. That leads me to the third point: incentives or means-testing.

A couple of days ago, we who serve on the Treasury Committee had before us witnesses who gave evidence about the corrosive effect of means-testing. We were told that means-testing does not really have much effect on savings, because the people involved in means-testing would not bother to save anyway. In fact, means-testing has a corrosive effect, and we cannot continue with the present rate of means-testing. The percentage of pensioners on means-testing is now rising well above 50 per cent. and approaching 60 per cent. That is totally unsustainable. We must therefore have incentives.

The next point is defined benefits, and I accept with reluctance that defined benefits are now dated. It is most unusual for someone to start with a firm and stay with that employer—unless it is the public sector—for two or three decades. I therefore accept that defined contributions are the logical way ahead, but it is also a fact that employers have tended to put 12 to 15 per cent. of employees' wages into defined benefit schemes, whereas the amount going into defined contributions schemes will be much lower—6 to 7 per cent. or thereabouts and sometimes as low as 4 per cent.

The fifth point that we must face is the private-public gap. It is natural for those in the public sector to wish to hold on to their pension advantages and their great advantage of having the benefit of early retirement. Ministers have made much of the fact that the public sector will save £13 billion from adjustments to the age of retirement; but, in fact, that is a £13 billion adjustment between people who are fortunate enough to be on the escalator of earlier retirement and those who are unfortunate enough to come in later. That is most unfair.

My sixth point is the Pension Protection Fund. I recently attended a meeting with the regulator, David Norgrove, who was very charming, competent and capable—I wish him well—but the massive burden that the PPF will impose on business has been widely misunderstood and underestimated. It will be a major problem, and the classification of companies, which will cause some to pay many times more than others, will cause immense disadvantages and difficulties. It will drag down bad companies and, finally, it will drag down good companies. I fear that, in the medium term, the PPF will impose a burden on private sector companies that is simply not understood at the moment.

In summary, I accept the main thrust of the Turner commission. First, I agree that there should be a new earnings-related provision—it should be private—and I would not rule out the national pensions savings system. I suspect that such a system might well change its spots and evolve into something very different with time, so it deserves study. Secondly, the state pension must be reformed, with a consequent reduction in means-testing. Thirdly, everyone, including the Chancellor of the Exchequer, must accept that public expenditure on pensions will need to rise. Fourthly, the pension age must be addressed and, I think, raised. We need to face up to our problems. We need to be frank and open about the numbers and the problems, and I submit that Ministers have not always done so. We must encourage informed debate. That is the democratic way.

10.14 pm

Vera Baird (Redcar) (Lab): The Government have recognised, in a way that the previous Government simply did not, that women suffer from serious pension inequality. I fear that nothing has changed because the hon. Member for Runnymede and Weybridge (Mr. Hammond), who opened the debate for the official Opposition, made not one single proposal for the 51 per cent. of pensioners who are women. Indeed, the only time the word "woman" crossed his lips was when he suggested that we should all profit from the fact that from 2020 women will work until they are 65. Women will not have missed the significance of that.

Much praise has been lavished on Lord Turner, which I share, but I want to mention another member of the commission, Jeannie Drake. She played a key role in ensuring that women's difficulties with pensions were analysed with the intellectual rigour for which she is well known.

Only 17 per cent. of women pensioners receive the full basic state pension of £84. The average woman receives £50, but that statistic hides the many women who have given a lifetime of service, such as Jennifer, who is my worker in Redcar. Jennifer was in full-time nursing and then cared full-time for two children, who are now highly productive citizens who have been nurtured exactly as we would want. She was then in part-time nursing and now she works part-time for me. For her lifetime of service, she has a basic state pension forecast of 28p a week—index link that. No wonder the previous Secretary of State but one—I hope that I have got the numbers right—called the situation a national disgrace.

If the basic state pension is a platform on which to build with one's savings, a lot of women are starting with something that is better characterised as a dark hole. That happens because the Beveridge system, which is in its dotage, or at least in serious need of multiple limb replacement, gives credit only for full-time paid work. Attempts to help women and carers have worked in only a half-baked way. Home responsibilities protection gives a sort of credit for every year that a mother is out of work and child rearing, but if she works for one week and earns more than the lower earnings limits so that she pays one national insurance

contribution, she loses the whole credit and thus gets one contribution instead of the 52 that would be received under HRP. Two part-time job wages cannot be added up to bring a woman into the lower earnings limit so that she can make a contribution. If one wage is below the LEL, she can receive no credit. Many women in my constituency work as dinner ladies at lunchtimes and in convenience stores at night. Although they might work for 40 hours or more a week and look after kids as well, they get not a single credit towards their pensions.

Carers who look after people who are ill or old get a credit towards their pensions only if they serve someone who is getting disability living allowance for 35 hours or more a week. If they care part-time for up to 34 hours a week, they get no credit at all, irrespective of the damage that that does to their ability to work. Those situations show why the position of many women is so poor.

Women represent most pensioners, so let us face it for once that we must look at women first as a priority because if we get the situation right for them, we can get it right for everyone else. Labour market changes mean that 85 per cent. of women are likely to qualify for a full basic state pension by 2030. That figure is insufficient in itself and it hides many people such as Jennifer who do not want to work full-time because they want to concentrate on their children. Those people will never be ersatz Beveridge males in the form of modern females, so changes to the labour market will not put the problem right.

There is no doubt whatsoever that Opposition Members criticise means tests because they fundamentally do not know about poverty. They do not understand how many people in my constituency are now living an acceptable life, but did not do so in their pensionable years before the pension credit came into play. Of course the basic state pension is the important platform and it must be elevated, but I am worried that although the Conservatives say that they would make the basic state pension better by index linking it, they would do so by uncoupling the pension credit from index linking. That would lead to women watching a basic state pension that they did not receive going up while the pension credit on which they were dependent was going down because it would be linked only to prices. They would thus go back into poverty.

The Government now appreciate these problems and I am pretty satisfied that they are working hard to try to reconfigure the partial credits and the pension system so that more women and carers can be brought on to the basic state pension. That would mean that their caring was put on a par with working, which would be the right modern model. By making those adjustments, the Government will probably bring 95 per cent. of people into the basic state pension. My right hon. Friend the Secretary of State raised the question of affordability. The remaining 5 per cent. who will fall through the cracks of the improved credits will probably be poor, and will have be supported by the pension credit in any event. Does it make sense to undertake an elaborate reconfiguration of complex credits, or is it better to bring everyone into the basic state pension on the basis of residence? We would not sacrifice the contributory principle, as the hon. Member for Grantham and Stamford (Mr. Davies) suggested. I agree that people should get something for something—and not something for nothing—even if that is a matter of perception rather than reality. The contributory principle can continue in connection with the second tier of the basic state pension—the S2P. However it is configured, it can play a part in such an arrangement.

Turner's realisation that the pension should be paid to individual men and women is overdue. I want the rewards of my caring, my working or my residency to be paid to me. I do not want one pension to be paid to my husband, along with a 60 per cent. pension that is my entitlement as a dependant. That is an outdated model of womanhood that no one wants and which works only for the diminishing numbers of married people. As a woman, I pay a full national insurance credit, and I receive a full basic state pension. A married man pays national insurance credit, just like me, but he receives 1.6 pensions, which is a double inequity for women. In addition, increasing numbers of unmarried women receive only the poor basic state pensions that I have set out.

I applaud Turner's attempt to bridge the gap and help the poor make up for past poverty with his suggestion that we institute a universal basic state pension for everyone over 75. That excellent proposal will make up for past failures to some extent, but women will still suffer. If the Turner model is introduced in the two ways that I have set out, women who are halfway through their career would not receive credits for their past caring and part-time work. In future, they would be credited on residential grounds, but they would receive only half a pension because they would not be credited for their caring under the current rules. If those parts of the Turner report are implemented, it will be necessary to attend to those middle-aged women or a large number of female votes will be lost.

This is a short debate, and mine is a small contribution. If there were more time I would talk about the need for an enhanced state contribution to the excellent and redistributive S2P. If we get basic state pension credits right, and if the criteria become residential, women who are carers will, almost by definition, be low-paid and less able to save, whatever improvements we make. They need more help from the tax system if they are to be able to save on top of their basic state pension. They need the help from the tax system which top earners receive but simply do not need. That, however, is a debate for another day. Women's state pension position is the last bastion of institutionalised sex discrimination in this country, and I hope that the White Paper will announce that it will change very soon.

10.23 pm

Mr. Christopher Fraser (South-West Norfolk) (Con): I offer the House an opinion:

> "When Labour came to power we had one of the strongest pension provisions in Europe . . . and now we have some of the weakest."

That is not my view, but the view of the former welfare reform Minister, the right hon. Member for Birkenhead (Mr. Field). A major cause of the crisis is the Government's decision in 1997 to remove the right of pension funds to reclaim dividend tax on the equities that they owned. That decision has created a loss of £5 billion, discouraged the country's savings culture and increased the spread of means testing.

[Mr. Christopher Fraser]

The Pensions Commission's first report in 2004 exposed a large hole in the country's private pension provision and funds. The Commission found that

"in 2002-03, 11.3 million people in work were not making contributions to any private pension scheme".

To compound the problem, in recent years, many final salary company pension schemes have been wound up, as has been said. The Pension Protection Fund and the financial assistance scheme were introduced to address the problems relating to the winding-up of pension schemes. However, the Government's response to the crisis has been inadequate. The financial assistance scheme, which involves the payment of £400 million of public money over 20 years, is welcome, but with only £20 million a year, it cannot live up to the billing that the Government gave it, hence the narrow criteria for entitlement to assistance. The Government presented the FAS as an answer to many of the problems of pension scheme wind-ups. In raising expectations so high, it is inevitable that many people will be disappointed when they face the reality of the FAS.

The Government also appear to be badly informed about the scale of the problem. In a written answer, they revealed that they do not know how many occupational pension schemes started winding-up in each year since 1997:

"Figures on schemes starting to wind up between 1997 and 2000 are not available as the register does not contain information on whether the schemes that started to wind up before 2000 started before or after 1997."—[*Official Report*, 20 July 2005; Vol. 436, c. 1821W.]

In a further written answer, the Government revealed that they do not know how many occupational pension scheme members face losses to their pension savings due to their schemes being wound up by their employers:

"We have not made any estimate of the total number of occupational pension scheme members who are facing losses to their pension savings due to their schemes being wound up by their employers."—[*Official Report*, 21 July 2005; Vol. 436, c. 2023W.]

In recent years, we have also seen plenty of debate, but little action, on the reform of the local government pension scheme. Much of the contention has been focused on the 85-year rule. The system allows anyone whose age, added to their number of years of service, comes to 85 or more to retire on an unreduced pension, even if they have not yet reached the age of 65. Last year, the Government attempted to standardise the pension age by removing the rule. However, on 18 March 2005, faced with an imminent strike, the Deputy Prime Minister announced that he would revoke the regulations with retrospective effect.

Local authority employers estimate that that U-turn cost councils an extra £450 million a year, and private businesses have complained about it bitterly. Private businesses are outraged by the high cost of protecting public sector pensions, while private sector pensions face increasing pressure. David Frost, director general of the British Chambers of Commerce, has highlighted the disparity:

"On the one hand, we have the private sector workforce being told it must work longer and put more money into their own pension pot, but here we have the public sector workforce who can still retire at 60".

Sir Digby Jones, director general of the CBI, has also criticised the decision:

"This is a bad deal for the taxpayer. The government has capitulated to the threat of public sector strikes".

The crisis was reignited last week after union leaders, fed up with the lack of progress in the resumed negotiations with local authority employers, decided to ballot members. The unions are seeking a similar deal to that agreed between Ministers and unions last autumn, under which the pension age for public sector workers would be raised to 65 for new recruits but kept at 60 for existing employees. Dave Prentice of Unison has warned:

"The local government employers, the LGA and the Government should be in no doubt of how serious we are . . . The clock is ticking, but there is a window of opportunity and I would urge everyone concerned to make the most of it".

Long-term solutions are required. The people of this country want and deserve retirement security, and the Government must act quickly to deal with the issue.

10.29 pm

Mr. Philip Dunne (Ludlow) (Con): I declare an interest, which is in the register. I am the director of an investment management company, which, while it is not directly involved in pensions, has some relevance to the debate.

I welcome the debate and the Turner commission's contribution to it. The lack of attention to the pensions crisis, which has been growing over the past eight years, is one of the major failings of this Government. I am delighted that they now plan to make some proposals, which we will study with interest when they are released.

I agree that there is a dire need to address the lack of savings in this country. The savings ratio has more than halved under this Government, from 9.3 per cent. in 1997 to 4.25 per cent. in 2004, according to the pre-Budget report. The UK has a substantially lower savings rate than our main European competitors—France, Germany and Italy—all of whom have a rate in the range of 10 to 11 per cent. The Secretary of State referred to the level of under-saving; indeed, some 10 million people in this country are not saving. It is clear that this group in particular need to increase their level of saving in order to make some contribution to providing for their old age.

My contention is that accelerating the means-testing of pension credit has significantly accelerated the disincentive to save that we have witnessed under this Government. I know that they do not agree with me because earlier this month, when I raised this issue with the Minister for Pensions Reform in this place, he said:

"There is very little evidence that means-testing, under the previous Government or this Government, has reduced saving on the part of pensioners, but since 1997 there has been much greater confidence in the economy . . . In 1992, when there was deep anxiety about the future of the economy, people saved more. Today they are more confident."—[*Official Report*, 9 January 2006; Vol. 441, c. 14.]

Well, I am pleased that the Minister is here to respond and I urge him to read, if he has not already done so, the contribution of the Association of British Insurers. A report that it commissioned from the Personal Finance Society

"shows that means-testing is already starting to have a negative impact on public attitudes to saving and on the willingness of financial advisers to discuss saving with lower earners."

In looking at Lord Turner's proposals, it is important that the Government are a bit more ambitious than Lord Turner has been in reducing the proportion of pensioners covered by the pension credit, given its means-testing nature. Currently, some 40 per cent. are on pension credit. That figure is supposed to come down by a mere 7 per cent., to 33 per cent., through the report's recommendations. I regard that reduction as insufficient if we are to change this country's savings culture.

I invite the Government, in considering the report's recommendations, to address the issue of consumer protection, which was touched on by the right hon. Member for Birkenhead (Mr. Field). The Secretary of State mentioned in his opening remarks the difficulties that the pension mis-selling problems of the past pose for the culture of saving and for the credibility of the pensions regime. I agree that they undoubtedly contributed to a lack of public confidence in pensions and in saving for retirement. I also agree with Lord Turner that introducing greater simplicity into the pensions industry is a desirable objective, but simplicity does not equal suitability. Means-testing, by definition, gives rise to the need for a suitability test. As we have heard, individuals will need to be willing and able to save a substantial amount of money to be confident of an adequate return in their retirement—one that will exceed funds available from the state under the proposed arrangements.

I raised this issue with Lord Turner when he appeared before the Select Committee last month. I asked him whether he had consulted the Financial Services Authority regarding the mis-selling risks associated with his proposed national pension saving scheme. He said:

"We have not directly consulted the FSA on this."

I found that a very surprising response, given the diligence that he had shown in producing such a comprehensive report.

Consumer protection is, I assume, of considerable concern to all hon. Members. I therefore urge the Government to address the issue when they consider Lord Turner's proposals. We all know of people across all income groups, particularly the lower paid, who, at various stages of their lives, have other commitments and are not in a position to set aside money to save. For those people, some element of consumer protection and advice should be available.

Another problematic aspect of the national pension savings scheme is asset allocation. Who is to decide whether it is appropriate for some individuals to have their assets invested in predominantly fixed income returns, compared with equities? Other hon. Members referred to that earlier. It is difficult to produce a one-size-fits-all investment policy for the entire population. That is why I agree with other hon. Members who recommended a mixed approach. There may need to be some form of state-sponsored provider, but there must a role for private providers to come up with alternative schemes to allow choice. That again raises the question of suitability and advice. If suitability and consumer protection can be ignored, as Lord Turner suggests, is that appropriate Government policy? Does it not leave the Government exposed to the risk of mis-selling? It is a risk that the Government must consider carefully.

In the remaining few minutes, I shall highlight specific issues relating to the NPSS. In the absence of compulsion, the combination of auto-enrolment and a very low cost offering will replace existing pension schemes. That is not just my view; it is the view of leading consultants in this area, Cazalet Consulting, who were quoted in the *Financial Times* earlier this week. I shall read one conclusion from their report on pensions profitability, which states that

"the Turner NPSS system, if implemented, would be likely to cause a surge in life company pension plan lapses as consumers move to take advantage of the very low proposed pricing levels. We doubt whether the NPSS could ever work as planned, however, as the best case persistency assumptions used in that report anticipate a dramatic improvement in persistency, which is at odds with the current reality of steadily deteriorating lapse rates."

To put that in layman's language, the current average lapse rate of pension schemes—both individual and group corporate schemes—is about 18 per cent. a year. In other words, 18 per cent. of people contributing cease contributing. In the Turner report that rate is estimated to be 10 per cent. a year, and the heroic assumption is made for the NPSS that the lapse rate will fall to 2.5 per cent. a year. That seems an ambitious assumption, to say the least. It raises the question whether employers will put pressure on employees to encourage opt-outs from a voluntary system, and whether it is feasible to achieve adequate investment management skills to manage funds on such a low commission basis. With a 30 basis-point charge, at least 22 per cent. would go in administration costs, which leave only eight basis points—

Madam Deputy Speaker (Sylvia Heal): Order.

10.39 pm

Mr. Peter Bone (Wellingborough) (Con): I congratulate my hon. Friend the Member for Ludlow (Mr. Dunne) on a powerful speech, especially his discussion of means-testing, which I shall touch on later. I came along to the debate tonight hoping that we would have a serious and constructive debate, and to a certain extent we have, but there was some tetchiness on the part of Government Members, perhaps because they lost two votes tonight.

Perhaps the Secretary of State attacked the previous Conservative Government because he is a little concerned about the pensions crisis that this Government have created. They came to power in 1997, and it is now 2006. Having had their head in the sand for nearly 10 years, they have only just pulled it out and realised that there is a pensions crisis. However, I will try to keep my comments constructive. I know that the Minister is very fair. He replied graciously to a Westminster Hall debate on pensions income in Wellingborough that the Speaker kindly granted me.

In 2001, I set up the Listening to Wellingborough and Rushden campaign because I believed that politicians of all parties had become a little arrogant, in that they were happy to preach at people and tell them what they thought, but reluctant to listen to what people were saying. I decided that through that campaign we would listen to what people had to say and then campaign for change based on their comments. My remarks will therefore relate to what people have been saying about pensions. There are more questions than conclusions.

[Mr. Peter Bone]

Let me start with last Saturday's surgery, when three firemen came to see me about public sector pensions, particularly their own pensions. Ultimately, their point was that there is not much joined-up government on that issue. The police, for example, have their pension scheme protected by the Government. As a member of the Select Committee on Trade and Industry, I remember that when we looked into the Post Office, which has a £4 billion deficit on its pension scheme, its response was, "Don't worry—we're a monopoly, so we can put the price of stamps up to recover it." There was no suggestion of altering its pension scheme in any way. However, the Government have changed the scheme for firemen so that certain firemen will have to work for an extra five years before they get their pension. The firemen who came to see me were not saying that there should be no change, but that the Government's approach is not even-handed.

One of those gentlemen is caught in a trap. His pension retirement date is just a few days after what the Government have deemed to be the date of the change, so he will have to work for virtually five years longer than he had expected before he gets his pension. He has been paying 11.75 per cent. of his salary into pension contributions, which he regarded as a binding contract and part of his emoluments. He feels let down by the Government. He believes that they are being rather mean and that it is possibly to do with their trying to get back at the firemen for going on strike a few years ago. Can the Minister refute that by confirming that there is a joined-up approach to the way in which public sector pensions as a whole are being dealt with? People in the public sector would not mind if the approach was even-handed. They realise that there have to be changes to their pensions because people in the private sector are suffering a great deal.

A few years ago, I was visited by a Mr. Martin Sterrow—a pensioner in Wellingborough who had never before been involved in politics. He was outraged that his state pension was going up so little in comparison with his council tax. Hon. Members must be aware that Wellingborough has experienced the biggest increase in council tax since it was introduced. However, Mr. Sterrow could show that the increase in his council tax was more than that in his state pension. That cannot be right.

I said that if there was a genuine problem perhaps we should hold a public meeting. We therefore arranged it, and I expected 10 or perhaps 20 people to attend—I know how difficult it is to get people to public meetings. However, 100 people attended and they were outraged that their pension had not increased enough even to pay their council tax. That is not a criticism, but a fact that we must tackle.

Mr. Sterrow organised petitions, a shadow Cabinet member came to the constituency and the shadow Cabinet received feedback. We also conducted a listening survey in which we contacted every home in Wellingborough. We asked people to specify the issues that affected them and we received thousands of responses. I thought that health or perhaps law and order would come top, but the main issues were council tax and pensions. I even asked for the results to be recounted because I was so surprised.

That group of pensioners had never previously been involved in a political campaign. They were not Conservative or Labour but genuine constituents who were worried about the state of affairs. Of course, they did not want their council tax to increase by 20 per cent. or 25 per cent. year after year. However, the most striking point was that they wanted a decent basic state pension. They did not want freebies—they did not necessarily want a winter fuel allowance—*[Interruption.]* I repeat that they wanted a decent state pension so that they could decide how to spend their money. They did not want freebies and the Government telling them how to spend their money. I do not know what the answer is, but that was what they wanted.

They were sure that they did not want means-testing, which they hate. Those people have paid all their lives through taxes and insurance premiums, yet when they collect their pension, which they perceive as a right not a benefit, they are asked to fill in forms and declare all their personal income so that they can have a bit more. They hate that and many pensioners will not take up the money because they do not want the indignity of means-testing. The previous Member of Parliament for Wellingborough said that one problem was millions of pounds in unclaimed pension credit. Why cannot that money simply be added to the basic state pension? That would be a start.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): Does the hon. Gentleman realise that my constituents have similar feelings about means-testing? The Turner report states that if we continue with the current system, by 2050, 80 per cent. of pensioners will be subjected to means-testing in some form for their state benefits.

Mr. Bone: I am grateful for that intervention. I thought that the figure was 75 per cent., but whether it is 75 per cent. or 80 per cent. it is ridiculous. The Minister for Pensions Reform and the Government probably agree that that is not acceptable.

The pensioners of Wellingborough want a decent pension without means-testing. I appreciate that the Minister might say that the matter comes down to cost. The pensioners had a few ideas about that. Since the Government have been in power for—in my opinion—10 years, we have paid £100 billion through our taxes to the European Union. Some pensioners suggested to me that it might have helped if we had been a little less worried about French farmers and a little more concerned about pensioners. That is a huge amount of money. However, I know that the Minister will say that we cannot do anything about the EU.

Let us therefore consider domestic savings. The TaxPayers Alliance says that £80 billion could be saved each year on Government waste. It gave a few interesting examples. The Government spent £225,000 on informing people not to wear ill-fitting slippers. They spent £40,000 on a 46-word definition of patients' experience in the NHS. That is nearly £1,000 a word. The best one is the £10,000 that the Office of the Deputy Prime Minister wasted on whether fire engines should be red. What a waste of money. Yet £80 billion is wasted in such ways. Let us have a decent pension for our pensioners instead.

10.50 pm

Mr. Nigel Waterson (Eastbourne) (Con): I begin by declaring an interest, in that I have some private pension provision.

This has been an unusually thoughtful debate on almost all sides of the Chamber. We had a thoughtful contribution from the right hon. Member for Birkenhead (Mr. Field), as one would expect, although I was a tad surprised by his apparent hostility to the Turner report and its central conclusions. The hon. Member for Yeovil (Mr. Laws) was right to talk about the transfer of risk that is taking place in the pensions world. That was something that Lord Turner drew to our attention in both his reports.

The Chairman of the Select Committee, the hon. Member for Bradford, North (Mr. Rooney), made a somewhat eccentric argument against political consensus, which was odd for a Select Committee Chairman, but he developed some other interesting points. My hon. Friend the Member for Grantham and Stamford (Mr. Davies) made a red-blooded contribution to the debate. He had something to say about means-testing and is clearly not a consensus man.

The hon. Member for Coventry, South (Mr. Cunningham) made an interesting and thoughtful contribution to the debate, as he always does. He recognised the importance of pension funds investing in equities. My hon. Friend the Member for Gosport (Peter Viggers), who has great experience in real pensions issues, made some interesting points, particularly about longevity. I know all about that because I have a constituent, Mr. Henry Allingham, who will be 110 this year.

The hon. and learned Member for Redcar (Vera Baird) spoke powerfully, as she always does, about women's pensions. My hon. Friends the Members for South-West Norfolk (Mr. Fraser) and for Wellingborough (Mr. Bone) spoke eloquently about how public sector pensions should be addressed by any responsible Government. My hon. Friend the Member for Ludlow (Mr. Dunne) made a thoughtful speech in which he examined issues relating to the proposed national pensions savings scheme, such as consumer protection and the regulatory framework. He rightly drew our attention to the thought-provoking comments in the Cazalet report, which was published only in the past couple of days.

The Government have presided over the pensions crisis for something like nine years. In that time, they have taxed pensions, undermined savings by increasing means-testing and heaped ever more red tape, cost and bureaucracy on to companies with pension schemes. They came to office with the avowed policy of, rightly, changing the balance between public and private pensions from 60:40 to 40:60. They have failed signally in that ambition. The first pension reform Minister, the right hon. Member for Birkenhead, was appointed to think the unthinkable, then promptly sacked for his trouble. He has said, memorably, that in 1997, the United Kingdom

"had one of the strongest pension provisions in Europe, and now probably we have some of the weakest".

Two million pensioners are still living in poverty and figures released only today show that the take-up of pension credit is still extremely disappointing. In the last six months of 2003–04, it was in the range of 58 to 66 per cent. by caseload. That means that a very large number of people, many of whom I presume are women, are failing to claim their entitlement. In spite of more than eight years in power, the Government have done absolutely nothing about the scandal of women's pension entitlement, except—I nearly forgot—to publish an annual report to tell us how bad the problem is.

The Government's flagship Pensions Bill, now the Pensions Act 2004, was introduced with great claims about how it would safeguard and encourage final salary schemes. The opposite has been the case. Final salary schemes are dead or dying. Most are already closed to new entrants; more and more are closing even to existing members. Recent examples include Rentokil and the Co-op. Experts such as the National Association of Pension Funds say that this is just the beginning.

In a powerful article produced in the last few days, Mr. Steve Bee, head of pensions strategy at Scottish Life, put it like this:

"It's simply a question of when and how the end will come, not if it will come . . . Final salary pension schemes in the private sector have got smoke coming out of the back—they're not going to make it back to the airfield."

The clearest and most pressing injustice is to those who lost all or most of their pension when their company schemes wound up with insufficient assets. We are talking about up to 85,000 people. Despite being unveiled as long ago as May 2004, the financial assistance scheme has only just started to make payments to people in trouble, as we heard from my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond). Yesterday, the Minister was good enough to confirm that, so far, a grand total of 15 individuals in only one scheme have received payment. It is a scandal that it is taking so long. That is just adding insult to injury.

Everyone except the Government recognised long ago that the sums devoted to the FAS are hopelessly inadequate. Even if the money holds out for the time being, the FAS is paying significantly lower benefits than the Pension Protection Fund. Those honest and decent people, some of them facing penury, are being treated as second-class citizens. As if the Government have not troubles enough, they are on the receiving end of a case in the European Court of Justice and an ombudsman's investigation.

As the House has heard, we have fairness as one of our guiding principles in pensions reform, as do the Government, but if that is so, how can they possibly begin to justify the sweetheart deal they recently struck with the union bosses? Surely a key aspect of fairness is that the public and private sectors should be treated similarly, yet private sector workers would be lucky to find a final salary scheme to join. Not so public sector workers. That is not only patently unfair, and seen to be so by a lot of people out there, but it has seriously undermined attempts by responsible private sector employers to maintain their pension schemes. Attempts by such employers to agree changes to entitlements with their workers, which would make the schemes more

[Mr. Nigel Waterson]

sustainable in the long run, will be much more difficult to make, as workers look to the precedent set for public sector employees.

Nor can we be encouraged by the Government's initial reaction to the Turner report. They sought to rubbish it before it was even published. The Chancellor warned Lord Turner that

"'you should not assume' that the current link of the pension credit to earnings 'will continue beyond 2008'."

The report has been drawn into trench warfare within the Government.

It has even been suggested that the Chancellor has already decided to snaffle the £10 billion a year saving on equalising women's pension age for other purposes. Surely—this, perhaps for the first time in our political relationship, is something that the hon. and learned Member for Redcar and I can wholeheartedly agree on—that money should, in all fairness, be earmarked for improving pensions, particularly if, over a relatively short period, we are to ask women to move from a state pension age of 60 to one of 67, 68 or even higher.

Finally, as is so often the case, our underlying principles on pension reform are not very different from the Government's stated objectives. It would be unthinkable, as the Secretary of State has acknowledged, to implement reform based on Turner without a broad measure of social and political consensus. I am delighted that the Secretary of State has made it clear today that he is looking for such consensus. We call on the Government to involve us closely in the process. We have much to contribute. By the time the effects of any reforms, or indeed of a failure to act, are felt, several different Governments will have come and gone, and many different Ministers. As we saw earlier this evening, Governments can lose votes. Governments can lose elections. We are every bit as keen as they are to see a lasting and durable solution to the pensions crisis that will deliver fairness as well as dignity and security in old age for all our citizens.

11 pm

The Minister for Pensions Reform (Mr. Stephen Timms): I want to thank all those Members on both sides of the House who have contributed to the debate for their thoughtful and constructive contributions.

There has been general agreement that the Pensions Commission has done an impressive job. It sifted a great deal of evidence, spoke to a wide range of people, weighed a great variety of opinions and carried out some impressive analysis of its own. As we have been reminded, there were three commissioners—a former director-general of the CBI, Lord Turner, last year's president of the TUC, Jeannie Drake, who was mentioned by my hon. and learned Friend the Member for Redcar (Vera Baird), and a distinguished social policy academic at the London School of Economics, John Hills. In producing a unanimous well-thought-through report, addressing all the issues that people have been raising, they have done us an enormous service. We should put on record our thanks to them. They have succeeded in pushing the subject dramatically up the public agenda, causing many more people to reflect on these questions, thereby helping build momentum for reform. That opens up the chance of an enduring pensions settlement for the UK, which we all agree would be an enormous prize.

At the start of the debate, my right hon. Friend the Secretary of State for Work and Pensions set out the priorities for pension policy that we identified in 1997. We have dramatically reduced the extent of pensioner poverty, particularly through the introduction of pension credit in 2003, with especially large gains among older women—perhaps one of the most important of all the big social improvements that we have seen since 1997. He was right to make the point that that has made a big change to the landscape, which opens up new possibilities for pensions reform. We have taken steps to bolster confidence in occupational pensions through the Pension Protection Fund and the financial assistance scheme.

Mr. Quentin Davies: It is a pleasure to debate pensions with the Minister again after all these years. When he says that the pension credit has taken a lot of older people out of poverty, he is absolutely right, but does he see it as a one-off achievement, as I do? Do we not now need to return to a rational system in which the means-tested pension does not rise at a faster rate than the contributory pension? Or does he consider that this means-testing must go on—

Madam Deputy Speaker: Order. As the hon. Gentleman knows, interventions must be brief.

Mr. Timms: I certainly do not agree that we should return to the arrangement whereby large numbers of single pensioners were living on £69 a week. Were we to go back, that would be the position. At the moment, every single pensioner is entitled to an income of at least £109.45 per week, and the Turner report proposes that auto-enrolling people into the national pension savings scheme will enable them to build up savings and a pension, which, over time, would reduce the extent of means-testing. We certainly must not, as the hon. Member for Grantham and Stamford (Mr. Davies) was calling for, go back to the time when large numbers of people were on extremely low incomes. I, too, am delighted to be debating these matters with him again. His earlier contribution took me back to 1999.

We have introduced the state second pension, greatly boosting the savings of those on low incomes and carers. We have also introduced stakeholder pensions, which the hon. Gentleman mentioned, of which there are 2.5 million, making an important contribution and enabling people who could not save economically in the past to do so.

We now have a foundation that opens up the chance of an enduring pensions settlement for the UK. I hope that the optimism expressed across the Chamber today will be fulfilled over the next few weeks as we move towards proposals for reform and a consensus about what we should do.

The hon. Member for Runnymede and Weybridge (Mr. Hammond) was right to draw attention to Lord Turner's statement that there was no immediate crisis for pensioner incomes. I think he was trying to make out that there was a crisis, but I believe that Lord Turner was right.

I welcome the hon. Gentleman's commitment to a constructive contribution on his party's behalf. He asked a question about something that he has mentioned to me a couple of times, about which I know he has written to my right hon. Friend the Secretary of State. He wanted to know whether he and his colleagues could have access to PenSim2. He will have a response from my right hon. Friend tomorrow. I believe that the position is not entirely straightforward, but my right hon. Friend certainly wants to be helpful.

My right hon. Friend the Member for Birkenhead (Mr. Field) expressed some clear views about what was the right way in which to proceed. He was very critical of the Turner proposals. He mentioned a worry to which a number of people have drawn attention, about the danger of levelling down. That is an important point, although given that many employers currently make significant contributions to defined-benefit and defined-contribution pension schemes, I do not see why, if we made 3 per cent. the minimum, employers would necessarily think it appropriate to reduce their contributions.

Mr. Frank Field: Many employers are jumping ship. In those circumstances, what might more employers do if they are given this soft option?

Mr. Timms: That will certainly be an important element of the debate that we shall all have over the next few weeks.

The hon. Member for Yeovil (Mr. Laws) described the challenges as he sees them. He is in a slightly difficult position. Shortly before the publication of the Turner report, he committed his party to the citizens pension. When the report was published, he read on page 8 that the citizens pension had been rejected. He tried to welcome the report and say that he agreed with Lord Turner, while still presumably supporting the policy that he announced two weeks before the report's publication. I understand why his speech did not contain a great deal of detail, but look forward to further discussions with him over the next few weeks.

My hon. Friend the Member for Bradford, North (Mr. Rooney), who chairs the Work and Pensions Committee, rightly spoke of the need for a broad consensus, not simply across the House but across society. It will be important to secure consensus across the House as far as possible, as a basis on which to build the necessary confidence that the arrangement will endure. I agree with him that a settlement that lasted for only a few years would not be a successful outcome.

I know that the hon. Member for Grantham and Stamford follows closely what happens in the United States, where there has been a dramatic reduction in coverage of defined-benefit schemes, just as there has been in the United Kingdom. I believe that there has been an even faster reduction in Australia. I know that he heard the speech made by his hon. Friend the Member for Gosport (Peter Viggers), who rightly cited dramatic and continuing increases in life expectancy and stock exchange volatility as the principal drivers of change.

My hon. Friend the Member for Coventry, South (Mr. Cunningham) was right to refer to the improvements in tackling pensioner poverty. He spoke for many in expressing concern about Turner and Newall. If Turner and Newall does become insolvent at some point in the next year or so, it will enter an assessment period for the purposes of the Pension Protection Fund. I know that that will reassure many people who are in the position that my hon. Friend described.

The hon. Member for Gosport spoke with authority on a number of matters. He suggested that the impact of the tax change in 1997 was £3 billion rather than £5 billion, and that is probably a more accurate figure. Like the hon. Member for Grantham and Stamford, he argued for compulsion, in contrast with the view that his party has advanced. I do not share his pessimism about the Pension Protection Fund. It is important that we keep an eye on the level of the levy that the fund will impose, but the levy will be capped at 0.5 per cent. of scheme assets. That step has reassured many funds.

My hon. and learned Friend the Member for Redcar (Vera Baird) made some important and valuable points about the way in which the pension system has dealt with women. She is right that home responsibilities protection is a cumbersome and odd construct. Her point that a week's work entails losing a year's HRP is not correct, but the way HRP works has all sorts of strange effects. I am certain that, not least because of her efforts and those of our hon. Friends, the question of how women fare under the reform proposals will be one of the main yardsticks in the public debate that will follow publication of the proposals in the White Paper in the spring.

The hon. Member for Ludlow (Mr. Dunne) spoke from the basis of a good deal of knowledge of investment management. I do not entirely agree with what he said about the savings ratio. At the moment in the UK, it is about the same as it was in the 1960s and it is twice as much as it is in the US. The question of what the savings ratio should be is quite a difficult one. I agree that we want more people to save for a pension, but do not believe that having an element of means-testing makes that impossible. Indeed, we have had means-testing of pensioner incomes in the UK since 1908, and it has not been incompatible with adequate pension saving in the past.

We have had a good discussion. The national debate will culminate with the large-scale national pensions day that my right hon. Friend the Secretary of State has announced, which we plan for March, when there will be the opportunity for a large number of people to engage with Government to discuss the commission's recommendations and to consider the choices that we have to make. I am very optimistic about what we can achieve over the next few months, but no Government can solve the pensions challenge on their own. Broad agreement will be key to securing the confidence that we need. I am grateful for the evidence in the debate that, across the House, hon. Members are willing to contribute to that goal.

Tony Cunningham (Workington) (Lab): I beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Monday 6th February, notwithstanding the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents), the Speaker shall put the Questions necessary to dispose of proceedings on any Motions in the name of Mr Secretary Clarke relating to reports on Police Grant not later than three hours after the commencement of proceedings on the first such Motion, and shall put the Questions necessary to dispose of proceedings on any Motions in the name of Mr Secretary Prescott relating to reports on Local Government Finance and on Limitation of Council Tax and Precepts not later than three hours after the commencement of proceedings on the first such Motion, or six hours after the commencement of proceedings on the first Motion relating to reports on Police Grant, whichever is the later; proceedings may continue after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.—*[Tony Cunningham.]*

STANDARDS AND PRIVILEGES

Ordered,

That Angela Browning be discharged from the Committee on Standards and Privileges and the Hon. Nicholas Soames be added.—*[Tony Cunningham.]*

Bullying in Schools

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

11.13 pm

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I have secured the debate to allow the House to consider mobile phone technology and how best we can deal with the problems, particularly bullying, presented by that developing industry. In addition, I want to go further and to present a solution that can enhance education as well as minimising bullying. Mobile phone technology in our schools is both a challenge and an opportunity.

There are an estimated 61 million mobile phone connections in the United Kingdom. It is estimated that 95 per cent. of young people between the ages of 11 and 21 have access to a mobile phone. Furthermore, it is estimated that there are 2.5 million mobile phone users aged between 10 and 16. The market is worth something like £500 million per annum to the airtime providers.

Young people are fascinated by the technology, and mobile phones constitute one of their most treasured possessions, but there is a dark side to the fascination. For children who wish to bully others, the technology provides a new dimension to their capacity for intimidation. Along with text bullying, the bizarre and inappropriately named practice of "happy slapping" has provided new technological refinements for the age-old playground bully.

The time is now right for the House to consider how to deal with the problem. In his recent report on school behaviour and discipline, Sir Alan Steer said that

"mobile phones are now part of daily life and have changed the way in which individuals and organisations communicate. We are deeply concerned at some of the negative impacts which mobile phones including camera phones are having on school discipline and pupil safety. This is not simply a case of ring tones disrupting lessons. Mobile phones are sometimes used to convey inappropriate text messages as a form of bullying and harassment. Some pupils have used mobile phones to invite aggressive parents to schools so the parent can challenge teachers' rights to punish misbehaviour. Pupils with mobile phones may also find themselves bullied or have their phones stolen with a particular risk within some communities of mugging on the way to school. We believe pupils should be discouraged from bringing mobile phones to school. It is obviously unacceptable for pupils to have phones switched on in a lesson. We support head teachers who, having considered the community in which their school is situated and consulted parents, decide to ban mobile phones."

The report clearly states that schools cannot ignore the choices presented by this new and developing technology. We must strive to prevent the abuse of the technology and look at how pupils can engage with it.

Many schools just ban mobile phones, but I know of none that have been able to enforce that. Anecdotally, I believe that some schools in the US use cell blockers to stop the signal within the confines of the school. That is an effective but somewhat draconian solution that is not popular with either parents or teachers.

The practice of happy slapping, described by *The Guardian* as a

"youth craze in which groups of teenagers armed with camera phones slap or mug passers by",

is just the most extreme form of mobile phone bullying. The children's charity NCH reported last year that 14 per cent. of youngsters had experienced text bullying, and that 50 per cent. of that text bullying occurred in the school environment. In addition, the story of Kyle Parker in Bolton is well documented. That 13-year-old schoolboy was tied to a tree with masking tape in his lunch break, and then set on fire. Mobile phone technology is allowing bullies to advance the forms and styles of bullying tactics that they choose to use.

Recently, a teacher in Runcorn was assaulted by a pupil, and the assault was photographed and distributed by mobile phone. In the west midlands, a boy was injured in a bicycle accident. Young people gathered around and took photographs. They even impeded the emergency services attempting to help the boy as they took more photographs on their mobile phones. Pupils from both primary and secondary schools have told me that bullying like that, and text bullying, are frequently encountered in school life.

Other problems that have been brought to my attention include disruption to classes, cheating in exams, assault and theft. Surf controls have been devised to deal with the challenges presented by the internet and are used in schools but we have yet to develop a firm strategy to deal with a more influential technology. Mobile phones are largely perceived as just a nuisance in schools.

The report on school behaviour and discipline chaired by Sir Alan Steer acknowledges that modern technology can give parents and schools control of pupils' mobiles. It states:

"We note advances in other technologies means it is possible to give parents and schools control of pupils' mobiles. This means it is possible to disable certain phone functions, whilst allowing some numbers to remain active for emergencies. We understand the technology has the ability to operate on a geographical basis, such as within school boundaries. We will be interested to see whether schools make use of this technology in future. However we do not see this as a substitute for schools having a clear policy on the possession and use of mobile phones on the school site, and there being appropriate measures to punish those pupils who do not obey the school rules."

The report continues by outlining a recommendation that

"schools should be required to have a clear policy on the possession and use of mobile phones on the school site, including details of the sanctions, if pupils disobey the policy."

That may be desirable, but it underlines the approach that mobile phones are seen in a negative light.

So far I have outlined the negative aspects of the technology as used in schools. It is easy to let the publicity surrounding some of those horrific acts obscure the very real benefits that could accrue from mobile phone use in schools. There are numerous benefits that could be achieved from mobile phone technology if utilised effectively. Representatives from the industry have informed me that there is a model to deal with some of the problems.

Technologically, it is feasible to have a registration system where the pupil and school are identified and a profile is downloaded to phones that effectively blocks calls from unwanted sources, and restricts the use of cameras and the times when the phone can be used. All of the controls provided by those combined profiles can be imposed by a central provider-based application on the subscriber's telephone. That enables changes to be made to any profile to take immediate effect. It also enables phones to be used for positive educational purposes.

Mobile phones could help to raise standards in schools. For example, on a geography field trip, students could make use of mobile phones to take pictures of a feature or of a plant which could be added to their work. Furthermore, as technology develops, we will see further advances in internet use for our handsets which would allow us to develop and maintain other educational benefits. We could look into ways of forming interactive lessons, enabling students to access lesson plans and extra studies. We could develop software to offer interactive school quizzes. It would even be possible to build into the profile rewards of free texts for those responding in a certain way or finding certain things out through use of their mobile phones.

We have not begun to realise the potential offered by the technology in schools. The industry has tried to work with schools on a very limited basis to protect children, but the incidence of happy slapping demonstrates that that has so far not been successful.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing the debate and on his excellent speech, to which I have listened intently. Does he agree that it would be in the industry's interest to address the problem urgently? It need not cost the Government anything and the cost to the industry would be minimal, but the gains—in improving the acceptability of mobile phone use in and around schools—would be immense.

Mr. Bailey: I thank the hon. Gentleman for that intervention, and he makes the very point that I am about to develop.

I suspect that the airtime providers are more concerned about potential attempts to restrict the use of phones than they are about trying to come up with a solution to the problem, even though that could expand the use of phones in schools.

I fear that at some point there will be an event that will generate public demand for regulation. Already at least one speech has been made in the EU pressing for a directive on the issue. Regulation need not take place if the industry and the Government get together to experiment with a pilot project. It may be possible to develop a model that could be used by schools to achieve the twin objectives of curbing bullying and enhancing education.

Figures demonstrate that a pilot scheme for a year in a controlled area, with six secondary schools and their feeder primary schools, would cost about £1.5 million. I realise that that would be too much money for a local education authority, and I am sure that the Government have not factored it into their education budget, but for the industry as a whole it would be peanuts, and much less than future regulation might cost.

[Mr. Bailey]

The industry should not perceive such a scheme as a possible risk to its income. If a model could be developed for use in schools, with interactive lessons and a range of activities involving the use of mobile phones, it is likely that overall income would increase. Such a model pioneered and developed in this country could be exportable and commercially successful. The airtime providers need to think outside their current commercial box and work with the Government to develop such a scheme. Will the Government talk to the providers and others in the field of child protection about developing a model that could be piloted as a matter of urgency?

The industry will not move unless it has to. It is up to us, as a Government, to see that it does.

11.27 pm

The Minister for Schools (Jacqui Smith): I congratulate my hon. Friend the Member for West Bromwich, West (Mr. Bailey) on securing the debate and thank him for raising an issue of such importance to children and young people and for the management of our schools. Even before this debate, he showed a keen interest in the issue. He has tabled parliamentary questions and last summer held a meeting with me.

We should be in no doubt that bullying has no place at all in our schools. It is an extremely hurtful and frightening experience for children and young people, making them feel trapped and scared to speak out. The lasting negative impact on their self-esteem, education and development must not be underestimated, as we know to tragic effect; on occasions, it has even been a factor in young people taking their own lives.

Bullying can take many forms, from ridicule to physical attacks, threats and social exclusion, but consistently at its core is the abuse of power to frighten and intimidate. Bullying limits a child's potential and prevents us from delivering our objective that every child matters. We need to ensure that our broader education systems deliver the outcomes of staying safe, enjoying and achieving.

Bullying should never be tolerated in our schools no matter what its motivation, no matter how it occurs. Children have to know what is right and wrong and must understand that there are consequences for crossing the line. That is why we have been clear, especially since 1997, in our approach to bullying. We have made it compulsory for schools to have policies to prevent and tackle bullying. Schools should be prepared to punish bullying, and need to have in place a range of sanctions to tackle all forms of poor behaviour, alongside strategies to help children understand the harm they have caused and to change their behaviour.

We have given an unprecedented profile to anti-bullying work in schools. We have stepped up our campaign to get every school in the country to consider how they respond to bullying and to sign up to our anti-bullying charter for action, thus reinforcing our expectation in the White Paper that every school in England will adopt it. We reissued the charter to all schools during last year's anti-bullying week, and if schools do not sign up, Ministers—and I suspect, even more importantly, parents and pupils—will want to know why those schools are not taking the necessary action to demonstrate their opposition to bullying and to tackle it.

Mr. Peter Bone (Wellingborough) (Con): I congratulate the hon. Member for West Bromwich, West (Mr. Bailey) on raising what is a very important issue. I am becoming increasingly concerned about bullying in Wellingborough, but does the Minister agree that the schools are doing very well—I congratulate the Government on what they are doing—but that a lot of bullying goes on outside the school gates?

Jacqui Smith: The hon. Gentleman is right. Of course, it is important that action is taken to tackle the bullying that takes place in schools and, as I shall say later, to develop the sort of skills and attitudes in young people that are likely to tackle the bullying that takes place not only in schools, but beyond the school gates. Sometimes, it is necessary for schools to take extremely tough action against those who perpetrate bullying. That is why we have given schools the power, for example, to apply for court-imposed parenting orders to compel the parents of children who bully seriously to attend parenting classes or face fines of up to £1,000. Head teachers have the power permanently to exclude violent and persistently disruptive pupils, including those who bully, and we have made it clear that we would not normally expect an exclusions appeal panel to reinstate them in those circumstances.

We have developed a range of ways in which we can support anti-bullying activity in schools, including dedicated support under our national strategies, which have dedicated consultants in behaviour and attendance, and there is the work of the Anti-Bullying Alliance, which we support. We have put more adults than ever into our schools to help children inside and outside the classroom. They include teachers, classroom assistants, learning mentors, Connexions personal advisers, behaviour and education support teams, even police officers, all of whom are available to help tackle bullying.

We have provided more than £600,000 in funding to the Anti-Bullying Alliance to enable that organisation of more than 65 leading anti-bullying charities and experts to provide schools and local authorities with expert help to tackle bullying. But of course, other children are often in the best position to tackle bullying, by supporting and standing by their friends. Last year, more than 1 million children signed up to our beat bullying campaign and wore a blue wristband to make a visible commitment to show that they are not prepared to tolerate bullying and that they will stand by their friends.

We have provided funding of £600,000 over the past three years to the ChildLine in partnership with schools programme, which works directly with schools to encourage and train young people to establish their own projects to help each other in schools—for example, with anti-bullying and peer-support schemes. In 2004–05, those involved visited 636 schools, working with more than 45,000 children and young people. However, I know from our meeting and the points that my hon. Friend has made tonight that one of his key concerns is the misuse of mobile phones for bullying.

Of course, mobile phones can be put to positive use, but I shall focus to begin with on the misuse of mobile phones for bullying, which can be particularly unpleasant for those children and young people involved. There is often no let up in the abuse. Nowhere is safe if people are contactable at all hours by mobile phone. As my hon. Friend said, a very large majority of secondary school pupils now own a mobile phone. It is thus possible that the trend will develop and affect more of our children and young people. As my hon. Friend identified, an NCH survey in April 2005 found that 14 per cent. of 11 to 19-year-olds had experienced bullying by text message. I especially share his concern about the recent trend in happy slapping, which is when camera phones are used to record and transmit images of bullying, assault and other violence. Such activities often happen outside school, but nevertheless the images are shared and used to cause disruption in school.

The issues regarding the use of mobile phones in schools can be an especially difficult challenge for schools and their leaders to address. That was why after my hon. Friend raised the matter with me, I specifically asked the practitioners group on behaviour to examine it. The group, which was chaired by Sir Alan Steer of Seven Kings high school in Ilford, was composed of heads and teachers with a particular interest and experience in managing pupil behaviour. As my hon. Friend said, the group recognised that mobile phones are now a part of daily life. However, it also noted specific worries about the negative impact that mobile phones can have on school discipline and behaviour.

As my hon. Friend said, some schools have already banned mobile phones from their premises and that has been effective for a number of them. Other schools are reluctant to go down that route and, indeed, leaders argue that it would not be appropriate for some schools. Many schools have adopted the compromise of insisting that children keep their phones switched off and in their bags during lessons.

As my hon. Friend said, the practitioners group sensibly concluded that all schools need to consider the matter carefully and should be required to have a clear policy on the possession and use of mobile phones on the school site. I plan to discuss that recommendation with key partner organisations at the next meeting of the ministerial stakeholders group on behaviour and attendance, which I chair and which includes representatives from the main teachers' professional associations, Ofsted, local authorities and parent-governor groups.

My hon. Friend was also right to draw attention to the contribution that mobile phone companies can make to tackling the problem. I am pleased to report that the major mobile phone networks have been proactive in addressing some of the wider child protection issues around new mobile phone technology. They have become an active part of the Home Secretary's taskforce on child protection on the internet and recently developed a code of practice for the self-regulation of new forms of content to alleviate some of the concerns and dangers presented by developments in mobile phone technology. They have also been willing to take forward specific projects. For example, over the past year, Vodafone has been working with the National Family and Parenting Institute to provide information for parents on mobile phones and how to support their children if they are being bullied in such a way. I have no doubt that the industry will have listened carefully, as I did, to what my hon. Friend said about the possibility of looking for positive ways forward both to tackle the misuse of mobile phones and to consider where and how they might have a positive contribution to make in our schools.

There are several specific ideas for restricting the use of mobile phones in schools, although as I think that my hon. Friend realises, none of them offers a clear-cut answer. He referred to the device of cell blocking, which restricts the use of mobile phones in a specific area. While the technology prevents the circulation of photos that are taken by mobile phones in the school, it does not prevent photos of such incidents from being taken in the first place, especially if the incidents happen outside schools. Additionally, it does not prevent images from being circulated outside schools. When we examine the contribution that cell blocking can make, we must consider the use of phones by staff. In some schools, mobile phones are used to allow staff to communicate with one another—for example, to respond to discipline problems. Staff access to their own phones would therefore be affected if we blocked the use of mobile phones in schools. It is possible that blocking technologies could interfere with other wireless communication systems in schools.

I strongly believe that while mobile phone companies and school leaders should consider the positive and the negative aspects of the use of mobile phones in schools, the underlying problem of bullying and mobile phones does not stem from the rapidly changing technology. It provides the wherewithal for bullying, but we must address the underlying causes and take firm action if we are to provide a solution to bullying, whether perpetrated by mobile phone or in any other way. Children and young people who bully lack empathy with others and do not understand the impact of their actions. The social and emotional aspects of learning—SEAL—curriculum, which is available to all primary schools, is designed to enable children to develop those skills. A similar approach is now being piloted in secondary schools. As well as its general application to reducing bullying, the SEAL resource has a "Say no to bullying" theme, with ideas for explicit work to reduce bullying. Ofsted has already acknowledged the power of those resources to nip bad behaviour such as bullying in the bud.

Pupils need not only to understand the impact of their behaviour but the way in which harm can be multiplied if abuse and bullying is recorded and circulated. They need to know that using telecommunications equipment for a crime, whether to circulate pictures of an assault or an abusive text message, is a crime itself for which they could be charged. That approach was successfully adopted by a secondary school in south London that briefed all its pupils about the issue, and it has reduced the problem significantly.

In conclusion, I commend my hon. Friend on raising this important issue in the House and on recognising both the abuse of mobile phone technology and its

[Jacqui Smith]

benefits. School leaders are beginning to take the issue seriously and, through the ministerial steering group, I will look at what more we can do to support their consideration of the problem. The Government, teachers, governors and fellow pupils need to recognise that while even one child continues to suffer the pain and indignity of being bullied work remains work to be done, which is why we will continue to put in place hard-hitting measures which tackle bullying in our schools, however it is perpetrated.

Question put and agreed to.

Adjourned accordingly at seventeen minutes to Midnight.

House of Commons

Wednesday 1 February 2006

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Housing Development

1. **Mr. John Whittingdale** (Maldon and East Chelmsford) (Con): What assessment he has made of the infrastructure necessary to support planned housing development in Essex. [46932]

2. **John Bercow** (Buckingham) (Con): What plans he has for additional infrastructure to support new housing in Aylesbury vale; and if he will make a statement. [46934]

The Minister for Housing and Planning (Yvette Cooper): Parts of Essex and Aylesbury vale are included in the growth areas in the sustainable communities plan. Already the growth areas are benefiting from £1.2 billion of infrastructure investment from my Department plus £3.5 billion of transport investment. It is clear that both areas will need further infrastructure investment to support new homes.

Mr. Whittingdale: Is the Minister aware that Essex roads, schools, hospitals and sewers are already under huge pressure? It has been estimated that the extra 123,000 houses that her Department wants to see built in Essex will require an additional £13 billion of infrastructure investment, but mid-Essex is currently scheduled to get almost nothing. Will she either drop her plans or provide the money to support them?

Yvette Cooper: The hon. Gentleman knows that over the past five or six years the east of England, including Essex, has seen an increase of more than 20 per cent. in public sector investment, which I am sure that he welcomes. I agree that more infrastructure investment is needed to support new housing. That is why we are consulting on a planning gain supplement, which I hope that the people of Essex and he will support, because it could make a big difference to both infrastructure and the new housing that we need.

John Bercow: Given that the 1,060 new homes that the Government expect Aylesbury vale to accommodate every year between now and 2026 must be accompanied by vital infrastructure if the quality of life of my constituents is to improve and not to deteriorate, will the Minister today either pledge that the £713 million cost of extra education, health, transport and leisure services will be met centrally or alternatively agree to meet a delegation consisting of local authority leaders, my hon. Friend the Member for Aylesbury (Mr. Lidington) and me to discuss the matter?

Yvette Cooper: I am always happy to meet hon. Members and delegations to discuss public sector investment, which, as the hon. Gentleman knows, this party and this Government have strongly supported not only in his area but across the country, often against sustained opposition from his party. As I have said, additional funding for infrastructure is required, which is why the planning gain supplement consultation is so important. I urge him and his party to support the planning gain supplement, which is an opportunity to get additional investment into infrastructure not only in his area, but across the country.

Andrew Mackinlay (Thurrock) (Lab): I support the Government's policy on the regeneration of the Thames Gateway and the need for infrastructure investment. However, I must signal my considerable disappointment that the Government's programme to regenerate the Thames Gateway has not reached fruition, particularly in my area, Thurrock. Will the Minister therefore carpet the chairman of Thurrock urban development corporation and ask him to account for what has been going on for the past two years? Will she also ask her colleagues—

Mr. Speaker: Order.

Andrew Mackinlay: The Minister gets my drift.

Yvette Cooper: I certainly get my hon. Friend's drift. I know that my hon. Friend appreciates the importance of proper consultation on plans, and the Thurrock urban development corporation is consulting on a series of different proposals for the area, which include making Purfleet a priority. I agree that we must go further in ensuring that we get not only regeneration and jobs, but new homes, which are badly needed.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): One piece of transport infrastructure that my constituency and that of the hon. Member for Buckingham (John Bercow) require is the reopening of the Oxford to Bletchley railway line and the spur down to Aylesbury. Can the Minister confirm that the plans for housing growth strengthen the business case for those railways? If Conservative Members want the benefit of the infrastructure, they should support the housing growth.

Yvette Cooper: My hon. Friend is right that new housing should be accompanied by new infrastructure, including infrastructure investment for public transport. We are investing in Milton Keynes station and supporting transport and rail investment across the

country. She is right that the issue is about meeting housing need. We face considerable pressures on housing into the future, so we cannot put our heads in the sand.

Michael Gove (Surrey Heath) (Con): Can the Minister tell the House what proportion of her proposed new tax on development will be given back to the people of Essex and Buckinghamshire to fund infrastructure and what proportion will be kept back by the Chancellor to plug the black hole in his finances?

Yvette Cooper: I welcome the hon. Gentleman to his first Question Time as shadow Housing Minister. It is good to see him at the Dispatch Box but unfortunate that he has chosen such a question, which suggests that his party will not support the planning gain supplement. That is deeply unfortunate, and I hope that he will take the opportunity to contradict me. We have said, as part of the consultation, that the majority of the planning gain supplement resources should go back to those local areas in which the additional development is taking place, but that we also need to look at the mechanism for extending investment on infrastructure that will cross local authority boundaries and will represent the strategic investment across the region. It is important to raise these additional funds because those new homes for the future are badly needed; otherwise, in 20 years' time only 30 per cent. of 30-year-olds will be able to afford their own home. That situation is unsustainable.

Inner-city Regeneration Projects

3. **Tony Lloyd** (Manchester, Central) (Lab): What assessment he has made of inner-city regeneration projects; and what plans he has to extend them to other areas. [46935]

The Deputy Prime Minister (Mr. John Prescott): The Government have an extensive programme of assessment and evaluation of our key regeneration initiatives, which are promoting prosperity and delivering an urban renaissance in our major cities and their inner areas. We intend to apply the lessons of our successful regional cities to the next level of cities and towns.

Tony Lloyd: My constituents were used to the neglect of the inner cities under Tory Governments. Since that time there has been investment, and central Government, local government and the private sector have been working together in a way that has put the quality into our inner-city areas and put the hope back into our communities. My right hon. Friend must take no lessons from Conservative Members, who would take us back to those days of abandonment. Will he continue with these far-sighted and sensible policies?

The Deputy Prime Minister: I can certainly give my hon. Friend that assurance. The evidence is very clear that in all our major cities there has been a renaissance in building, development and regeneration. The paper that we published just before the last election, "A Tale of Eight Cities", shows just how much employment has grown, housing has developed, and industrial development has been to the benefit of the cities. I might say that the previous Administration's policy of having huge superstores outside towns was at the expense of cities. Changing that has led to a 30 per cent. increase in retail development in our cities. Before the election, the policy was for eight cities; we have now developed and extended it to more than 50 cities. It is a successful policy and we will continue with it.

Mr. Gary Streeter (South-West Devon) (Con): While strongly supporting the focusing of spending on inner-city areas, will the Deputy Prime Minister none the less look at spending decisions by some councils, such as Plymouth city council, which seems to be over-focusing on inner-city areas to the exclusion and detriment of the suburbs? As a result, places such as Plympton and Plymstock cannot even get play areas upgraded and refurbished. We all support extra spending in inner-city and deprived areas, but will the Deputy Prime Minister look into this—

Mr. Speaker: Order. One supplementary is fine.

The Deputy Prime Minister: It is interesting to hear the hon. Gentleman say that he supports us. I am afraid that that was not evident when his previous Administrations were dealing with inner-city programmes and regeneration. He welcomes the regeneration that is going on in Plymouth as being much to its advantage and complains that the suburbs are being forgotten. I am not sure that that is the case, but I will undertake to look at it since he invites me to do so. The development of the inner city of Plymouth is very much welcomed by its people and very much to the advantage of people who have been ignored for many years.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): The regeneration and funding that has gone into the construction industry since 1997 has completely revitalised an industry that was dead on its knees at that time. I am desperately impressed by the number of jobs that we have, but immensely concerned that we are not involving enough young people in those employment projects, particularly those connected with public sector investment. Will my right hon. Friend do all that he can to ensure that when these contracts are let, young apprentices are recruited as part of the procurement process?

The Deputy Prime Minister: Indeed. It is very much the Government's aim to improve apprenticeships in all areas, particularly the building and construction industry. We are working with the Department of Trade and Industry and the Department for Work and Pensions on these matters. My hon. Friend is absolutely right. We have insufficient skills in this country, and in the construction industry we are short of every kind of skill. Admittedly, that is because we have created a great increase in economic activity, but a lot more still needs to be done and we are certainly doing what we can.

Sammy Wilson (East Antrim) (DUP): In the light of claims of an over-emphasis on the destruction of Victorian houses as part of inner-city regeneration, will the Deputy Prime Minister comment on that and give hon. Members an assurance that there has been and will continue to be consultation to ensure that refurbishment

and regeneration schemes have the correct balance between demolition and refurbishment so that local people are not disadvantaged and communities are not destroyed?

The Deputy Prime Minister: The hon. Gentleman is right and that is exactly what we do in consultation. However, I advise him not to believe everything in *The Daily Telegraph* or even everything that Front-Bench spokesmen put out about the destruction of houses. More houses are being developed, refurbished and built than are being demolished. More than 500,000 houses are involved in pathfinders. Frankly, we believe that we are right: some houses have to be knocked down but we are building and refurbishing more than we are demolishing.

Mr. David Clelland (Tyne Bridge) (Lab): How important are social mobility and public transport to inner-city regeneration? How can they help inner-city regeneration on Tyneside when the passenger transport authority has to fund a £5 million deficit to finance the Government's free bus fare system from April?

The Deputy Prime Minister: I understand my hon. Friend's point. However, he knows that our commitment of £350 million for free pensioner passes means that all transport authorities receive considerably more. I understand that the matter is critical in the north-east, where the transfer from rail to bus may create anomalies, but nobody knows for sure and discussions continue. However, pensioners in this country have a free pass service, which they did not have previously.

Sarah Teather (Brent, East) (LD): Lord Rogers's urban taskforce identified one policy change in particular as essential to the revival of our towns and cities. When will the Deputy Prime Minister implement the recommendation to harmonise VAT across new-build housing and repair?

The Deputy Prime Minister: That was one of the recommendations of the first urban taskforce that was appointed under Lord Rogers. Approximately 99 out of 100 recommendations were implemented. That is a good record. I note that Lord Rogers has prepared a second report, which repeats the point that the hon. Lady raised. It is a taxation matter and she can be assured that we discuss such issues constantly with the Treasury. Such a policy—and, indeed, the planning gain—requires extra revenue. There are some uncertainties and unfairnesses in the application of tax. The hon. Lady has properly identified one and we are continuing the discussions.

Kitty Ussher (Burnley) (Lab): Does my right hon. Friend agree that not only cities experience inner-city problems of drugs, poor housing and deprivation? Will he therefore commit to providing sustained investment in Burnley, especially in poor housing, beyond the next spending round?

The Deputy Prime Minister: My hon. Friend is right. I visited Burnley a year or so ago, after the terrible riots there. Clearly, poor housing was an important problem. We have developed the pathfinder programme and I assure her that it will be successful and continue into the next round of public expenditure commitments.

Mrs. Caroline Spelman (Meriden) (Con): Last July, a tornado ripped through some of the most deprived wards in Birmingham, exposing the dire need for regeneration. In November, the Deputy Prime Minister told the council that he would respond in due course. The Office of the Deputy Prime Minister made the same statement only last week. Surely a whirlwind is needed in the Department if it takes so long to respond to a natural disaster, which has left families roofless, homeless and devastated.

The Deputy Prime Minister: The hon. Lady may know that difficulties of interpretation sometimes arise in discussions about compensation through the Bellwin scheme and that they are often not settled. We will continue with the negotiations. My hon. Friend the Minister for Local Government has visited two or three times.

In Cornwall, where floods occurred, and in Carlisle, which I visited last week—*[Interruption.]* Well, the Department is involved in the regeneration and renaissance of all cities, whether Birmingham, Carlisle or Manchester. We shall give proper attention to the policies that are necessary to solve the problems. The discussions are ongoing.

Gypsy and Traveller Sites

4. **Julie Morgan** (Cardiff, North) (Lab): When the "Planning for Gypsy and Traveller Sites" circular will be published. [46936]

The Minister for Housing and Planning (Yvette Cooper): We expect to publish the new planning guidance very shortly, alongside new guidance on enforcement. We need more sites, to address the shortage that has grown, and also better enforcement to deal with problem sites.

Julie Morgan: I thank the Minister for that reply. I am pleased to hear that the guidance and the circular will come out soon, because I know that they are eagerly awaited. Does she agree that the provision of more Gypsy sites will help to reduce tensions between the Gypsies and Travellers and the settled community, and result in more social inclusion for Gypsies and Travellers?

Yvette Cooper: My hon. Friend is right. The shortage of Gypsy and Traveller sites has grown since 1994, when the law changed. That has resulted in an increase in unauthorised developments and encampments, which can cause huge tensions with the settled community and can contribute to the further exclusion and difficulties faced by Gypsies and Travellers.

Mr. James Gray (North Wiltshire) (Con): The disgraceful and illegal Gypsy encampment at Minety in my constituency has been given leave by the Deputy Prime Minister to stay there for 18 months while Wiltshire county council assesses, among other things, whether there are enough Gypsy sites around to

accommodate the caravans. Given that these people are nomadic and come from as far away as southern Ireland and Romania, by what mechanism should Wiltshire county council assess whether it has enough sites?

Yvette Cooper: We shall also be publishing additional guidance on accommodation needs assessments for Gypsies and Travellers. This is obviously more difficult than assessing the accommodation needs of the settled population, which is why the additional guidance is required. I hope that the hon. Gentleman would accept that, to address this problem, we need not only better enforcement but more appropriate site provision; otherwise, we will simply shift the problem elsewhere.

Supporting People

5. **Dr. Brian Iddon** (Bolton, South-East) (Lab): What consultation his Department has carried out on how to develop the supporting people programme. [46937]

The Minister for Local Government (Mr. Phil Woolas): A consultation paper on developing the supporting people programme was published on 15 November 2005, with consultation running until 28 February 2006. Throughout that period, officials and Ministers are meeting a wide range of stakeholders, including local authorities, service providers and people who use the service.

Dr. Iddon: The special interest group of municipal authorities—the SIGOMA group—is happy that the new funding formula delivers on the needs identified in the social services block. The problem is that the figure has been reduced by £250 million for the next financial year by the damping mechanism. Before making his announcement yesterday, did my hon. Friend consider the impact that that level of damping would have on metropolitan local authorities in the SIGOMA group? For how long will the damping mechanism be applied?

Mr. Woolas: I am of course aware of the representations that my hon. Friend and his local authority have made on this issue. I repeat to the House that every local authority in the country has once again received an above-inflation grant increase. Authorities such as that of my hon. Friend, which are above the floor, are paying indirectly for those that are beneficiaries of that arrangement. The decision that my colleagues and I took to ensure stability and predictability in local government financing is part of a very important and, I believe, successful policy.

Tony Baldry (Banbury) (Con): The existing formula does not take adequate account of the cost of delivering services. Nor does it take account of the fact that, in counties such as Oxfordshire, there are areas of considerable need. For example, the 2001 census showed that more than half the population in the Grimsbury and Ruscote wards in my constituency were carers. When the Minister is deciding on the new formula, will he please try to ensure that it is fair; otherwise, the most vulnerable people will be hit the hardest?

Mr. Woolas: I assume that the hon. Gentleman is referring to the supporting people programme, about which he and his colleagues have already made representations to me and others. I want to emphasise to him that the allocations for the second year of the two-year settlement—2007–08—are guaranteed minimum allocations at 95 per cent., in order to allow the planning of the services that those vulnerable people need.

Mr. Neil Turner (Wigan) (Lab): Welcome as the supporting people programme is, the Minister will know that it is not core funding and is therefore subject to ministerial support. Does not my hon. Friend agree that the best way in which a Labour Government can achieve its historic aim of reducing inequality is to fund local authorities at a formula that recognises real need rather than to damp that out of existence?

Mr. Woolas: In reference to the supporting people programme, I assure my hon. Friend that the Government will ensure that the most vulnerable in our society have access to a proper home, with a roof over their head and the support services that they need to be able to carry on living independently. I assure him that during the consultation, which ends later this month, that commitment will be at the front of our minds.

Mr. Eric Pickles (Brentwood and Ongar) (Con): Given the cut in funding, that assurance is meaningless. The Minister must understand that this is the next crisis that is likely to engulf his dishevelled Department. The cut in funding is blighting the lives of many, involving a drop in the quality of life for the most vulnerable. The Government's wilful blindness will not prevent a growing crisis, which, ultimately, will be more expensive to the state. Avoiding the problem with diversionary reviews, tinkering with structure and official junkets to Disneyland fools no one. *[Interruption.]*

Mr. Speaker: Order. Can I ask the House to come to order?

Mr. Woolas: I thought that the hon. Gentleman read out his press release with great eloquence. Unfortunately, like the reference to the newspaper story at the weekend, it bore no relation to the facts whatever. In relation to the accusation about the reduction in funding for the supporting people programme, which delivers services to the most needy and vulnerable in our country, I remind the House that there was no such programme before this Government were elected to office.

Alison Seabeck (Plymouth, Devonport) (Lab): My hon. Friend will be aware of the Audit Commission's concern that delivery of the generally excellent supporting people service is variable and inconsistent. What action is his Department taking to ensure that the 1.2 million service users receive the best possible care and support from providers?

Mr. Woolas: This morning, I attended the Local Government Association and National Housing Federation conference in Church house, with 300 stakeholders, to discuss exactly that issue. I assure my hon. Friend that the objective that she has outlined

to the House will be at the forefront of our minds when we publish the findings of the consultation and our conclusions in the summer.

Government Office for London

6. **Adam Afriyie** (Windsor) (Con): What plans he has for the future role and responsibilities of the Government office for London. [46938]

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): The Office of the Deputy Prime Minister will publish shortly a review of the Government office network. Its emerging proposals include a smaller, more strategic role for Government offices including GOL, the Government office for London. A consultation on additional powers and responsibilities for the Greater London Authority is also taking place. However, we do not expect that review to have a major impact on the functions or size of GOL. I want to pay tribute to the excellent work done by the staff of GOL for the people of the capital.

Adam Afriyie: Given the current burden of government in London, with the Mayor, the GLA, the 32 boroughs and the London Development Agency, can the Minister tell us clearly, precisely and specifically the unique functions of the Government office for London, so that we can make a judgment as to whether it is worth while?

Jim Fitzpatrick: My understanding is that the Government office network was created by the Conservative party in government, long before the hon. Gentleman arrived in the House. The Government office for London serves a unique purpose of co-ordinating the responsibilities of 10 different Government departments within the capital. We are undertaking a review of the Government office functions in line with the GLA review. After the consultation period, which concludes on 22 February, we will determine what the appropriate level of responsibility is, and we will make that announcement shortly.

Social Services Funding

7. **Jeff Ennis** (Barnsley, East and Mexborough) (Lab): If he will review the implementation of the damping mechanism for social services funding for the financial year 2006–07. [46939]

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): The Office of the Deputy Prime Minister has no plans to review the damping mechanism in the 2006–07 social services formula. The ODPM has laid the Local Government Finance Report (England) 2006–07 in the House for debate on Monday 6 February. It would not be appropriate to withdraw that report at this late stage, as authorities must set their budgets to a statutory timetable.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): That was obviously a very disappointing response. May I point out, further to what was said by my hon. Friend the Member for Bolton, South-East (Dr. Iddon), that many northern metropolitan authorities, such as those that I represent, have experienced heavy damping down of education and housing management, to name but a few services? We are now seeing heavy damping down of children's social services. I implore the Minister to think again about what is a very important issue for many northern metropolitan authorities.

Jim Fitzpatrick: As I said in my answer, we shall debate the settlement on 6 February. My hon. Friend the Minister for Local Government replied earlier in respect of the details of damping down of social services, but let me point out that this is the ninth successive year in which we have delivered an above-inflation increase to local authorities. By 2008, that will represent a 39 per cent. real-terms increase in expenditure.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [46917] **Dr. Ashok Kumar** (Middlesbrough, South and East Cleveland) (Lab): If he will list his official engagements for Wednesday 1 February.

The Prime Minister (Mr. Tony Blair): Before I list my engagements, let me say that I am sure the whole House will join me in sending our condolences to the families of the two British soldiers killed in Iraq this week, and will agree on the remarkable job that our armed forces are doing with courage, dedication and sheer professionalism in the service of their country and to help Iraq to become the democracy that its people so clearly want. We owe them a tremendous debt of gratitude.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I shall have further such meetings later today.

Dr. Kumar: I share the sentiments expressed by the Prime Minister, and the sympathies expressed to the families for the sacrifices that have been made on our behalf.

Has my right hon. Friend seen the latest report from the Equal Opportunities Commission? It concludes that one in five private firms pay women far less than men for the same work. That means that 10,000 women in my constituency are losing out. Does my right hon. Friend agree that that constitutes disgraceful discrimination of the highest order in a democratic society in the 21st century? Will he tell me what we as a Labour Government will do to put matters right?

The Prime Minister: My hon. Friend is right to point out that such discrimination still exists, although actually the gender pay gap is at an all-time low of some 13 per cent. I look forward to the report from the women and work commission which will be published in the next few weeks. It will not only draw attention to the serious problems raised by my hon. Friend, but provide us with some solutions.

Mr. David Cameron (Witney) (Con): I join the Prime Minister in paying tribute to Lance-Corporal Douglas and Corporal Pritchard. Their deaths will be a devastating loss to their friends and families, and they remind all of us of the debt that we owe all our soldiers for the work that they do on our behalf.

Following the two defeats in the House last night, what confidence can the country have that the Prime Minister will be able to carry his agenda?

The Prime Minister: Let me put it like this: I think it is probably a good idea for me to turn up for the education vote.

We will carry through the programme of change and reform, particularly in relation to schools, welfare, and antisocial behaviour and crime, because we believe that it is the right agenda for the country. In respect of schools, for example, we think that there have been enormous improvements over the past few years, but we need further change, reform and investment to take the change programme further still.

Mr. Cameron: I have noticed that the Labour Chief Whip is a little quieter than normal. She is probably the first Chief Whip in history to put the Prime Minister in the frame for losing a key vote—which is an interesting career move, to say the least.

Is it not becoming increasingly clear that when the Government do the right thing, such as introducing education reforms, they can do it only with Conservative support, but when they do the wrong thing, they cannot carry either their own Back Benchers or the country?

The Prime Minister: I obviously do not agree with the right hon. Gentleman that the Bill was the wrong thing to do, and for reasons that we have set out on many occasions. He said that he will support schools reform, which is fine—that is a position for him to adopt. We believe it right to have these reforms, even though there has been tremendous progress in our schools in the past eight or nine years. Indeed, school results at the ages of 11, 16 and 18 are now better, we have the highest number of teachers for 25 years, we have doubled the number of support staff and there is record investment going into our schools, all of which was opposed by the Conservatives. Even though the situation is far better than in 1997, it is not acceptable that almost 40 per cent. of kids do not get five good GCSEs.

Mr. Cameron: Every week I ask the Prime Minister about education and every week he says that he will stick to the Bill. But every weekend, I read about a climbdown, so I am pleased that he is sticking firm. Looking ahead—*[Interruption.]*

Mr. Speaker: Order. There is a Whip shouting next to the Chair. This happens every Wednesday and I tell him: get away from the Chair and do not shout when the Leader of the Opposition is speaking. That is not a Whip's duty. He has other duties and he should attend to them.

Mr. Cameron: Thank you, Mr. Speaker. My advice to the Whip in question, given current circumstances, would be to get away from the Whips Office. That would probably be a better move.

Looking ahead to the Government's programme, is not the right approach to stop attacks on freedom of speech such as last night's, to scrap the identity card scheme that even the Government's own terror adviser is now questioning, and to press ahead with education reforms, which we will back for the good of the country?

The Prime Minister: I am afraid that, obviously, I do not agree with the right hon. Gentleman about last night's Bill. Nor do I agree with him about identity cards, for reasons that I gave when we had this exchange a couple of weeks ago: they are an important part of fighting crime in the early 21st century. But as for changing positions, we have made it clear that we are in favour of these school freedoms, and of making sure that there is no return to selection and that schools have to abide by the code of practice. It is the right hon. Gentleman who has changed his position on education policy. *[Interruption.]* Well, he has denied that over recent weeks, but let me quote what he said back in September last year:

> "I will continue to fight for real school freedom—not the phoney version offered by Labour. Real school freedom should mean school autonomy . . . over selection."

He went on to say:

> "The fact that grammar schools continue to improve at a faster rate shows how wrong it is for Labour to continue undermining them . . . Giving all schools greater freedoms—including the ability to select pupils—will help this".

Then he was asked whether, if schools wanted a return to selection by ability, they could have that. He said:

> "That's right".

Then suddenly, two weeks ago, he says:

> "I guarantee . . . there will be no return to the 11-plus . . . There's a real case for more selection within schools rather than selection between schools."

So with the greatest respect, we have held firm throughout; it is he who has been dithering about.

Q2. [46918] **Kelvin Hopkins** (Luton, North) (Lab): In view of the looming debt of £100 million facing the Queen Elizabeth hospital private finance initiative scheme, hospital scheme cost overruns amounting to £2.5 billion over the next five years, doubts about the affordability of the Barts and Royal London hospital development, and Treasury objections to the excessive profits being creamed off by PFI companies, is it not time to abandon PFI as an irrational nonsense invented by the Tories, and to replace it with cheap and accountable public investment?

The Prime Minister: I am afraid that the answer to that is no, it is not time to do that, and for a very simple reason. There is now the largest hospital building programme in the NHS since it was created. When we came to office, under the old system, we had run-down NHS buildings and more than half the stock had been created before the NHS was formed; now, as I said, we have this huge hospital building programme going through. Of course, with any hospital building programme, PFI or otherwise, we have to make sure that we get value for money. But there is a reason why more people are being treated than ever before, in more modern facilities and at a faster speed: it is investment, yes, but also change and reform, including PFI.

Sir Menzies Campbell (North-East Fife) (LD): Today, we all express our sympathies to the families of the two British servicemen who died this week in Iraq, and it is right, too, to remember all those others who have died and been injured, some grievously. Drawing on the lessons of Iraq, is it not imperative that when dealing with Iran, there must at every stage of the process be explicit United Nations authority?

The Prime Minister: Of course, we have agreed with our partners to report Iran to the UN Security Council because of what that country is doing in breach of its international obligations, but it is also important that we send a signal of strength. Whatever our views on the wisdom of the Iraqi conflict, we in this House have just sent our deepest condolences to the families of the soldiers who have tragically lost their lives. When people try to stop us helping Iraq to become a democracy and a more stable nation—the benefits of which will be felt not just in that country and the region but here as well—and to kill our soldiers or innocent civilians, it is important that we do not walk away but that we stand up and fight back.

Sir Menzies Campbell: Last September, the Foreign Secretary said that military against Iran was "inconceivable". Today, he is reported as saying that Iran has a "final opportunity" to change course. What does he mean by that?

The Prime Minister: The matter is now before the Security Council, and we are pursuing it by peaceful and diplomatic means. However, Iran has breached its obligations in respect of nuclear weapons and is exporting terrorism around the region. Given that, and what it is doing in respect of human rights, I hope that the right hon. and learned Gentleman recognises that it is important that we say—at this moment above all others—that it must come back into compliance with its international obligations, and that we all support the action necessary to make that happen. As I say, we are pursuing that in the UN Security Council, but it is important that Iran understands that this House is united in determining that it should not be able to carry on flouting its international obligations.

Sir Stuart Bell (Middlesbrough) (Lab): The Prime Minister has been kind enough to share with the House his views on Iran. However, will he now share with us his views on the election of Hamas in the putative state of Palestine?

The Prime Minister: The most important thing is to say to Hamas that we respect its mandate and the fact that it won the elections. However, the only basis for progress in the middle east is a two-state solution—a secure and confident Israel and a viable Palestinian state. We will not be able to take the process forward if one of the partners has in its constitution the desire to get rid of the other—that is, the state of Israel. That is why Hamas faces a very fundamental choice. If it chooses democracy and peace, and to work side by side with Israel, then of course we stand ready to take the process forward. However, we cannot do that if Hamas' fundamental position is inconsistent with the outcome that we all want.

Mr. David Cameron (Witney) (Con): This week, we heard that the problem of climate change may be even worse than previously thought, and that the Government will not meet their targets. Later this month, the Government plan to close four out of the eight eco laboratories that monitor climate change. What happened to joined-up government?

The Prime Minister: We have set a Kyoto target, which we will meet. It is very tough on CO_2 emissions, as the right hon. Gentleman knows and for all the reasons that he knows. This country is leading the international debate on climate change. As the recent report from the international body on the environment showed, we are now ranked fifth in the world in terms of our environmental record. That is a very good record for this country.

Mr. Cameron: But will the Prime Minister look at the case of the laboratories? The Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for South Dorset (Jim Knight), said in a letter:

"The . . . closure . . . does not make sense, either scientifically or economically, whether considered at a national or a local level."

Is he right?

The Prime Minister: There is a debate, because of the Research Councils UK decision—*[Interruption.]* It has taken the decision to close the laboratories, and there is of course a debate about whether that is right or not. The basic point about the Government's climate change policy is that we will retain the renewables target and reduce CO_2 emissions in the specified time. However, there is no point in the right hon. Gentleman raising these issues while he remains opposed to the climate change levy. That levy is the only sure way to secure the reductions in CO_2 emissions that we want. I therefore hope that he will change his position on the levy.

Mr. Cameron: It was a simple question: is the Minister right? Sir David Attenborough has called those laboratories world leaders in biodiversity research. They make a crucial contribution to measuring the effects of climate change. I fear that the Prime Minister has not really considered the matter; will he go away and think about it, have a look at the evidence and come back to report to the House next week?

The Prime Minister: I do not agree. Research Councils UK takes those decisions. The key thing for us if we are to meet our Kyoto targets—*[Interruption.]* If we are to tackle climate change seriously, we need to do two things. First, this country has to meet its Kyoto targets, and we are meeting them, in part through the climate change levy; the right hon. Gentleman remains opposed to it, but it is that which is helping us deliver on the Kyoto targets. Secondly, we have to build international support for action on climate change, which we are doing. The speech last night by the President of United States shows that there is growing consensus that we need to invest more in renewables and in clean technology, in which regard we are leading the way.

Dr. Howard Stoate (Dartford) (Lab): The recommendations in the Government's new White Paper on health, published on Tuesday, on care outside

hospital represent the best opportunity for a generation to improve patient care and bring real choice to people in the communities where they live. Will my right hon. Friend ensure meaningful change in how the national health service is operated to ensure that real power shifts from secondary care hospitals to primary care settings, where people really want improvement in their services?

The Prime Minister: My hon. Friend knows a great deal about this matter and knows that that is precisely what the White Paper is designed to achieve. As a result of the incentives and changes introduced by practice-based commissioning, there will be a real incentive, not merely a duty, for general practices to offer care at the most appropriate point and to make it easier to access and more convenient for patients. For example, practices will be able to do blood tests and so on far more quickly and where it is convenient for people, rather than sending them to the secondary sector.

Q3. [46919] **Mr. Nigel Evans** (Ribble Valley) (Con): Before he retires, will the Prime Minister have a word with the Chancellor of the Exchequer? His right hon. Friend has, over the past five years, pocketed more than £60 million from speed camera fines. Yet when I asked Labour-controlled Lancashire county council for some money for a road safety improvement on the A59, I was told that it had no money. Will the Prime Minister ensure that all the money raised from speed camera fines is used for road safety measures?

The Prime Minister: We have doubled expenditure on road transport, and as I recall the hon. Gentleman went into the Lobby to vote against that very investment.

Mr. Robert Marshall-Andrews (Medway) (Lab) *rose—*

Hon. Members: Hear, hear.

Mr. Marshall-Andrews: An unsolicited testimonial.

The tragedies in Iraq and the recent book by Professor Sands again raise issues about the legitimacy and legality of the war. Will the Prime Minister therefore take this opportunity to cast definitive light on one matter that remains obscure? Before the war, was the Cabinet made aware of the existence—not the content—of the Attorney-General's original written opinion, dated 7 March?

The Prime Minister: As I have said on many occasions, the Attorney-General was present at Cabinet in order to discuss his opinion. He was there, and he was able to answer any questions raised.

May I make one point to my hon. and learned Friend? I understand entirely why he was against the original Iraqi conflict, but British troops have been in Iraq for the past two and a half years, with a United Nations mandate and the full support of the Iraqi Government, who are themselves, for the first time, the product of direct election by the Iraqi people. I believe that it is right, legally and politically, for us to stay there and see the job through, because that is in the interests of the Iraqi people and the British people.

Q4. [46920] **Mr. David Heathcoat-Amory** (Wells) (Con): The Prime Minister will recall that the Government rightly voted against the artists resale right directive, which will drive, art, business and jobs out of the United Kingdom, but that it was imposed by majority voting. Is he aware that the Department for Trade and Industry is now embellishing and gold-plating the implementing regulations, in defiance of what he said about that danger? As the regulations will be debated tomorrow in Committee, will he bring the DTI—the Secretary of State is sitting on the Front Bench with him—into line with his own promise to end damaging over-regulation, or were those just more empty words?

The Prime Minister: No, I do not agree. In fact, there is a strongly contested point which he assumes as a matter of a fact is about gold-plating: it is not. It is about the nature of the directive itself. For the reasons that the Minister has given, the directive is right. As for qualified majority voting, I think that I am right in saying that that particular version was introduced under the Single European Act, which was part of the legacy of the previous Conservative Government. If I were the right hon. Gentleman, I would pay more attention to working out with whom the Conservative MEPs will sit in the months to come.

Dr. Roberta Blackman-Woods (City of Durham) (Lab): Does my right hon. Friend agree that the signing at the London conference yesterday of the compact and the new national development plan for Afghanistan represents a real way forward for that country and, if supported by the international community, could contribute to peace and stability in the region?

The Prime Minister: I agree with my hon. Friend obviously, but it is important at this moment—when terrorism is fighting back in Afghanistan and Iraq and when it is clear that the peoples of both those countries want a free democracy, because they voted in their millions for that—for the international community to help those countries become different. As failed states, they were a threat to the whole world. It is worth reflecting for a moment that the security that we are able to provide in Afghanistan and Iraq to help those countries become democracies is not only of assistance to them, but—in changing them from failed states into democracies—is of direct benefit to the security of this country, too. That is why it is important that we stay the course and see it through.

Q5. [46921] **Mr. Mark Francois** (Rayleigh) (Con): Last Wednesday, the Prime Minister told the House that he wanted to listen to what local people say when determining the changes to police forces. Given that in Essex, the police authority, the chief constable, Essex county council and 15 of our 17 MPs, including the hon. Members for Colchester (Bob Russell) and for Thurrock (Andrew Mackinlay), have all publicly pledged to back the stand-alone option, will he now

honour his pledge to listen and ensure that popular police forces around the country, such as Essex, are allowed to stand alone?

The Prime Minister: Of course, as I said last week, we will listen carefully to all the representations that are made, including the ones the hon. Gentleman has just made.

Q6. [46922] **Mr. Andrew Dismore** (Hendon) (Lab): What advantages does my right hon. Friend see arising from the partnership between Jobcentre Plus and Marks and Spencer, which he saw when he visited Brent Cross shopping centre in my constituency last week to hear first hand from lone parents, disabled people and the former homeless, who are now employed by that company in secure employment and worthwhile careers? Does he agree that that provides a valuable example of best practice in what can be achieved in helping disabled people back into work?

The Prime Minister: I found it very inspiring to talk to the people in my hon. Friend's constituency, some of whom have been unemployed for many years but who have found work through Jobcentre Plus and the new deal and because Marks and Spencer has realised that people with disabilities could be an excellent work force and there were people who would commit themselves long term to the company. It underlines how important it is that we get more people off incapacity benefit and into work. The pathways to work pilot has been very successful and, as we said last week, we will roll it out across the country.

Rev. Ian Paisley (North Antrim) (DUP): May I associate myself with the remarks already made by others? Our deepest sympathy goes to those who have lost loved ones in the war in Iraq. It has often been said that bereavement is not good at talking. We all know that and we have our own feelings about such matters. I am sure that the whole House will be in the same mind as me on that.

Has the Prime Minister read the two reports that have just been issued, one by the Independent Monitoring Commission and the other by the Independent International Commission on Decommissioning? Is he not alarmed that after all that was said against my party when we said, "Don't take what the IRA has said as truth, examine it", the commission, which was set up by the Government, admits that perhaps it was misinformed and that its judgment in September that all arms had been decommissioned was a misjudgment? When a Government—

Mr. Speaker: Order. There are other hon. Members who wish to be called. The Prime Minister will answer the right hon. Gentleman.

The Prime Minister: A fair summary of what the IMC said is that it drew attention to its belief that a strategic decision has indeed been taken by the leadership of the IRA to give up the armed struggle. The IMC has also said, however, that it is concerned about violence and criminality. Let me make it clear once again: all criminal activity has to cease. That is absolutely crucial, but it would be quite wrong if the right hon. Gentleman were suggesting that there had not been very significant progress or that the statement that the IRA gave last July was not highly significant.

Social Behaviour

Q7. [46923] **Mr. Graham Allen** (Nottingham, North) (Lab): What progress the Government have made in promoting social behaviour since July 2005.

The Prime Minister: By a number of different ways, noticeably Sure Start and programmes in primary and secondary schools, we try to encourage rejection of antisocial behaviour and the embrace of social behaviour.

Mr. Allen: Does the Prime Minister accept that many youngsters in deprived constituencies such as mine, often from broken families, arrive at school unable to recognise numbers or letters, or unable even to speak in complete sentences or relate to their fellow pupils? Will the Prime Minister consider putting the teaching of social behaviour at primary school at the same level as the successful campaigns on teaching numeracy and literacy, where the local education authority so wishes?

The Prime Minister: Some of what my hon. Friend rightly draws attention to is being done through primary schools now in the programme on which the Department for Education and Skills is working with them. He is absolutely right, however, to draw attention to the fact that for our young people it is not merely about passing exams, but about communication skills and being able to work with people, where, in addition to the other measures we are taking, the increase of sport in schools—and bringing sport back to schools—will have a major impact. My hon. Friend is right to say that we will have a programme in place, available for local authorities to use if they so wish.

Engagements

Q8. [46924] **Mr. Brian Binley** (Northampton, South) (Con): Last year, Labour-run Northamptonshire county council was given a 6.5 per cent. increase in formula funding, yet this year the now Conservative-run council received an increase of just 2.1 per cent. Can the Prime Minister tell me why last year the county council deserved more but this year deserved less?

The Prime Minister: The hon. Gentleman has a slightly curious way of describing it; actually, real-terms increases are still occurring this year. I remind him that as opposed to the Conservative years, in which, constantly, funding for local authorities was cut, we are increasing the funding year on year on year. That is why, in an area such as Northamptonshire, for example, police numbers have risen, we have more police support staff and there has been a 17 per cent. fall in domestic burglary and a 6 per cent. fall in overall crime. And under this Government the money will keep on coming.

Dr. Alasdair McDonnell (Belfast, South) (SDLP): I welcome the renewed efforts by the Prime Minister and the Irish Government to restore devolution in Northern Ireland, but does the Prime Minister agree that one of the best options for progress would be to remove suspension and recall the Assembly, thus allowing the wrecking parties to resolve their difficulties within six weeks and restore a local Executive so that social and economic issues can be tackled urgently?

The Prime Minister: I agree with my hon. Friend that we want to see the institutions back up and running as soon as possible, but as he knows—and to state the obvious—that can only really happen if a degree of confidence exists so that the parties can work together. The talks that will begin shortly, which my right hon. Friend the Secretary of State for Northern Ireland will lead, will give us an opportunity to explore the differences, but as ever with this process, the Government can facilitate but we cannot force people to do what they do not wish to do. I hope that during those negotiations and talks we can discuss the circumstances in which we can get the institutions back up and running properly.

Q9. [46926] **Mr. James Gray** (North Wiltshire) (Con): Tuesday's health White Paper calls for a greater local delivery of health services, which the Opposition very much welcome. Does that spell a reprieve for Malmesbury hospital?

The Prime Minister: I cannot comment on the hospital that the hon. Gentleman mentions in particular, but I can say that the one thing that is for sure is that over the past few years—[HON. MEMBERS: "What about the hospital?"] I think that it is as well to remind the hon. Gentleman's constituents of the massive increase in investment under the Labour Government, because one thing is for sure: every bit of that investment, including a 7 per cent. real-terms increase in health funding this year, would have been opposed by him and his party.

Personal Statement

12.30 pm

Mr. Stephen Byers (North Tyneside) (Lab): In my personal statement on 17 October 2005, I apologised to the House for the factual inaccuracy in my answer to the hon. Member for Epsom and Ewell (Chris Grayling) during the Transport Sub-Committee meeting held on 14 November 2001. I am grateful to the Committee on Standards and Privileges for its investigation into my evidence, and in particular for its finding that I did not lie to the Select Committee, as alleged. As I told the Committee, an accurate reply at the time would have caused me no problem, either politically or legally. Although the Committee recognised that in my personal statement of 17 October I had accepted that I gave a factually inaccurate answer, it concluded that I should have apologised unreservedly for having done so. I accept the Committee's conclusion, and I therefore offer my unreserved apologies to the House.

Points of Order

12.32 pm

Mr. John Baron (Billericay) (Con): On a point of order, Mr. Speaker. In Health questions yesterday, we referred to the growing problem of the lengthening waiting times for radiotherapy, made the point that the Government are continually refusing to measure those waiting times, and asked how the problem could be solved. The Secretary of State for Health indicated in her answer that the Government would introduce measuring facilities for such waiting times, but that clearly contradicts written parliamentary answers given to us very recently. Will you please look into this matter, Mr. Speaker, and ensure that Ministers give accurate answers in future—for the sake of cancer patients, in this case?

Mr. Speaker: The best way to deal with that is to table more parliamentary questions.

Rev. Ian Paisley (North Antrim) (DUP): On a point of order, Mr. Speaker. At Question Time today I mentioned two reports, and you told me from the Chair, Sir, when you put me down, that I would be answered. The Prime Minister did not answer anything about the report that I was quoting—he went on to another report—and on a matter of this nature, when a Government-appointed body now admits that it misled people about decommissioning, we need a straight answer from the Government.

Mr. Speaker: It is best for the right hon. Gentleman to pursue that matter with the Prime Minister, but to get the record straight, I put the right hon. Gentleman down because his supplementary question was too long. As a seasoned campaigner in the House, he will know that long supplementary questions will be stopped by the Speaker, for no other reason than that.

Mr. Alan Reid (Argyll and Bute) (LD): On a point of order, Mr. Speaker. Two years ago, the Prime Minister tabled a motion in the House to welcome the fact that pensioners would be able to collect their pensions from the Post Office, using a Post Office card account. However, yesterday, an anonymous spokesman for the Department for Work and Pensions announced that those accounts were always intended to be only an interim solution. Have you had any request, Mr. Speaker, from any Minister at the DWP to come to the House to explain why that fact was concealed from us two years ago, and to explain the pilot schemes that are starting this month, thus preventing some pensioners from using Post Office card accounts for their pensions?

Mr. Speaker: The hon. Gentleman represents a constituency that is, at the very least, very rural, and post offices are an important part of that community. He should apply for an Adjournment debate and get the appropriate Minister down to the House.

Protection of Private Gardens (Housing Development)

12.35 pm

Greg Clark (Tunbridge Wells) (Con): I beg to move,

That leave be given to bring in a Bill to protect private gardens from housing development which is out of character with the surrounding area; and for connected purposes.

The Bill is designed to close a loophole in the planning system that is giving rise to great concern in my constituency and constituencies throughout the country. The problem is essentially that front and back gardens are classified in planning terms as the equivalent of brownfield sites. In other words, they are treated the same as an old gasworks or a disused railway site. As housing development is encouraged on brownfield sites, it is next to impossible for local councils throughout the country to refuse planning applications for developments that they consider to be excessive, even if they want to. The situation has serious consequences for my constituents and those of other hon. Members.

Let me give hon. Members an illustration of the problem. Forest road in Tunbridge Wells is typical of many roads throughout the country. Developers are buying up houses with big plots on that road. They do not buy them just to redevelop the house, because their eyes are as much on the garden as the house itself. Some of the houses have stood for as long as 100 years. They are some of the most attractive urban houses in our constituencies, but after they have been bought for development, they are demolished and replaced by housing—often in the form of apartment blocks—that covers the whole footprint of the plot.

Let me describe the consequences of that. The neighbours of such developments live in fear that the property their other side will also be bought. They fear going from living in a leafy street of family houses to being surrounded on both sides by apartment blocks, which was not the type of life that they expected to live. With understandable panic, those people sell to developers. A domino effect occurs on these roads—one after another—as houses fall prey to developers. In a short time, the character of some of our most prized areas is being completely destroyed, although we never would have considered that possible.

There are three reasons why there is a problem, of which the first is the point about character. We should prize the parts of our towns and cities that are attractive to live in and have proved to be so for upwards of 100 years. They are part of the identity of our towns, and we should cherish and preserve them.

The second reason is environmental. In towns and cities, our gardens are precious green lungs. They are havens for precious wildlife, insect and bird life. They clean and cool the air and keep down pollution. They also contribute to the drainage of our communities when we have problems with flooding and poor drainage throughout the country. If it were suggested that one of our urban parks or open spaces should be concreted over, there would be uproar and people would march on Parliament to protect those sites. However, as gardens are hidden from view behind houses rather than in public view, they go unnoticed, so little by little we are losing precious green spaces throughout the country.

The third reason why we should be alarmed by such developments is that although we all want more social and affordable housing, many of the developments are sufficiently small to fall below the threshold that triggers the requirement for such housing. Developers can thus create high-end housing, which is often dense, without making the contribution to affordable development that they would be obliged to make if they were to develop a genuine brownfield site.

What is to be done about it? I am not going to suggest that we should preserve every garden in the country in aspic—clearly that is not possible, and there is a difficult balance to be struck between housing need and protecting the character of our urban areas—but two principles should apply. The first is that the people who make the decisions should understand their communities. They should be familiar with the character of their areas and accountable to their local electorate. Better the town hall than the Minister in Whitehall when it comes to taking views on the character of a development. We should give back to local communities the power to decide those applications, and not have them taken remotely.

Secondly, we should not kid ourselves that those are brownfield sites. They are not; they are greenfield sites. They are not what the brownfield site legislation was designed to protect. We delude ourselves if we think that we are making progress in developing brownfield sites when we are ploughing up people's back gardens, with the consequences that I have described. And I am afraid that we are deluding ourselves, because in a statement released just yesterday by the Minister for Housing and Planning, the ODPM praises the

"new record high of 72 per cent."

of home building on previously developed land—in other words, brownfield sites.

In the context of my remarks today that achievement is dubious. We do not know what proportion of that 72 per cent. is gardens rather than industrial sites. In a parliamentary answer to a question that I asked, the Minister admitted on 11 January:

"there is no information on any loss of privately owned green space."—[*Official Report*, 11 January 2006; Vol. 441, c. 691W.]

If we are to have a debate about housing and about balancing development and preserving the character of our towns, we should at least do so on the basis of clarity, honesty and knowing whether we are getting rid of industrial sites or gardens. That is not happening at the moment.

This Bill seems to have struck a chord right across the country. [HON. MEMBERS: "Hear, hear."] Labour Members and Liberal Democrat Members as well as Conservative Members have added their support to it, and that support has not just come from what one might think of as the leafy south-east. I have had messages of support from the valleys of south Wales, Rochdale, Rotherham and Doncaster, as well as from Teesside. The problem is shared across the country. To quote just one message of support, a correspondent from Rotherham said:

"We feel that our local council is sympathetic to our distress and they agree that too many mini-estates are being crammed onto unsuitable sites. Unfortunately, we are told that planning permission will almost certainly be granted to avoid an appeal which will then overturn their decision."

My Bill is simple in its intent: it would remove front and back gardens from the Government's definition of brownfield sites of previous development. If we are to be honest about brownfield sites, we owe it to ourselves to recognise the intention of the designation. If the idea of brownfield sites is to mean anything, it should be about improving the condition of our towns and villages and contributing to environmental progress, not about changing and destroying the characters of areas for ever.

Question put and agreed to.

Bill ordered to be brought in by Greg Clark, Michael Fabricant, Mrs. Jacqui Lait, John Penrose, Mr. David Burrowes, Mr. James Arbuthnot, Mr. Jeremy Hunt, Mr. Gerald Howarth, Ms Dari Taylor, Mr. Douglas Carswell, Mrs. Nadine Dorries and Mr. John Maples.

PROTECTION OF PRIVATE GARDENS (HOUSING DEVELOPMENT)

Greg Clark accordingly presented a Bill to protect private gardens from housing development which is out of character with the surrounding area; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 12 May, and to be printed [Bill 123].

Opposition Day

[12TH ALLOTTED DAY]

Police Amalgamations

Mr. Speaker: We now come to the main business, which is an Opposition debate on the 12th allotted day on police amalgamations. I inform the House that I have selected the amendment in the name of the Prime Minister.

12.45 pm

David Davis (Haltemprice and Howden) (Con): I beg to move,

That this House notes the Home Secretary's proposals to create regional strategic police forces in England and Wales; further notes the Association of Police Authorities' estimate that amalgamations could cost £600 million to implement; further notes that none of the proposed amalgamated forces has the unanimous agreement of the police authorities concerned; expresses concern about the implications of mergers for local accountability, neighbourhood policing and the level of police precepts; regrets the unnecessarily tight timetable for consultation; recognises that the potential changes are the most significant for over thirty years; and calls on the Government to consider alternative proposals to strengthen the ability of forces to deal with serious crime, including sharing services, as recommended by the Association of Police Authorities.

This is an unusual Opposition debate. Usually, we have a few hours of political combat and knockabout, all of which is very enjoyable, but the Government then carry on as they did before. Today, I shall try something a little different, and offer the Government a serious chance of achieving their stated aim of finding a better way of dealing with serious crime with the wholehearted and consensual support of all the parties in the House. That is appropriate, because the structure and accountability of our police forces and the decentralisation of law enforcement is a constitutional issue that should be resolved on a cross-party basis.

Let us start with what we agree on. We agree that we want to improve the ability of our police forces to deliver the so-called protective services that deal with murder, terrorism, cross-border crime and so on. We agree that the current organisation may be weak in some police forces on some of those issues. We agree that the policing teams—not necessarily the forces—that deal with those major issues should have the skills and resources to deal with them. Where possible, they should be able to develop experience in dealing with them.

We do not agree that the organisation that is best suited to deal with terrorism is necessarily the best suited to deal with shoplifting, mugging or burglary. We do not agree that bigger is better for most aspects of policing. Indeed, other issues including the quality of management and leadership, technical skills, proper resourcing and local knowledge are far more important than any imaginary police force-wide economies of scale in the delivery of better policing.

We do not agree that regionalism is a good model for emergency services in general or police forces in particular. We believe in localism. Regionalism is

[David Davis]

pseudo-localism, with all the disadvantages of centralisation masquerading under a local label. Most of all, however, we do not agree that this is a policy that should be analysed and proposed in a few months, barely debated, then imposed in a rush on an unwilling public and a number of unwilling police forces and authorities.

Let us start with the analysis, the so-called O'Connor report entitled, "Closing the Gap". It is subtitled, "A Review of the 'Fitness for Purpose' of the Current Structure of Policing in England and Wales". The phrase, "Fitness for Purpose", is one of the many pieces of managerial jargon that afflict modern policing. The question is, fit for what purpose? No one could seriously believe that ever bigger and ever more remote police forces will deliver more responsive, effective and accountable policing of the local robberies, muggings, burglaries that intrude into too many people's lives.

Nevertheless, the analysis in the O'Connor report implies that bigger is better when dealing with major crimes under the umbrella of protective services. The report and the Government response to it are flawed at three critical points: the original analysis; the plan and costing of proposals, such as they were; and the decision and timetable for implementation.

Frankly, the best thing that I can do is to repeat the House the coruscating opinion of Professor Lawrance, a professor of statistics at Warwick university. He addressed the analysis, which claimed that police forces need to be 4,000-strong to do their job, and found that the quality of the statistical information was questionable and that the statistical treatment of the data and the use of computer-produced statistical elaborations unjustified. In his opinion, there was minimum professional statistical science input in the planning stages, the data analysis, its presentation and the conclusions that were drawn. He concluded by stating:

"It cannot be presumed that there is a causative relation between protective service effectiveness and force size from rough trends on simple graphs.

The conclusions drawn in respect of a 4,000 minimum force size almost totally ignore the variability of protective services performance in each force size, and no evidence is provided that this will be small at the 4,000 level.

In short, there will be an unknown number of good and poor performers in re-formed larger forces."

Mr. Mark Francois (Rayleigh) (Con): Will my right hon. Friend give way?

David Davis: In the last debate that we had on the subject, I gave way over 30 times. Today, with an 8-minute rule, I shall restrict the number of times I give way, but I will do so on this occasion.

Mr. Francois: I shall try to be brief. The Essex constabulary has considerable experience of fighting terrorism, not least because, as my right hon. Friend and the Government know, there are special facilities at Stansted. Also, on 7/7, the Essex police provided substantial assistance to the Met. Does my right hon. Friend agree, with respect to colleagues from East Anglia, that the Essex constabulary does not need to merge with other forces to learn how to fight terrorism?

David Davis: Yes. My hon. Friend is right and, if I remember correctly, he is supported in his views on the matter by Members representing Essex constituencies from all the major parties in the House, which is an important indication of the concern about the proposal. He raises another point. The Essex force, as he says, has special skills in dealing with terrorism. Other forces in other parts of the country have special skills in public order defence, or in dealing with border-related issues such as international crime. On the regional model proposed by the Government, we cannot be sure that any particular region has these special skills.

One of the great advantages of a looser federated model is that a force could take advantage from one area of one set of special skills and another area for another set of special skills. Rejecting a one-size-fits-all model will help us get better policing across the board, not least at the high levels of protective services that the Government are concerned about.

Mr. John Denham (Southampton, Itchen) (Lab): Will the right hon. Gentleman give way?

David Davis: I will, but with the strictu[illegible] made before. I am often keen to give way to Labou[illegible] normally the dimmer ones, but I will make an exc[illegible] in this case, as the right hon. Gentleman is the Chairman of the Home Affairs Committee.

Mr. Denham: I am more grateful than usual. If the right hon. Gentleman is making the point that for a force of a certain size, there are a number of other factors as well as its size that determine whether it is good or not, of course that is true. Everyone would accept that. Does the right hon. Gentleman accept that, quite separate from the O'Connor report and that analysis, Sir David Phillips, chief constable of Kent and then president of the Association of Chief Police Officers, produced a position paper three or four years ago, adopted by ACPO, which reached almost exactly the same material conclusions as O'Connor about the optimum size of police forces? Is it not the case that that is not a one-off report, but a reflection of the dominant professional consensus in policing in Britain about the ideal size of police forces?

David Davis: I accept one point from the right hon. Gentleman. He is right that there are various views from leading senior police officers. My conversations with many members of ACPO indicate to me that that is not their current collective view. We will see what happens in the course of the debate in the coming days.

I did not read the whole of Professor Lawrance's critique. I dispute the idea of an optimum size for a police force. That differs around the country. The right size of police force will be different in a big urban area such as Manchester from what it would be in East Yorkshire. A one-size-fits-all model is just plumb wrong. I am sure the right hon. Member for Southampton, Itchen (Mr. Denham) has read the Lawrance report, as he is an assiduous Select Committee Chairman. He will have seen that if one took three of the

bigger forces out of the 43 in the analysis, there would be no correlation whatever for any optimum size. The whole statistical analysis is based on a flawed concept, flawed data and a flawed analytical approach. The right hon. Gentleman's Committee will no doubt consider the matter again in the coming year or so and reach a similar conclusion.

I have broken my stricture about interventions, but I shall try to make progress. The other concerns that arise are manifold. Let me go through them one by one. The first concerns accountability. Regional forces would cover a huge area. A south-west regional force—some Members from the south-west are present—would cover a massive 8,187 square miles. People living in the north of Gloucestershire are nearer to Scotland than they are to the south of Cornwall. The proposal is madness, if the aim is local identification and local accountability. Chief constables will be hundreds of miles away from many towns and villages. As I said last time, Kent officers could be closer to Calais than to their proposed regional headquarters. Inevitably, regional police forces will become more remote from the communities they are meant to serve.

Martin Salter (Reading, West) (Lab): Will the right hon. Gentleman give way?

David Davis: Not for the moment. [HON. MEMBERS: "He is one of the dimmer ones."] Exactly. The hon. Gentleman does not realise the temptation he places before me with respect to the concept of dimmer Labour Members. However, I will go to another one, the Prime Minister, and the House can make its own judgment. When he was shadow Home Secretary, the right hon. Member for Sedgefield argued that

"wholesale amalgamation of the smaller police services . . . will remove local policing further from local people when there is no evidence that it will create a more effective police service."—[*Official Report*, 5 July 1994; Vol. 246, c. 273.]

Huw Irranca-Davies (Ogmore) (Lab): Will the right hon. Gentleman give way?

David Davis: Not at the moment, if the hon. Gentleman does not mind. *[Interruption.]* Yes, another dimmer one.

Let us move to the issue of cost. The O'Connor report calls itself "Closing the Gap", but far from closing the gap, it will open a gaping black hole in the finances of our local police forces. Based on the submissions made by police authorities, the Association of Police Authorities estimates the cost of mergers to be over £525 million across England and Wales. As is the way with IT-based costings, I suspect that that is a grotesque underestimate. Indeed, the APA itself says the cost could be double that—£1 billion—when the associated costs of police restructuring are taken into account.

Let us consider that conservative estimate, which is based on the submissions of individual authorities. The sum of £525 million represents an average of £12.5 million per police force. The Home Secretary belatedly offered just £125 million, less than a quarter of the funding necessary, to pay for amalgamations. What is more, the Home Secretary's promised funds are in any case being raided from the existing police capital budget, not new money. So resources that should have been spent on improvements to policing will be used to pay for management consultants, merged IT systems, new headquarters and the like, none of them making a contribution to better policing.

More than £400 million must still be found by police authorities to finance amalgamations. There are only two places that they can get £400 million; they can borrow it or raise it through a higher precept on the council tax. We know where it will come from, don't we? Either way, in the end, the cost of the exercise will fall on the council tax payer. Assuming that police authorities do not cut services, the average police precept would rise by 21 per cent.—up to £37 on a band D property—on top of increases already planned and on top of the fact that the police precept has more than doubled in the past eight years in most cases.

Philip Davies (Shipley) (Con): Will my right hon. Friend give way?

David Davis: Just this once.

Philip Davies: I am grateful to my right hon. Friend. Given that West Yorkshire police has calculated a cost of £50 million for the amalgamation, given that the force already meets the criteria set down by the Home Office and given that the merger is opposed by the local police authority and by hon. Members from both sides of the House, including the hon. Member for Pudsey (Mr. Truswell), who made an excellent speech in a previous debate on the matter, does my right hon. Friend agree that the £50 million cost would be much better spent on real policing than on an unnecessary merger?

David Davis: I agree with everything my hon. Friend said. The model is repeated throughout the country. I should, perhaps, explain to the House my softness in giving way to my hon. Friend. He is a namesake, he used to be a constituent of mine and his wife was my agent, so I had to give way.

Huw Irranca-Davies: Will the right hon. Gentleman give way?

David Davis: The hon. Member for Ogmore (Huw Irranca-Davies) has none of those qualifications. Even if he keeps moving around, he will not fool me. I still recognise him.

Let us remind ourselves what the exercise was meant to do. The exercise was meant to strengthen protective services—the ability of police forces to tackle serious crime—but not one penny of the £500 million spent on amalgamation will be invested in them. The numbers do not add up, which is one of the reasons why the Association of Police Authorities opposes the Government's plan.

Last week, the APA asked the Government to consider the option of forces sharing services as an alternative to amalgamation, and at a recent Prime Minister's Question Time, the Prime Minister seemed to agree:

"We have to listen to what people are saying and, obviously, there are different views about police reform. One possibility is for strategic coming together on certain issues, rather than mergers,

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but that has to be looked at on a case-by-case basis . . . The aim should be the most effective way to police local communities with the greatest amount of accountability and effectiveness. Obviously, we will listen carefully to what people say."—[*Official Report*, 25 January 2006; Vol. 441, c. 1426–27.]

Bravo.

From the other side of the Dispatch Box, the Home Secretary keeps saying, "Quite right.", but I wish that he were as open-minded as he pretends to be. He has commented:

"Some people think that a form of federation would be a more effective way of dealing with aspects of the situation than strategic forces. I take the view . . . that that is not the right approach".—[*Official Report*, 19 December 2005, Vol. 440, c. 1583.]

The Chief Whip may not be the only one who makes a career-changing decision in the next few days.

The Prime Minister is for sharing services, and the Home Secretary is against, so what is the Government's policy? Is the Home Secretary looking at federations with an open mind? The Prime Minister is often accused of wanting to associate himself with popular initiatives, and if he is successful in persuading the Home Secretary that the federated option is worth considering, this will be the one occasion when he will have our full support, whether he turns up or not.

The Government are attempting to drive through the biggest reorganisation of the police for 40 years with little debate or consultation. Police authorities were given just three months to prepare their cases before Christmas. When police forces were last restructured in the 1960s, a royal commission was formed. It took two years to report, and there was then another two years of debate on the report before legislation was enacted. Denis O'Connor, the author of the report, believes that this process should take longer:

"This process looks like five years and not 18 months to me".—[*Official Report, Westminster Hall*, 29 November 2005; Vol. 440, c. 8WH.]

The Home Secretary has already been rebuffed by the police authorities, which will not submit to his absurdly tight three-month deadline. He must realise that more time is needed to assess the costs of restructuring, the implications for accountability, the objections of local communities and potential alternatives to amalgamations, many of which are strongly opposed by police authorities, chief constables and local people.

Lembit Öpik (Montgomeryshire) (LD) *rose—*

David Davis: For the sake of party fairness, I should make one concession. At a party conference, I once described the Liberal policy of tough liberalism as an oxymoron with the emphasis on the last two syllables.

Lembit Öpik: The right hon. Gentleman is tough with a generous heart. He has made an important point about consultation. Does he agree that in many cases the people who oppose the Home Secretary's proposal do not have vested interests? If the Home Secretary listened, he would realise that serious crime is a consideration, but not the only consideration. Many people think that the proposal will seriously harm local crime management. For example, an all-Wales police force will pool resources in high-crime areas, leaving relatively low-crime areas to experience an increase in crime.

David Davis: I agree with almost every word the hon. Gentleman has said, despite his opening accusation of kindness, which is very dangerous for a Home Secretary.

Returning to my opening remarks, even if we were not in this new age of consensual politics, I would still believe that every hon. Member wanted to ensure that our police forces are adequately equipped to tackle the myriad threats faced by the people of this country.

The Home Secretary has already admitted that the widespread objections to the proposals have forced him to implement them in two stages. He has said that those forces happy to proceed will start in April 2007, while for those that object it will be April 2008. All the indications are that few, if not none, of the forces will agree to April 2007, so we are discussing April 2008, when most of the forces will be cajoled into submission with doubts about costs and accountability still rampant.

For that reason, surely we should spend the next year on a proper period of consultation, which we should have had in the first place. During that time, precise costings could be made and other options, such as a federated structure, could be properly considered, just as the Prime Minister has suggested. Proper local consultation could be undertaken, with local referendums—I know that the Government do not like them any more—where appropriate.

If the Home Secretary does that, in most cases—the Home Secretary has a point in some parts of the country—the option that will deliver the greatest ability to fight serious crime is the federated option of enhanced co-operation and sharing services between neighbouring forces. Indeed, 23 Labour Members have signed early-day motion 1393 to that effect.

My proposal to the Home Secretary will enable him essentially to keep to his projected timetable while allowing us to exercise our constitutional obligation to ensure that our country's police forces are "fit for purpose", which is fit for all purposes. If he chooses to dismiss it, he must explain why he has chosen to implement uncosted, unpopular, ineffective and undemocratic reforms with undue haste and inadequate consideration. Why has he chosen to spend £500 million to take half a step backwards?

I will listen to the Home Secretary very carefully. If he is reasonable, we may not even force a vote. If he is not, however, we will revisit this issue time and time again in the coming weeks, months and, indeed, years until the serious inadequacies in the Government's proposals are dealt with in the interests of the British people.

1.7 pm

The Secretary of State for the Home Department (Mr. Charles Clarke): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the excellent work of Her Majesty's Inspectorate of Constabulary (HMIC) in clearly setting out the case for reform of the current structure of policing in England and Wales; thanks police forces and authorities for their hard work in responding to the HMIC findings; congratulates the Government on its

commitment to delivering excellent policing at all levels, from vandalism to terrorism, through strategic police forces equipped with dedicated capacity at the neighbourhood level; and endorses the need for reform to move swiftly to minimise uncertainty and damage to morale within a service which has over the past eight years shown itself dedicated to continuous improvement in delivery of a truly locally responsive service."

Labour Members have no aversion to votes, despite recent experience. I was excited when the right hon. Member for Haltemprice and Howden (David Davis) described the constructive approach that he was going to adopt, but we did not hear a lot of it in a speech that consisted of a series of attacks of the traditional variety. As ever, I shall attempt to respond constructively.

The issue concerns professional policing, and the process is not driven by politics or, as the right hon. Gentleman suggested, a regional agenda. Everyone with a serious professional interest in policing accepts that the provision of protective services is deficient. The Association of Police Authorities has acknowledged that point, pointing out that the current 43-force structure is not strong enough to tackle organised gangs and nationally mobile criminals.

The current president of the Association of Chief Police Officers, Sir Chris Fox, has said that

"ACPO has long recognised that there is a need to restructure the police service to meet the threats and challenges of at least the next thirty years."

Paul Scott-Lee, chief constable of the west midlands, has said that it would be better to serve the region with one force. Jon Stoddart, the chief constable of Durham, has said:

"Politics aside, the chief constables of Durham and Northumbria are united in their belief that, from a purely professional point of view, a regional force would reinforce and improve community policing as it now exists. At the same time it would enhance our ability to tackle terrorists, extremists, major emergencies and the 'Mr. Bigs' of serious and organised crime."

Only yesterday, the chief constable of North Yorkshire said that

"there is a powerful and persuasive case indicating that, far from being diminished, the quality of neighbourhood policing, and the status of the local Basic Command Unit will be significantly enhanced by regional amalgamation."

Let me go through the different regions. In the west midlands, three of the four forces think that some form of amalgamation is necessary, while one is very concerned. In the north-east, two are in favour and one is concerned. In the north-west, a form of amalgamation is supported by most of the forces in the region. In Wales—

Several hon. Members *rose—*

Mr. Clarke: I will give way in a moment.

In Wales, many forces accept the idea of a national force to deal with these circumstances.

The point that I am trying to make is that it is wrong to suggest, as some do, that there is total opposition to these changes or that the policy is politically driven. It is professionally driven: professional police officers think that it is the right way to go.

Huw Irranca-Davies: I assure my right hon. Friend that representatives of the Association of Police Authorities in south Wales, whom we met last week, and the chief constable of the South Wales police force and her colleagues not only accept the main thrust of these proposals but recognise that local and democratic accountability will come through the neighbourhood policing model, which was not mentioned at all by the right hon. Member for Haltemprice and Howden (Mr. Davis). Does my right hon. Friend think it somewhat unfair that the Tory Front-Bench spokesman has as a motto, "Tough on crime, tough on interventions by the Member for Ogmore"?

Mr. Clarke: I would have thought that that was the authentic voice of Davis. I intend to talk at some length about neighbourhood policing.

Several hon. Members *rose—*

Mr. Clarke: I want to make a little more progress before I give way again.

I want to emphasise that the professional view that we need change to deal with serious and organised crime, counter-terrorism and major stretches of forces is not new. My right hon. Friend the Member for Southampton, Itchen (Mr. Denham) made the case about Sir David Phillips' report. The "Closing the Gap" report was a consequence of a large number of similar proposals in the past. Even under the previous Conservative Government, a White Paper was published in 1993, which said: "This pattern"—of 43 forces—

"is partly the result of historical accident and the merging of organisations which were established haphazardly over more than 100 years . . . The result today is a patchwork quilt of forces of widely varying sizes and types."

It continued:

"It is questionable whether 43 separate organisations are now needed to run police operations and whether the maintenance of 43 parallel organisations makes the most effective use of the resources available to policing."

Those are very similar to Sir Denis O'Connor's words about being "fit for purpose", which the right hon. Member for Haltemprice and Howden criticised.

Several hon. Members *rose—*

Mr. Clarke: I will give way in a moment, as I said.

We must be clear that it is our duty—certainly my duty as Home Secretary, but also our duty across the House—to find the most effective way of enabling the professional views of our police service best to protect the public and then to go ahead and implement them without delay. The problems addressed by Her Majesty's inspectorate of constabulary are problems that we face now—they will not go away, as they have not gone away in the past. In fact, the inspectorate was clear in its report that they would get worse if we failed to act.

Andrew Selous (South-West Bedfordshire) (Con): Last week, Bedfordshire MPs from all parties met Bedfordshire police authority, which believes that the cost of the Home Secretary's reforms will affect the number of officers on the ground. I tabled a written parliamentary question on that matter last week. Can the Home Secretary enlighten the House about it?

Mr. Clarke: There is absolutely no reason to say that. In fact, I quoted a chief constable making exactly the

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point that neighbourhood policing will be strengthened, not weakened, by this approach. I will return to that later in my remarks.

David Taylor (North-West Leicestershire) (Lab/Co-op): A week ago today, Mr. Barry Roper, the independent vice-chairman of Leicestershire police authority, lobbied Leicestershire MPs, including me. Will the Home Secretary acknowledge that there can be a dichotomy of views between an area's police authority and its police force? Would he care to comment on how he intends to react to that?

Mr. Clarke: My hon. Friend is entirely correct. There is a range of views about these questions within policing. There are different views between professional police officers, as there sometimes are between chief constables and police authority members. That is part of the debate that we should have. I do not argue that there is a uniformity of view that this is the right thing to do, because that is not so. I do argue, however, that serious professional policing opinion at the level of the inspectorate and others has taken that view consistently.

Several hon. Members *rose—*

Mr. Clarke: I shall give way one more time before making more progress.

Mr. Paul Keetch (Hereford) (LD): Has not the Home Secretary identified part of the problem? The police forces that support this proposal are by and large metropolitan police forces covering large metropolitan areas. In the west midlands, for example, West Mercia, which covers Herefordshire, Shropshire and Worcestershire, has real concerns. Rural communities are in danger of losing out, because resources will go from relatively low-crime rural areas into higher-crime urban areas. Is not that why so many rural forces are concerned about his proposals?

Mr. Clarke: I think that that description is completely wrong. In the west midlands region, for example, Staffordshire and Warwickshire, which have many rural areas, support the changes. Northumbria, a force that has great swathes of rural population, some of which is very sparse, supports the changes. I do not know whether the hon. Gentleman would categorise County Durham as a rural or an urban force, but it certainly has substantial rural areas, and it supports the changes. He rightly says that there are issues in West Mercia, but it is not the kind of area that he describes.

Tom Levitt (High Peak) (Lab): Does my right hon. Friend agree that the proposal by the right hon. Member for Haltemprice and Howden (Mr. Davis) for a loose federation of constabularies combines the worst of all possible options, first, by not delivering economies of scale at the delivery end and, secondly, by bringing in an additional tier of bureaucracy that can only make things worse?

Mr. Clarke: I agree. That gives me the opportunity to make some progress in addressing precisely that point.

Sir Ronnie Flanagan describes existing collaborative arrangements as "woefully inadequate" and adds that they

"fail to deliver sustained resourcing for preventive or developmental work".

At a different level, Rick Naylor, who leads the Superintendents Association, says:

"The present structure gets in the way of co-operation and working across boundaries. We have tried collaboration and it has not worked."

There are instances of useful collaboration—for example, in providing training for officers, often in reactive response to civil contingencies. The hon. Member for Rayleigh (Mr. Francois), who is no longer in his place, rightly mentioned Essex's support for the Met after 7/7. Mutual aid can be very strong and effective. It was required, for example, during the recent fire at the Buncefield oil storage facility, where the Metropolitan police service and Bedfordshire constabulary provided support for Hertfordshire in an effective operation.

I do not in any sense decry the view that collaboration can offer solutions and benefits—it can. However, the "Closing the Gap" report demonstrated that that was not a good enough basis for the continuous intelligence and preventive work that is essential for good protective services. The common element of the types of crime that the right hon. Member for Haltemprice and Howden described is that in the modern 21st-century police service we must not only predict and prevent but recognise and react. Intelligence gathering and preparation are absolutely critical, and we need resources dedicated to proactively gathering intelligence and making links that deal with that in a variety of ways.

Many of the business cases submitted by forces and authorities state that, under the current structure, if their forces were to experience sustained demand on protective services, local policing would suffer. We need solutions for each area. I agree that it is not a one-size-fits-all model, which is why the regional picture that the right hon. Member for Haltemprice and Howden described is not correct. We look at each case and consider what to do in the light of the professional advice that we receive. We are going through options case by case. The first crucial hurdle that every option, whatever it is, has to clear is to demonstrate operational viability in terms of delivering protective services. I hope shortly to be in a position to make an announcement on those options identified as operationally viable, and we will then discuss with forces the best way to proceed.

Several hon. Members *rose—*

Mr. Clarke: I will go on to talk about neighbourhood policing, which I see as absolutely central, and the basic command unit, but before doing so I give way to my hon. Friend the Member for Coventry, South (Mr. Cunningham).

Mr. Jim Cunningham (Coventry, South) (Lab): The west midlands was mentioned earlier. West Midlands police responded tremendously to a bomb scare, for want of a better term, in Birmingham. It showed how well a police force can operate when it gets it act together. However, one of the biggest fears about a

merger is that in some areas—for example, Coventry, although we have a big police force—it is often difficult to find somebody in charge on a Saturday, or Sunday, when incidents occur in neighbourhoods. The public expect Members of Parliament to be able to get through to a senior police officer, but it is difficult. Will my right hon. Friend look into that?

Mr. Clarke: My hon. Friend is right. That is precisely why we have made the development of neighbourhood policing teams central to our policing strategy. The strategy at basic command unit level—for example, at the level of the city of Coventry—is for the police to work with other agencies to tackle crime in the locality. A key test is whether such a strategy will help or hinder neighbourhood policing and the development of a proper basic command unit structure. My hon. Friend is right to highlight that.

Albert Owen (Ynys Môn) (Lab): The Home Secretary said that there was support in Wales for the proposals in the report. A parliamentary written answer from the Minister for Policing, Security and Community Safety suggested that there had been a joint submission from all forces in Wales. However, the North Wales police authority appears to favour closer collaboration with Cheshire. Will my right hon. Friend take that on board?

Mr. Clarke: I certainly shall. My hon. Friend is correct. There are doubts in the police force and among parliamentary colleagues from different parties in north Wales about the wisdom of an all-Wales basis for policing, and serious issues have been raised. As my hon. Friend knows, my right hon. Friend the Minister for Policing, Security and Community Safety and I have discussed how best to tackle them with the police force and Members of Parliament. We are therefore listening. I emphasise that, in the rest of Wales, there is a view that an all-Wales force is the right way forward, but we shall take account of my hon. Friend's point.

Mr. Stephen O'Brien (Eddisbury) (Con): I want to establish the Home Secretary's good faith, having listened carefully to his response to the hon. Member for Ynys Môn (Albert Owen). Cheshire has made it clear that intelligence as well as crime economy—for want of a better phrase—arguments favour putting north Wales and Cheshire together, rather than putting Cheshire with others in a region called the north-west. If the Home Secretary is truthful about listening, he should wipe away all the administrative boundary constraints, within which North Wales and Cheshire police must fit, and get them together.

Mr. Clarke: The hon. Gentleman is right in an important respect: the crime marketplace runs from Liverpool to north Wales; in south Wales, it runs down the M4 corridor. Examples could be given in every part of the country of the need for collaboration to tackle such circumstances, wherever the border falls.

However, the hon. Gentleman asked me why regional boundaries were important. The reason is that they are important—*[Interruption.]* Let me be clear. The police will tell all hon. Members who ask that collaboration with other public services—health, education or any other service—is central to improving policing and reducing crime. Increasingly, such collaboration is the way to reduce crime and it is therefore necessary. Other services recognise regional boundaries and that is why I said that police structures should consider that. I said previously that it is not an absolute requirement that one should not cross a regional boundary because there may be cases of the sort that have been mentioned. However, I said publicly in September that the case for not respecting the regional boundary in our work would need to be powerful. That is a reasonable position for a Home Secretary to adopt.

Mr. John Baron (Billericay) (Con): Terrorism and other such subjects have been mentioned. However, residents in Essex are genuinely worried that, at a time of increasing antisocial behaviour and violent crime, the reorganisation will distance policing from local people. That is the key concern, not only in Essex but other parts of the country. At the same time, the reorganisation threatens to increase cost when the police levy in the council tax has already doubled since 1998. What would the Home Secretary say to my constituents?

Mr. Clarke: The hon. Gentleman is right about the concern that exists. I believe that people's major anxiety, reflected in the earlier debate on the proposals, which come from professional police but are supported by the Government, is that policing will move away from the local community. I shall now deal with that precise point.

Let us consider the levels of policing. First, there is neighbourhood policing, which roughly covers a local authority ward. There should be a neighbourhood policing team, with police officers and police community support officers working with the community, so that a force serves its specific needs and cannot be abstracted from it. That is a central policy. It was part of our manifesto in the election and it will be driven through. I shall give an example shortly.

Secondly, the level above the neighbourhood or ward is the local authority area, which the basic command unit covers. A structure should exist at that level for the partnership that I described earlier, whether we are considering Coventry, to which my hon. Friend the Member for Coventry, South (Mr. Cunningham) referred, or any other community in the country. For example, in Essex and, in my case, in Norwich, there should be a relationship between the basic command unit—the BCU—and other services.

Given the anxieties that the hon. Member for Billericay (Mr. Baron) expressed, I want to explain how we ensure that neighbourhood policing happens. He is right that his constituents are worried about that. First, we will provide ring-fenced funding, whereby we can ensure that the money is spent on implementing neighbourhood policing. It totals approximately £80 million this year, rising to more than £130 million in 2006–07 and nearly £390 million the year after that to help forces with the costs of moving towards our target of 24,000 police community support officers. A condition of receiving the funding is that police authorities and forces have to sign up to fulfilling the criteria of the neighbourhood policing programme, which the chief constable of Leicestershire is leading. Police community support officers are vital to those teams. We therefore have ring-fenced funding to provide neighbourhood policing.

[Mr. Clarke]

Secondly, the Government, with the Association of Chief Police Officers, are providing a programme of support and guidance, to ensure that all forces have effective police teams. The Association of Chief Police Officers is leading a programme of support, evaluation and programme management to ensure that the programme is delivered in every police area in the country. As part of that, it provides professional guidance for neighbourhood policing teams and BCU commanders, and training to ensure that all officers are committed to implementing the target. If forces fail to implement the programme effectively, the programme team will intervene to support and help drive progress.

If, after such support, forces continue to fail to deliver the neighbourhood policing that the constituents of the hon. Member for Billericay want—for example, knowing the names, addresses and phone numbers of local officers whom they can contact about any problem that arises—we have the power to intervene. Her Majesty's inspectorate of constabulary will begin to conduct specific inspections of neighbourhood policing later this year. If it is not being performed according to agreed national standards—agreed with and by the police—the inspectorate will develop an improvement plan with the force, as happens when any force fails an inspection. If the force continued to underperform—that is extremely unlikely—it could lead to engaging the police standards unit. Ultimately, it is possible for the Home Secretary to intervene directly.

I am trying to stress that the neighbourhood policing element, which the hon. Member for Billericay rightly raises, is the key concern. I believe that we have a substantial programme in place to implement the policy. Every chief constable in the country is committed to developing neighbourhood policing. I therefore hope that the sanctions that we have discussed will be unnecessary. The policy is essential.

Martin Horwood (Cheltenham) (LD): I thank the Home Secretary for his verbal commitment to the principle of neighbourhood policing. However, has not the trend under the Government gone in the opposite direction? Sir Denis O'Connor's report states:

"When HMIC started the current BCU inspection process there were nearly 320 BCUs in existence, but in only three years the pressures to achieve resilience, financial efficiency and co-terminosity have seen this figure fall to approximately 230."

The BCUs are becoming bigger and less accountable. That is the reality of community policing under the Government.

Mr. Clarke: Actually, I do not think that that is the reality. If we look at neighbourhood policing, as I am sure the hon. Gentleman has, we can see it developing much more. I will respond to the point about BCUs in a moment.

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): Does my right hon. Friend agree that Stoke-on-Trent in Staffordshire is probably a good example of what he has been describing? We have a large rural force combined with a metropolitan force. The chief constable is based down the road at Stafford, some miles removed from Stoke-on-Trent both geographically and in terms of the local environment, yet in Stoke-on-Trent the chief superintendent, John Wood—who was recognised in the new year's honours for his outstanding work—is putting in place just the kind of local policing that my right hon. Friend describes, through the systems that are in place in Stoke-on-Trent, and working at community level.

Mr. Clarke: One of the exciting things about doing this job is that, when I go to communities such as Stoke and meet the borough commanders and local inspectors who are dealing with these issues, I can see that their commitment, engagement and excitement in delivering these programmes is real. This is not something that we are having to put in place against the wishes of the policing professionals; exactly the reverse is the case. They want to deal with these problems more effectively; my hon. Friend is right.

Anne Milton (Guildford) (Con): Does the right hon. Gentleman agree that coterminosity is important? In Surrey, it is therefore important for the Surrey police to stay where they are, coterminous with Surrey county council. If the police force were merged with that of Sussex or Kent, it would be coterminous with nobody.

Mr. Clarke: The key issue is coterminosity with the local district council area, and that is how it should be.

I will take the hon. Lady's question as a cue to talk about the BCU relationship, which has rightly been identified as extremely important. I want to emphasise that, through the Bill that was published last week, we are significantly strengthening accountability, so that the BCUs and the crime and disorder reduction partnerships—the CDRPs—will be more accountable to local communities. It will therefore be much more difficult for forces to ignore the BCU-level demands of those communities.

First, we are introducing national standards, to which the CDRPs must adhere, to provide a minimum quality of service. Secondly, we will ensure that elected councillors responsible for community safety take a personal lead in setting community safety priorities. One of the problems has been that elected local authority councillors have not always been able to give this work the priority that their constituents would wish. The key strategic issues will be set by the CDRP's members, the elected councillors, rather than by officials.

We will also ensure, through the national standards, that the CDRPs continue the consultation with their communities and develop it so as to reflect the concerns of local people. There will be scrutiny of the work of the CDRPs by local authority scrutiny committees—again, in the classic way, through local government—and inspection by the inspectorate in the relevant area. All of this will make it much more difficult for a chief constable or a police authority to circumscribe or weaken the discretion of a BCU commander.

Beyond that, we are introducing measures to ensure that, even where they do not succeed, communities will still have the ability to get their particular problems addressed, even if the overarching force is not involved. To deal with circumstances in which issues are not being addressed, we are legislating in the Police and Justice

Bill to provide a mechanism—which we are calling the community call for action—whereby people living or working in a particular area can initiate action by the BCU commander or the local authority chief executive. The new legislation will give the Home Secretary the power to intervene to force the police authority—and, through it, the police force—to take BCU-level issues seriously and to give the BCU-level commanders the support that they need to get the job done.

The concern expressed both by Labour and Opposition Members that this reform will lead to the police being distanced from the local community is, I accept, a well-founded fear, in the sense that it is a description of the state of affairs that exists. However, it is not founded in reality. The process that we have set out to promote neighbourhood policing and to develop the basic command unit will apply throughout the country in ways that will materially change the situation.

Bob Spink (Castle Point) (Con): The right hon. Gentleman has been extremely generous in giving way. He is right to say that some change is necessary. Will he at least acknowledge, however, that the police authorities were right to resist the Home Office deadline before Christmas, and that they acted in the public interest in so doing, because they have facilitated a fuller consultation that will deliver better solutions for neighbourhood policing and enable the Home Secretary to consider Her Majesty's Opposition's proposal to work together to get the answer right?

Mr. Clarke: I am sorry to say that the hon. Gentleman is completely wrong. What actually happened was that just about every force in the country—all but one or two, I think—submitted proposals to me as requested. There were a number of authorities that did not make a proposal, although the force in their area did. The Association of Police Authorities then put out what was, in my opinion, an extremely ill-judged press release shortly before Christmas, suggesting that people were not responding when in fact they were. We had very good responses. The hon. Gentleman is right, however, to suggest that the key element is neighbourhood policing.

Mr. Tobias Ellwood (Bournemouth, East) (Con): In regard to the communication that exists at the moment, Dorset MPs have a very close relationship with the chief constable. If we create a super-force for the south-west, that relationship would change fundamentally. The worst case scenario would be that the power, influence and responsibility that we have in regard to the police force would be transferred from the House to the regional assemblies. In the case of the south-west, that would involve the most undemocratic, unrepresentative and unelected body in the entire area.

Mr. Clarke: At the risk of intervening in difficult debates about regionalism, I think that I can say with some confidence that the prospect of an elected regional assembly in the south-west region is some little way away. The accountability of neighbourhood policing that we want to achieve is certainly to the House but, even more importantly, to the local community. That accountability should exist at the level of the basic command unit, the district council or the unitary authority, directly to the people in that area by the means that I have described. If the hon. Gentleman believes in accountability, I hope that he will agree that the police in Dorset should be accountable not only to the House—important though that is—but to the people in his constituency in the direct way that I am establishing.

Several hon. Members *rose*—

Mr. Clarke: I will not give way. I want to conclude my speech.

The problems that we face today are stubborn, persistent and serious, and no one should try to hide that fact. That is the view of policing professionals in this country—*[Interruption.]* And it is the view of the Home Secretary. It is the view of the Home Secretary as advised by policing professionals. I am not just making a political point for a political reason. I am looking at the professional policing needs of the country.

Present policing structures have shown themselves to be very able to deliver in terms of reducing volume crime and providing a good local service. However, the present structures have failed to deliver a dynamic, forward-looking and strategic response to the problems of organised criminality, terrorism, and nationally mobile criminals. On the basis of the assurances that I have given, particularly on neighbourhood policing and the basic command units, I hope that the right hon. Member for Haltemprice and Howden will urge his colleagues not to vote for his motion today. I should be interested to see how things go if they do.

David Davis: I should be very happy to take the Home Secretary up on his offer. I have said that, if he is willing to have an open consultation on this issue—in some cases involving referendums, in the parts of the country where people have concerns—we shall not press this point. However, the intervention by my hon. Friend the Member for Eddisbury (Mr. O'Brien) made it clear that people feel inhibited even from making submissions, because they believe that the Home Secretary will not pay attention. Cross-border policing is just one example of the issues involved. If the Home Secretary will now tell the House that the Government will hold an open consultation in the time that he has available—after all, he is not going to be able to implement this until nearly 2008—and look at all the options, including federation, with an open mind, we will not press this matter to a vote.

Mr. Clarke: All that I will say on that is that we have had an open consultation—*[Interruption.]* We certainly have, and many submissions have been made by policing professionals. By the way, we have also had quite a large number of debates in the House and elsewhere on these questions—some in Opposition time, some in Government time. I therefore urge colleagues on both sides of the House to support the amendment tabled in the name of my right hon. Friend the Prime Minister, and to help us to take forward this important reform of policing, which will improve the security of people throughout the country.

1.39 pm

Mr. David Heath (Somerton and Frome) (LD): I am grateful to the right hon. Member for Haltemprice and Howden (David Davis) for selecting this subject for

[Mr. David Heath]

debate. It is an enormously important matter. I also congratulate him on the tone in which he introduced the debate. This matter should not be fought on strictly party political lines—it is too important for that. I freely admit that in the many years that I have spent speaking about policing matters in the House, I have often found myself in agreement with him, as I have with the Minister for Policing, Security and Community Safety on some of the things that she has been trying to achieve in the police service. We would often share an agenda, for instance, on neighbourhood policing.

That is not to say that I agree with the proposal today on amalgamation. If, as the Home Secretary has declared, we have had an open consultation, it must have been some time over the Christmas holidays, I guess—*[Interruption.]* Yes, we did not notice it at the time. A police restructuring of such a massive scale must have a real question mark against it. Even those who support it wholeheartedly—there are some who will—cannot deny that a reorganisation of structures of this sort will be costly and difficult, and will divert police attention away from their core duties at, I believe, a critical time for the country. It will also be divisive because different views will be expressed.

None of those is a decisive argument in itself against making changes in the police service—not if there is an overwhelming case in support of the Government's proposals. However, there is no overwhelming case. Even if there were, none of that would suggest the sort of precipitate action that the Home Secretary suggests, given his time scale for developing a structure that suits the country, which would normally take a great deal of consideration both by the House and, more importantly, by those outside the House. To have bypassed that whole procedure in favour of a consultation that was brief to the point of cursory, followed by a decision that I do not believe to be in the interests of the country, is not the way in which we should approach such a serious matter.

Mr. Philip Hollobone (Kettering) (Con): In the spirit of cross-party consensus, may I share with the hon. Gentleman the views of Dr. Marie Dickie, the Labour chairman of the Northamptonshire police authority, which, together with the four other authorities in the east midlands, has been considering the potential impact of the proposals? She estimates that the up-front cost will be £100 million, and that all five authorities involved will end up with fewer police on the beat if they are to provide the level 2 services that the Home Secretary wants to be provided.

Mr. Heath: I am grateful to the hon. Gentleman. I know Dr. Dickie well, because she was chair of the police authority when I was chairman of my police authority in Avon and Somerset, and we worked on the same committees together. I am sure that she will take a sober and sensible view of the cost to her authority.

What the hon. Gentleman says underlines the fact that the Home Secretary makes great play of the professional consensus that he believes exists—but no such consensus exists. Across the country, only 13 forces want to take part in a merger. Police authorities and forces are not voting with their feet to embrace the new structure, they are rejecting it. Thirteen of them say that they want to stay as stand-alone forces and another 15 have not expressed a preference. It is simply nonsense to suggest that there is a clear professional view that the proposals are the way forward.

Even the O'Connor report, as my hon. Friend the Member for Cheltenham (Martin Horwood) pointed out in an earlier debate on the issue, was not conclusive. It stated:

> "To conclude, the answers to the two questions that prefaced this section are: The current structure of policing probably does not support the efficient and affordable provision of protective services and support services; and yes, there is evidence that changes in that structure might provide a more efficient basis for service provision."

That is an invitation to open a debate. It is not an invitation to settle the structure of police forces for the next half-century.

Mr. Keetch: One other area on which the debate has not so far touched is recruitment. I know police officers in Hereford—I was at school with three police officers who serve in my local division—who have said to me that they would not have joined a west midlands force, had one existed, for fear of being transferred from Herefordshire, not to Worcestershire, Gloucestershire or similar rural communities but to Wolverhampton, Birmingham or wherever. They believe that there is a future recruitment problem, especially for small rural forces, as people would not join such a force if there was such a danger.

Mr. Heath: My hon. Friend makes a powerful point.

If we return to the underpinning of the whole argument, which is how we effectively fight international and national crime, we must examine the Government's rhetoric. No so long ago, we discussed the Serious Organised Crime Agency and the Bill to bring it into effect. However, that agency does not come into force until 1 April 2006. Even before the ink is dry on that legislation, and even before we have that new structure, we are proposing to throw all the building blocks up in the air again and redesign the way in which we fight organised crime in this country. There was no mention of amalgamation of police forces when we discussed that question. There was no suggestion that the agency was unable to work with existing police forces. Now, however, we are to believe that it is untenable to retain the current police forces.

Mr. Philip Dunne (Ludlow) (Con): In relation to the lack of foresight, does the hon. Gentleman agree that the idea of amalgamating basic command units into a regional structure is untested and highly vulnerable? In West Mercia, which the hon. Member for Hereford (Mr. Keetch) discussed, we have six basic command units. If amalgamated into a regional structure, the chief constable will have 30 basic command unit commanders. In virtually any other sphere of endeavour, maintaining the relationship for direct reports with 30 people, rather than six, is almost impossible. The chief constable will have a much less direct relationship with what is going on in local areas.

Mr. Heath: I am grateful to the hon. Gentleman for that point. I know that he has experience of management structures and speaks with some authority.

If we are considering alternative structures, particularly for dealing with major, national and international crime, we should return to our consideration of the legislation that introduced the Serious Organised Crime Agency. I advocated an expanded role for that agency, so that it would be the clear vehicle for fighting national and international crime. I also called for chief constables to re-concentrate efforts on local policing, keeping the peace in their areas and fighting local crime. I still believe that that is a better structure for this country's police forces.

Regional police forces are neither one thing nor the other. They are a nationalised police force, but we have 12 of them. Why? Where is the logic in that? I could understand more easily if the Home Secretary were to say that there would be a national police force and that that was the end of it. A national police force based in Scotland Yard would be just as relevant to people in Penzance as a national police force based in Gloucestershire. We should recognise that.

David Howarth (Cambridge) (LD): May I put to my hon. Friend a point to which the Home Secretary seems unwilling to listen—the political equivalent of the point that he just made about the operational side? The question is, what is the long-term future for police authorities in a world in which they are becoming increasingly remote and unrepresentative, and in which, as the Home Secretary made clear, accountability is shifting to district councils and to neighbourhood level? In the long term, will not that reduction of the police authorities' role undermine the legitimacy of their taxation role, which is currently the basis of their overall role?

Mr. Heath: My hon. Friend has made an important point about the governance of the new authorities. I have not yet heard a satisfactory explanation from the Government of how that governance will work and how it can be in any way representative. I have heard some interesting ideas about local accountability at basic command unit and neighbourhood level, which I am willing to entertain. That is one matter, but governance of the force—ensuring that its resources are appropriate to the areas that are policed—has not been considered so far.

There are different ways of approaching issues relating to the future of policing, and some operations do not make sense at force level any more. I am entirely unconvinced, for example, that it makes any sense for there to be 43 special branch departments across the country, given the realities of the threat that we face, and I should be happy to consider a change in that arrangement. However, the kernel of the Government's case is that we need better co-ordination, better communication and better sharing of resources, and we know that that is possible without huge structures that may, in fact, militate against effective use of those resources.

James Brokenshire (Hornchurch) (Con): Will the hon. Gentleman give way?

Mr. Heath: I want to make a little more progress.

I do not think that the Home Office is taking account of what has happened in local forces over recent years. No doubt the Home Office was shaken by the events in Soham and the subsequent inquiry, which revealed serious deficiencies in some small forces. We cannot get away from that and it is right for the Home Secretary to deal with the position. We clearly need better co-ordination—but the idea that that can be achieved only by means of large regional structures is, I think, quite wrong.

As has often been pointed out, the problem with regional structures is that they are not consistent with patterns of crime. Regional boundaries do not map the areas where criminal activity takes place. North Wales and Cheshire have already been mentioned, but the position is replicated in South Wales. For that matter, Avon and Somerset and Gwent form a single crime area, but no one has yet entertained the possibility of a merger between them.

Annette Brooke (Mid-Dorset and North Poole) (LD): Will my hon. Friend give way?

Mr. Heath: My hon. Friend probably wants to mention Dorset, so I shall give way to her.

Annette Brooke: I am sure that my hon. Friend agrees that there is obviously a strong case for a federation in our south-west region, and most of us consider that that would be the best solution. I hope that he also agrees that there is a second option that should be considered—a merger between Dorset and Hampshire. Common sense suggests, as any police officer in Dorset will confirm, that that is the answer if the Government continue to insist on mergers.

Mr. Heath: I entirely agree. I speak as a Somerset man with a constituency bordering on Dorset, but I know that the patterns of crime do not extend from Bristol or Plymouth to Dorset; they extend from Southampton and Portsmouth. The logic of sticking to the Government's office boundaries escapes me; it just does not make sense in operational terms.

Mr. Mark Harper (Forest of Dean) (Con): Will the hon. Gentleman give way?

Mr. Heath: I will make some more progress, if I may.

The Home Secretary is absolutely right about local policing. Those outside the cosy world of politics or policing see their local police force as something that belongs to them. They are already worried about the remoteness of policing and the fact that, particularly in rural areas, they are less likely to see police officers than they were in the past. They worry about the possible retreat of the entire criminal justice system from their localities.

My hon. Friend the Member for Cambridge (David Howarth) made a valid point about the size of basic command units. The trend in recent years has been to merge BCUs so that a single unit covers perhaps an entire county in administrative terms. That runs entirely counter to the Home Secretary's objectives.

Even all the assurances that the Home Secretary is able to give can be given only in the context of his policies at the present time in the present Administration. Once the new structures are in place, they will be capable of being enormously remote from the people whom they serve.

Mr. Flello: The hon. Gentleman speaks of people's concern about whether local police officers will be able

[Mr. Flello]

to serve their communities. A serving police constable told me that when he wants information from an adjoining force, he must rely on telephoning and hoping he will be able to contact an officer in the department with which he is dealing. He can only hope that the officer is on duty, and is not on holiday. If the officer is available, the constable must ask him to log into his computer system and call up the information that will enable the constable to deal with the case that he is handling. Does the hon. Gentleman agree that what people want is for police forces to work together properly, and that the present system does not achieve that?

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Before the hon. Member for Somerton and Frome (Mr. Heath) answers that question, may I point out that many Members have not yet learned the art of the short intervention? Long interventions—particularly on a day when a great many Members wish to speak and there is a limited amount of time—eat into the time rather badly. Interventions must be brief.

Mr. Heath: I can only tell the hon. Member for Stoke-on-Trent, South (Mr. Flello) that if his police commander in Stoke-on-Trent is encountering such problems with Stafford, one wonders what problems he will encounter when he has to ring Birmingham.

As has been established, the estimated initial costs will be up to £600 million. We must add to that the cost of restructuring all the other parts of the criminal justice system, including those that are coterminous and consonant with the present police authority boundaries. All of them will have to be changed. I think that the £1 billion estimate is not unrealistic for the total cost of the exercise. Then there are the capital costs, which it seems will have to be met by the council tax payer. We are talking about a significant amount, which could be better spent on more police officers for our streets and lanes.

Let me end by describing some personal experiences from my time as chairman of Avon and Somerset police authority. I should say at the outset that Avon and Somerset was a merged force. Many people in Somerset strongly resent the fact that they are policed by something called the Avon and Somerset police force, based in Portishead rather than in their own area. There is already some resentment about the potential remoteness of Avon and Somerset. Now it may become part of a south-west regional force which it has been suggested will cover 8,000 square miles—although it is nearer 9,000 if we include the Isles of Scilly—and whose northernmost point is nearer to Scotland than to the tip of Cornwall. There are huge demographic variations in a region that runs from the St. Paul's area of Bristol to Exmoor, where policing problems are very different. This is, therefore, clearly a difficult and dangerous course to follow.

When I was chairman of the Avon and Somerset authority, we were able to make links. We shared a helicopter with the Gloucestershire force. That was a very good idea because we did not need two helicopters, one in Gloucester and one in Bristol. Links of that sort make sense.

Mr. Denham: Will the hon. Gentleman give way?

Mr. Heath: I will have to give way to the right hon. Gentleman. I hope that no one shouts at me afterwards that I have taken too long.

Mr. Denham: Three or four years ago, when I was the Minister responsible for policing, air support for police services was held back throughout England because in most places forces insisted on bidding for their own helicopter or light plane—which they could not afford—and refused to co-operate with neighbouring forces. If the hon. Gentleman looks carefully at the evidence on that issue, he will see that it runs against the point that he is making.

Mr. Heath: Perhaps I was extraordinarily progressive in my police authority area, but are these not lessons that can be learned by other police authorities without scrapping the entire structure of British policing in the process? I think that they are.

Members may wonder why my authority is still called the Avon and Somerset police authority, given that Avon has not existed for some time, thanks to a ghastly Conservative creation and the process of local government reorganisation. The reason is that my police authority colleagues and I refused to spend money on providing new cap badges and new headings on stationery. I thought then that the money could be better spent on policing, and I think that now in respect of this restructuring.

The issue is not keeping rigidly to the current structures—anyone planning policing in Britain from the start would not devise the current structures—but asking sensible and intelligent questions about those structures, making mergers where appropriate and where supported by local communities and police forces, and improving co-ordination, sharing and communication. However, the issue is also how we go about retaining the basic principle of British policing—that it is by, with and for the community, not by, with and for the state. There is a saying that all politics is local. I should like to say that all policing is local but, sadly, in the modern world it is not. We have to make appropriate arrangements to deal with national and international crime, but a lot of policing is local and is best done locally.

Several hon. Members *rose–*

Mr. Deputy Speaker: Order. I must remind the House that Mr. Speaker has placed an eight-minute limit on Back-Bench speeches, which operates from now.

2.1 pm

Mr. John Denham (Southampton, Itchen) (Lab): In my contribution to this important debate, I want to distinguish between the process that my right hon. Friend the Home Secretary is following during this reorganisation, and the aim that we should have in terms of a future force structure.

One problem with the debate in this House and in the country is that criticisms of how the reorganisation is being carried through are being used to justify opposition to change itself. That poses a serious threat to our ability to deliver the right policing structure for fighting crime and delivering law and order at all levels—from the most local to national and international. It is very important not to make the mistake of saying that, because some Members do not like the way in which the Government are going about the process, the case for change is therefore wrong. The case for change is very powerful indeed.

As most people have recognised, no one would try to design the current police force structure to meet the needs of policing in England and Wales. This curious mixture of Anglo-Saxon boundaries, with bits of 1960s and 1970s local government reform thrown in, belongs to an age when crime was less mobile and more local, and when the patterns of urban deprivation and rural crime were quite different from today. We have to face up to a fundamental problem: in trying to meet the challenges that policing faces today, our existing structures cannot simply be adjusted by a series of minor and incremental changes.

Because this issue concerns many of our constituents—people whom we respect, such as those serving on police authorities, do indeed have genuine concerns—and because we are all politicians with an ear to what our constituents are telling us, the danger is that we will respond by saying, "The case for change isn't made—here is an alternative." That is not the right approach. We need to recognise that it is very difficult for smaller forces to make their full contribution to all the types of policing that need to be carried out in our communities, from dealing with antisocial behaviour to counter-terrorism.

The police performance results show clearly that many small forces do well—often, it must be said, in not the most challenging of circumstances—on volume crimes such as car crime, burglary and antisocial behaviour. However, few small forces can also make the necessary full contribution to more serious, regional and national crime. That presents a real difficulty. We cannot have a policing pattern in England and Wales that means that only some forces can make their full contribution to dealing with all types of crime.

The Government could have chosen, as the hon. Member for Somerton and Frome (Mr. Heath) proposed, to adopt a case-by-case approach by mopping up a few weak forces, and so on. There is fine balance to be struck between proceeding in that way and in the way in which my right hon. Friend the Home Secretary has chosen. In terms of the politics of introducing such change, the case-by-case approach would have been a great deal easier. However, it does present the difficulty of painting oneself into a corner: one changes this bit here and that bit there, only to discover that three quarters of the floor is painted and there is no way out of the room. At least the Government's approach has the advantage of trying to paint a rational overall picture.

The two major alternatives to the Government's approach are federation and the FBI model, which the hon. Member for Somerton and Frome did not push with half the strength—he was very wise not to do so—that the hon. Member for Winchester (Mr. Oaten) previously did. As a step from where we are to somewhere a bit better, federation has some attractions, but no sensible person would design a system based on an incoherent pattern of police forces that one then urges to work together more effectively. That would not be a logical approach.

Martin Horwood: Will the right hon. Gentleman give way?

Mr. Denham: Just the once; the hon. Gentleman knows about the strictures on time.

Martin Horwood: The right hon. Gentleman has mentioned the incoherent pattern of forces several times in his speech, but in fact, the pattern in rural areas is very consistent and involves only one or two county forces; indeed, the model is straightforward. Gloucester constabulary supports the idea of a shared services model, an option that has not been costed or properly explored in this headlong rush toward amalgamation.

Mr. Denham: With all due respect to the hon. Gentleman, the pattern is incoherent in terms of its ability to deliver forces of the minimum size required. I agree with the right hon. Member for Haltemprice and Howden (David Davis), who picked me up earlier on the use of the phrase "optimum size". There is a minimum size of force necessary to deliver the range of services required for all types of policing, but it is clear that the optimum size will vary according to the geography and social nature of the area concerned.

Federation is really a sticky, messy compromise, reached in order to avoid taking some difficult decisions. Asking police forces to co-operate on what will inevitably be an ad hoc, investigation by investigation, crisis by crisis basis will never be as effective as establishing forces that are sufficiently large to deliver, most of the time, the necessary services to the local population.

The Liberal Democrats previously argued very strongly that all policing should be local, with a national force to deal with everything from level 2 crime upward. That does not make any sense either. Such a national force would have to be huge to deliver serious work against level 2 crime at local level. We need forces that are big enough—as my own Hampshire and Isle of Wight county force is—to deliver the required range of services. Operation Phoenix, a co-ordinated drugs raid carried out in Southampton a few months ago, involved well in excess of 600 officers. In a smaller force, such an operation might have used up 60 per cent. of all available officers in the entire area. Generally speaking, such operations are sustainable in larger forces, but not in smaller ones.

I recognise that county forces such as Hampshire are already of sufficient size to provide the required level of service. Changes to the Hampshire force may be necessary—we will have to wait and see—not for its own needs, but to ensure that all forces can deliver the required services; I hope not, but I am open to examining the conclusions of Her Majesty's inspectorate of constabulary. But forces that are not big enough to deliver on combating everything from antisocial behaviour to the most serious crime will be letting down not just their own constituents, but people across England and Wales as a whole.

[Mr. Denham]

I conclude by making a few points to my Front-Bench team about their handling of this matter from here on. First, they are right to push the case for change, and it would be a mistake to retreat into the short-termism of the federal option. My right hon. Friend the Home Secretary announced what the Government are doing from the top down to secure the development of basic command unit neighbourhood policing, but there must also be some bottom-up guarantees as to how that will be delivered.

The idea of elected police commissioners is silly and dangerous. The last things that we want are the politicisation of the police and direct elections. However, as BCUs fit with local authorities, we need to ensure that there is a democratic route to action. The public need to know that the people whom they elect in their normal local elections have the power to hold the police to account for the quality of service at a local level.

Secondly, the Government need not move to forces that are too big. I was challenged on that point earlier by the Opposition Front-Bench spokesman. Forces should be big enough to offer the optimum range of services, but there should be no artificial drive for forces that are too big.

I have made my final point before, and it concerns a matter about which I agree with other hon. Members. It is that there is no need to be dogmatic about regional boundaries if the arguments about localism or crime patterns outweigh the case for fitting with regional boundaries.

2.11 pm

Mr. Michael Ancram (Devizes) (Con): I rise to speak on behalf of my local police force in Wiltshire. In doing so, I know that I am also speaking for other Conservative Members with constituencies in the area, my hon. Friends the Members for North Wiltshire (Mr. Gray), who is in his place behind me, for Salisbury (Robert Key) and for Westbury (Dr. Murrison).

I want to speak about my local force as it is one of the smallest in the country. The right hon. Member for Southampton, Itchen (Mr. Denham) spoke about a force's "optimum" size, but then corrected that to its "minimum" size. My point is that size does not matter, but delivery does. The Wiltshire force may be small, but its standards of performance are among the highest in the country. It achieves excellent levels of public service and satisfaction, as is shown in the baseline and police performance accountability framework assessments. The force has invested appropriately and prudently, in line with the professional threat assessments, and it has been able to meet demands in respect of major crime, firearms, public order and—as I know from my own past—very important person protection and air support. The force is small but it is effective.

I do not claim that the Wiltshire force is perfect. No force in the country is, but the merger proposals would throw the baby out with the bathwater and that is the wrong way to go.

Mr. James Gray (North Wiltshire) (Con): As my right hon. and learned Friend says, if it ain't broke, don't fix it. The Wiltshire force was founded by Sir Robert Peel in 1832. Since then, no murder has remained unsolved. Its detection and safety rates are among the best in England. It is an excellent police force, so why on earth is it being done away with?

Mr. Ancram: My hon. Friend makes my point for me very effectively. No Conservative Member is suggesting that change is unnecessary or that all police forces work as well as they can. We are talking about what needs to be done, and as I listened to the Liberal Democrat spokesman, I found that I agreed with almost everything that he said. The same is true for the speech of my right hon. Friend the Member for Haltemprice and Howden (David Davis).

The matter can be dealt with in ways other than merger, such as the co-operative arrangements that my right hon. Friend the shadow Home Secretary set out. We need the flexibility to develop structures that best serve the needs of local communities. Those needs will differ between communities and areas. Certain overheads can be shared, and joint operations can be more efficient than those undertaken by individual forces.

I have also looked at the federal model and I am surprised at how that is dismissed by the Government. I have spoken to the Wiltshire police authority about it and was told that the federal approach is less disruptive than mergers, and would be less likely to impact negatively on police performance. Moreover, it was suggested that a change to federalism would work with the grain of local communities and incur lower start-up and associated costs, and could be put in place quickly. If we were starting with a clean sheet of paper, of course, the federal model might not be the best design, but we must begin with the police forces that we have. In that context, the federal model is a good answer that the Home Secretary should study carefully.

Neither of the two options that I have put forward—the co-operative and the federal models—appears to meet the criteria set by the Home Secretary. I listened carefully to what he said about Opposition accusations that the Government had a regionalisation agenda, and I confess that I am sceptical about his denials. Ever since the Government came into office, they have pursued a regional agenda in all sorts of ways. Suddenly, we find that police reform is moving towards a regional agenda and that is clearly a stalking horse for something that has been a major plank of this Government's policy since they were elected.

Jeremy Wright (Rugby and Kenilworth) (Con): Does my right hon. and learned Friend agree that that is proved by the fact that the Government are inflexible when it comes to crossing regional boundaries? If they were not pursuing a regional agenda, would they not be more flexible in that regard?

Mr. Ancram: That was very much the impression that I got from the Home Secretary's body language. I heard nothing to suggest that he has moved away from the regional agenda that he and the Minister for Policing, Security and Community Safety have been proclaiming on the radio over the past few months.

The Government's proposals are bad news for Wiltshire. That is why they are opposed by our police authority, the chief constable and local people. They will

undermine the important sense of local identity that is very much part of the force's success. They will make even more difficult the already unsatisfactory degree of accountability in our police service.

I have spent many years in politics, and have seen many attempts to centralise, under Conservative as much as Labour Governments. The argument has always been that centralisation would reduce costs and improve services, but never once has that been the result. On every occasion, the push for centralisation has ended up costing more and providing a worse service. I do not believe that this will be any different.

For four years in the 1980s, I was the Scottish Office Minister with responsibility for the police force. I saw the results of the regionalisation of local government. The policing of remoter areas of Scotland became much more difficult, and that worries me now, given that my constituency is so rural.

I have a good local test. I live near Pewsey, a large village that some people call a small town. It has two resident policemen. What would happen if police forces in the south-west were merged? My answer is that we certainly would not have two policemen resident in that village.

If the Government continue with these proposals, the result will be that policing will cost more than at present. As some hon. Members have said, the cost will be met, not by the Government, but by the local taxpayer, through the precept. We will end up in the extraordinary position of paying more and getting less. That is a very good reason to oppose what the Government are trying to do.

As my hon. Friend the Member for North Wiltshire said, if it ain't broke, don't fix it. The Wiltshire police force is not broke. I have watched the Home Office over the past few years and I get the feeling that it is suffering from a form of ministerialitis. Ministers always want to be seen to be active and with purpose. That was evident last night, when they were defeated in the House, and it can be seen in many other policy proposals. It is right to be active with purpose if the purpose is correct, but I remind the Government that the charge of the Light Brigade was full of both purpose and action. If Ministers are not careful, they will be embarking on a similar road.

Why is the Home Secretary so determined to plough ahead, even after what the Prime Minister told us today at Question Time? The key test for the Government is to produce the best standards of policing with the best local delivery at the best value. Their proposals fall short on all those counts. The Home Secretary should climb down off his obsessional hobbyhorse, listen to the people of this country, and think again.

2.18 pm

Mr. Paul Truswell (Pudsey) (Lab): My right hon. Friend the Minister for Policing, Security and Community Safety is aware of the concerns in West Yorkshire. She recently met me, other MPs in the area and various other people, and an Adjournment debate was also held on the issue. However, I make no apology for taking this further opportunity to raise our concerns with her and her team.

I understand that the Minister is caught between a rock and hard place. Obviously, the Government cannot ignore the advice from Her Majesty's inspectorate of constabulary about protective services, or the fact that many smaller forces are unable to meet the challenges involved. However, the HMIC report focused narrowly on only one aspect of policing, albeit an important one, without considering how its conclusions might dovetail with issues of neighbourhood policing, community engagement, governance and cost. Those questions remain unresolved and continue to cause great concern.

My right hon. Friend the Minister for Policing, Security and Community Safety and her colleagues have yet to make a clear and cogent case for why West Yorkshire needs to be merged, especially given that the force meets the criteria of the HMIC report. It appears that its future is being determined not by what is best for our area but on the force's convenient proximity to three smaller forces, which I must add are three smaller and lower-achieving forces. With 5,700 police officers, West Yorkshire easily meets HMIC's minimum size of 4,000 for a strategic force. It demonstrated its capacity to deal with the challenges of terrorism during its recent work on the London bombings.

A Yorkshire and Humberside amalgamated force would be artificially large, to use the words of my right hon. Friend the Member for Southampton, Itchen (Mr. Denham). Under the Home Office's criteria, the option of retaining a single force easily represents the best approach for West Yorkshire, which achieved a combined score of 809 for protective services and organisational impact. That compares with scores of 732 for the merger with North Yorkshire and 713 for a four-force regional merger.

There are also significant differences in performance across the region. In the protective services assessment recently carried out by HMIC, West Yorkshire was the highest-scoring force in the region. Its combined score was 53, compared with scores of 42, 35 and 32 for South Yorkshire, Humberside and North Yorkshire respectively. There is therefore an understandable fear that there would be a levelling down of services, especially in the early years, rather than West Yorkshire's maintaining its present standards.

Some collaborative and lead force arrangements with neighbouring forces already operate effectively. I appreciate that HMIC has concluded that such arrangements are not the way forward, but West Yorkshire contends that the perceived shortcomings of such arrangements could be overcome if they were properly structured and formalised, with clear lines of responsibility and accountability. It surely is not logical to dismiss the idea of a more structured federal approach simply on the basis of a critique of existing informal collaborations. Such an approach would provide protective services without incurring the huge costs and the disruption associated with amalgamation. It would also allow West Yorkshire to retain its identity, and to maintain the great progress it has made on local policing priorities and reduction of crime.

It is difficult to get one's head around what a regional force covering the whole of Yorkshire and Humberside would look like, as policing has never been delivered on such a large organisational scale outside London. Thanks to the record number of police officers under this Government, West Yorkshire has made enormous strides in reducing crime. My own division, Pudsey and Weetwood, has probably made the lion's share of the contribution towards that achievement. The fear is that

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creation of a huge regional force will inevitably have a downwards knock-on effect, increasing basic command unit size. The costs associated with merger have been calculated at something like £50 million in West Yorkshire, although a great many figures have been bandied about globally and for individual forces.

The other problem with a major structural change is that people have to relate not only to their local BCU but to the area in which it operates, simply because many important decisions taken at a strategic level have a direct impact on what BCUs and their commanders can deliver.

Without financial safeguards, the effect of a merger on Yorkshire and Humberside would be to equalise Government funding in the new police region, and the police precept paid by residents. Under a crude equalisation without any smoothing, which would be expensive in itself, both amalgamation options would raise the precept in West Yorkshire by 20 per cent. That is clearly grossly unfair to my constituents and the other people in the area.

There are other organisational considerations, which time does not allow me to go into in detail. Policing boundaries in West Yorkshire are coterminous with crime and disorder reduction partnerships and other community safety organisations. Each district council has representation on the police authority. The number of councillor members per district means that they are able to engage in conducting their police authority responsibilities as well as the original purposes for which their electors elected them. That simply would not be possible under either amalgamation proposal.

I hope that the Minister will see from what I have been able to impart in digested form, from the Adjournment debate, and from the discussions and meetings that we have had and no doubt will have in future, why we in West Yorkshire are opposed to an enforced merger. I should like a commitment that she and her colleagues will genuinely look at the case being made by West Yorkshire to retain its present boundaries and operation.

2.26 pm

Sir George Young (North-West Hampshire) (Con): It is a pleasure to follow the hon. Member for Pudsey (Mr. Truswell), who, in a thoughtful speech, challenged the thinking behind the merger of his force into a much larger regional authority. The arguments that he deployed will have struck a chord with many hon. Members.

It is also a pleasure to welcome back to the Back Benches my right hon. and learned Friend the Member for Devizes (Mr. Ancram) after some 14 years on the Front Bench. The loss to the Front Bench is counterbalanced by the gain for the Back Benches.

I want to make two points, one general and one local. The general point is that public service reform, wherever it comes, is not cost-free. The Prime Minister has talked about the scars on his back, and reform requires the investment of political capital and financial capital. It means taking on established interests and short-term turbulence. It means the diversion of energy from the delivery of front-line services, and it is expensive in set-up costs, relocation, harmonising systems and working practices. It is also destabilising for those involved, many of whom have to bid for their own jobs and then, if successful, move.

That is not a killer argument against reform, but it is an argument for embarking on reform only after due consideration and proper consultation, and after, where possible, building political consensus behind it, having not only convinced a suspicious public that they will benefit, but convinced oneself as the instigator that it is worth the candle. It also means looking across government to phase in a particular reform along with others. It means dealing first with those with the greatest need and the greatest public support, while putting the others in the in-tray for further reflection.

The case against the Government is not that it is not possible to construct a case for police amalgamation. One can. The case against them is that their argument simply is not strong enough, as currently proposed, to include amalgamation in their programme. With health and education, there is consensus that investment of extra money needs to be accompanied by structural reform, and there is an appetite for reform of those public services. The pitch has been rolled, not least by Conservative Members as well as Labour ones.

That is simply not the case with the police forces. There are ways to improve them, and I shall say a word about them in a moment. But they are not along the lines suggested by the Government. My first point, then, is that what the Government propose is a strategic political mistake, as well as wrong for the service under discussion.

My second point concerns my county, Hampshire. Many of the county's Members of Parliament met the police authority last week, and we listened to what it had to say. The authority put forward a sensible case for leaving Hampshire—a large well-run force—alone. Its size is above the minimum standards for grouping proposed by the Government. The total staff is more than 6,000 and likely to rise to more than 7,000 by 2007.

Hampshire is very different from Thames Valley, with which the Home Office plans an arranged marriage for us. We have a long coastline, unlike Thames Valley. We have a large number of military establishments, unlike Thames Valley. We also have some major ports. But crucially—to pick up a point made by the hon. Member for Pudsey—we are a high-performing force, ranked either third or fifth out of 43 forces, depending on which performance table one uses, compared with Thames Valley which is, unfortunately, 34th.

The cost of merging with Thames Valley would be £27.1 million, but it would cost nothing to remain as a stand-alone authority. The judgment of the police authority is that protective services may be diluted across the areas of major crime and serious organised crime, causing a decrease in performance or a requirement for extra funding. The Hampshire precept could be increased by 6 per cent., or £10 million per annum. How does that sit with the imperative of the Office of the Deputy Prime Minister to keep a cap on the local council tax?

Additional front-end funding would also be required to facilitate the reconfiguration and change management processes. As if that were not enough, the assessment of a merger between the two authorities

showed that the ongoing increased costs from year three would be £12.2 million, compared with savings of some £8 million. Any local MP, confronted with such evidence from his police authority on a service as sensitive as law and order, has to stand up and ask the Government where they are going. It is also clear that the policing methodologies in these two forces are different, and the work needed to evolve a coherent strategy across such a diverse area would be complex and protracted.

I spent 30 days on the police parliamentary scheme—all credit to Neil Thorne for pioneering it—and saw the workings of the Hampshire constabulary from the inside. We have higher standards. We reject those who would be accepted by other forces, and if officers switch to Hampshire they have to be retrained to our standards. We will inevitably be confronted with a dilution of the high standards that we enjoy and pay for.

The administrative centre is currently in Winchester, which is the centre of the county, but the likely location of a merged service is Kidlington, some way away. There is legitimate staff concern about travelling time and the remoteness of management. Hampshire is a good force, and I saw that at first hand when I patrolled the streets of Southampton a few months ago. Of course it could be even better, but what frustrates officers includes form-filling, frustration with the Crown Prosecution Service and the magistracy, the constraints on how they do their job, and out-of-date buildings. Our energy should be spent freeing them up to use their skills, not on trying to reorganise them.

On this issue I agree with the Prime Minister, who said at Prime Minister's questions last week that there is an argument for a federated approach for certain services. Hampshire already does that, being one of the greatest exporters of services to other forces in the country. We can do that without amalgamation.

On Tuesday last week the Home Office sent two independent consultants to meet the authority's strategic forces. The consultants said that Hampshire's stand-alone case was better than any other authority's and that we had made a strong case for staying as we are. The chief constable's professional advice is that the stand-alone option guarantees the best level of service to our communities at minimum cost. I agree with my chief constable, and I hope that the Minister will too.

2.33 pm

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I listened with some amazement to the comments by the right hon. Member for Haltemprice and Howden (David Davis) about neighbourhood policing. As a councillor in an inner-city authority for most of the time that his Government were in power, I had to cope with the reduction in police on the streets, rising crime levels and the total inability to find mechanisms by which the local people could engage with their police force to ensure that their local priorities prevailed. That has changed. I do not claim that there are no longer any problems, but since this Government came to power we have seen a coherent attempt to introduce neighbourhood policing that is beginning to have an impact locally.

I also recall the Opposition's position on the introduction of community support officers and other valuable and valued parts of the local policing scene, so I wonder what they can bring to this debate on neighbourhood policing. I caution the Minister that while we all want to see a consensual approach, priority should be given to the views of those who have actually implemented neighbourhood policing, rather than of those who singularly failed to do so when they had the opportunity.

My second point concerns the O'Connor report—

Jeremy Wright: Will the hon. Gentleman give way?

Mr. Bailey: No, because I have only a short time and I want other people to be able to participate in the debate.

I accept that some people will have views contrary to the thrust of the report, but the gestation of the report goes back to 1993, under the Conservatives. It is clear that the overwhelming balance of professional police opinion supports the O'Connor report's conclusions. I rather regret the attempt by the University of Warwick to rubbish the statistical basis and the credibility of that report. It has a good pedigree and I shall make my judgment on the balance of professional police opinion, rather than on the opinion of university professors in Warwick.

My third point is about the arguments on process. I was in local government for a long time and I know that public services will always object to a process when they disagree with the intention behind it or the outcome is likely to involve hard decisions that nobody wants to face. The last police reorganisation took between 1960 and 1974—almost 15 years. We cannot afford to reproduce that process. I urge my hon. Friend the Minister to ignore those complaining about the process and get on with it. The O'Connor report reveals that 94 per cent. of gangs are not targeted every year by our police. Those criminal gangs will be rubbing their hands in glee with every year's delay in the implementation of the proposals.

The proposals have to be judged against three criteria. The first is their impact on neighbourhood policing and accountability. The second is their impact on level 2 crime and the third is affordability. On the first, people in local communities relate to their local police at their local station, not to their police authority. Local people want mechanisms by which they can communicate their views and priorities to the local police command unit, so that policing habits in the area reflect those priorities. That is being done under neighbourhood policing and I am glad to say that it will be implemented in my area from April.

The idea that there is no connection between neighbourhood policing and level 2 policing must be dispelled. It is essential to have more effective targeting of criminal gangs if we are to reduce the problems in local communities. It is those criminal gangs that are not targeted and put behind bars that feed in the drugs that cause so many problems in local communities. The one complaint I get, even in a large, well organised and well resourced police authority like the West Midlands, is that all too often local bobbies are taken away to deal with major crimes in other areas. If we can set up larger structures that minimise such disruption of local policing, it will be of benefit. The proposals will complement neighbourhood policing, not destroy it.

The arguments for more strategic forces with specialised units were well made in the report, but there are issues of affordability. Economies of scale have a

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certain logic but I have seen other reorganisations in local government and public services and, as we all know, translating the theory into reality can create difficulties. The Government need to ensure that the savings that accrue are ploughed back into front-line policing.

My fear is that, as in all restructuring, the new structures will tend to reflect the priorities of the professionals involved rather than the wishes of the community, so I urge the Minister to ensure that the economies that accrue reflect the priorities of the community, not of the professionals. In terms of affordability and economy, the federal structure suggested by the main Opposition would be a nightmare. There would be an extra layer of bureaucracy, blurred lines of accountability and no savings. We would have the worst of all worlds.

I urge the Minister to go ahead with the reforms, taking account of the strictures, but to make sure that they work.

2.41 pm

Mr. Roger Gale (North Thanet) (Con): The Home Secretary made much of neighbourhood policing in his opening remarks. Neighbourhood policing is not the community police officer, not the police support officer, not the bobby on the beat—the romantic vision. It is all those people, working with the milkman, the postman, the professionals, such as doctors, lawyers and nurses, the greengrocer, the butcher and the baker. They are the eyes and ears of the community by day and by night, waking and sleeping. It is only by harnessing all those energies that the community—the neighbourhood—stands a chance of beating the antisocial behaviour, vandalism and drunken violence that beset every neighbourhood in the country.

The neighbourhood policing initiative is vital; it is the cornerstone in the fight against crime as most people experience it in their everyday life. The Home Secretary said that his proposals would not damage that project. Well, a week ago, the all-party group on policing was addressed by Jerry Kirkby, the neighbourhood policing programme director for the Association of Chief Police Officers, and by Mark Burns-Williamson, the lead member on neighbourhood policing with the Association of Police Authorities. Both were absolutely clear in their view that if the time, money and energy of the police forces of the UK were diverted into doctrinaire reorganisation, mergers and amalgamations, neighbourhood policing would go out of the window, because the resources will not be there.

The Home Secretary has yet to explain where the £600 million will come from and how it will not be a burden on the money currently paid for the neighbourhood policing programme and other initiatives. If the Under-Secretary of State for the Home Department, the hon. Member for Leigh (Andy Burnham), challenges that figure of £600 million, perhaps during the winding-up speech, either he or the Minister for Policing, Security and Community Safety will put a figure on the proposals, because to date there has been none. The bottom line is that the Government proposals will undermine the one police initiative that they—or to be more exact, the police—have introduced that is actually beginning to work.

The Home Secretary prayed in aid the current president of ACPO, Sir Chris Fox. He received his knighthood in the new year's honours list, so one assumes that he is probably fairly well-known to the Home Secretary. Ministers on the Treasury Bench need to understand that Chris Fox has said that although he believes in bigger police forces, he does so only if the mergers are fully funded by central Government and if sufficient time, energy and thought go into the process. At present, there is no indication of any such funding or that time and thought have gone into the process. In those circumstances, I think we can take it that it is unlikely that even Sir Chris Fox will support what is suggested.

Mike Fuller, the chief constable of Kent, my county, is one of the country's best senior police officers. He and Ann Barnes, the chairman of the Kent police authority, are as one in their opposition to Kent being merged with Sussex, Surrey or any other grouping of forces, in the interests of regional or any other form of government. We have already seen the ambulance and fire services go. School reforms will take governance away from schools, and the health authority is going regional. It is clear that the proposals are a regional initiative. The chief constable of Kent has made it plain that he believes that the process, as determined by the Home Secretary, will damage policing in Kent.

We do not support what Ministers believe to be federation. We need to be extremely careful when using that word. When we say federation we are talking about co-operation, not merger by the back door, so let that not be a Trojan horse. It is fine for police forces to co-operate, in many instances, in emergencies, they already do so. There is scope for more of that co-operation, but there is no scope for the merger of strategic forces such as Kent, with its seaports and airports—the front line to Europe—with any other force.

Finally, as you know, Mr. Deputy Speaker, I am a special constable with the British Transport police, so you would expect me to mention that service. The BTP is not a Home Office force, but it is subject to a parallel review undertaken by the Home Secretary. There are suggestions that all or part of it may be merged with one or more of the Home Office forces. That would be a disaster. The BTP is a national police force. It is already strategic; it is free-standing and it works. Of course, there is room for improvement but it ain't broke; please don't try to fix it.

2.47 pm

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): The debate confronts us with a twin challenge: to tackle level 2 crime, as it has been described, while not merely not damaging but improving local neighbourhood policing.

"Closing the Gap" made several observations about level 2 crime. It noted:

"Only 13 out of 43 forces have fully resourced specialist murder units.

Less than 6 per cent. of over 1500 big organised crime gangs are targeted by police in the course of a year"

and that

"some forces' ability to deal with terrorist or domestic extremist incidents would be strained within a matter of hours."

Some Members say, "If it ain't broke, don't fix it." I am saying not that the system is broke, but that the report indicated serious problems that the Government have to address.

The challenge for Ministers is to propose a configuration of forces that meets the gap and tackles serious and organised crimes such as drug trafficking, terrorism and murder without damaging local policing. Those types of serious crime move across county boundaries, but there are also recognised "crime markets"—the phrase used by the Home Secretary—which may inform the configuration of forces.

The proposed merger in the west midlands is supported by three of the four forces but, as was pointed out earlier, not by West Mercia. A couple of important questions are posed about what such a merger might mean. Opponents say that it will harm local policing. That is a serious charge, because if it harms local policing it should not be pursued. Neither the public nor police forces should be forced to choose between tackling serious crime and tackling local neighbourhood crime. The public expect the police to be able to do both. Week in, week out in our constituencies we hear about antisocial behaviour, graffiti and under-age drinking. There might be some merit in the arguments of those who oppose mergers if this was the Government's only proposal on policing, but it is not.

With the basic command unit structure and, crucially, with the enormous expansion in police community support officers—I understand that the new total will be 24,000—there will be significant expansion in local community policing. In addition, the Government have funded additional police officers in recent years. We do not simply have a proposal to merge forces; we have also placed huge additional emphasis on developing neighbourhood policing, as the Home Secretary said in his opening speech, with individual contacts made much easier between officers and their local communities.

Of course, there is the question of costs. I accept that there will be start-up costs, as in any proposed merger or reorganisation, but that is not the end of the picture. Certainly, the West Midlands police authority expects that significant savings will be made over about 10 years. However, I would ask the Minister to reflect on the police precept, which varies in different parts of the country and in different parts of the west midlands. I believe that the public will accept the argument that we need to reconfigure forces to tackle serious crime, but that Ministers must be very wary about imposing additional costs on local people to pay for the change.

These proposals have merit and can go forward. I do not believe that the current situation can be defended in all its forms, because we sometimes force the police to make a choice: when a serious incident occurs, community policing can suffer because officers are pulled away from the community to deal with it. With the twin emphasis on tackling level 2 crime and on neighbourhood policing, we can deal with that problem and move to a form of policing that not only tackles the serious 21st-century crime that the country faces, but gives people the neighbourhood and community policing that they want.

2.52 pm

Mr. Simon Burns (West Chelmsford) (Con): May I begin by apologising to you, Mr. Deputy Speaker, and to the Minister who will respond to the debate and my hon. Friend the Member for Arundel and South Downs (Nick Herbert), because, unfortunately, for the first time in 19 years, I will not be able to be present to hear the winding-up speeches in a debate in which I have taken part? I apologise profusely for that.

I pay tribute to the fantastic work done by police officers and their back-up staff in the Essex constabulary on behalf of the people of Essex. We are extremely fortunate in having a dedicated, hard-working group of men and women who work day in, day out, often in thankless circumstances, to police our streets and countryside and to provide a service to the people of the county that I represent. However, we in the county have grave misgivings about the proposals, which are almost being forced on us against our wishes.

The Prime Minister speaks about the Government listening to the people. We do not get the impression of any sincerity in that statement, given the Home Secretary's comments whenever the subject is discussed. We must take into account the fact that, over the past 20 years or so, policing has changed radically, as have the public's expectations of what they want and expect from their police forces. Sadly, in this day and age, there is a need for more intelligence gathering, whether in respect of terrorism or organised crime. Increasingly, at the very local level, people are demanding that the police take action against vandals, graffiti and other antisocial behaviour.

We make other demands on our police, whether because of increasing vehicle crime or crimes against homes and property, and we expect them to respond. The police have a very difficult task to carry out, and we politicians make it more difficult if we distract them with unwanted, unnecessary and unjustified plans to modernise them, by reforming them in ways that they do not want to be modernised or reformed.

Such things are crucial because policing in this country, whether we like it or not, must be done by consent—the consent of the people—and to gain the support of local communities there must be an affinity and relationship between the police and the public whom they serve. I fear that one of the dangers that we face with the reorganisation is that the Government seem hellbent on the philosophy that big is better, but that divorces local people's affinity from the police force that should serve their needs.

In Essex, we were originally told by the Home Secretary that he would not accept a stand-alone Essex police force option: it had to be a merger, whether an arranged marriage with the Norfolk and Suffolk forces, or with the forces to the west of the county in Hertfordshire or the other surrounding counties. Essex police force is large, like the county of Essex, which is one of the largest counties, geographically, and in terms of population, with just over 1.5 million people.

We have a bigger population than the already-merged police force of Devon and Cornwall. We also have special features. Of particular relevance in this age of heightened terrorism, we have the third London airport at Stansted. We have a port at Harwich and one of the longest coastlines, where the police constantly try to minimise and prevent illegal immigration. We also have urban areas, mixed with significant rural areas, whose policing needs differ radically from those of urban areas.

[Mr. Simon Burns]

We are being told that we must join forces with another police force—possibly two—thus creating a huge, super-police force that would have no affinity with the local community. The financial impact on Essex council tax payers would be significant, and there would be even greater conflicting policing needs between those of the rural community and the demands of an urban society. That circle cannot be squared by putting us with other counties.

If the Prime Minister is sincere in saying that he and the Government will listen to the people, let them listen and let them listen closely—if the Minister would be kind enough to stop listening to his Parliamentary Private Secretary. He is not listening; he did not even hear me say that, so I hope that he will read *Hansard* tomorrow and get the message that way. If the Minister is prepared to listen to the arguments, he will find a consensus in Essex against any proposal other than one that allows Essex police to continue as a stand-alone force.

The consensus goes from the chief constable, who is a fairly crucial element in the equation, to the police authority and to 15 of the 17 Members of Parliament who represent the area. Only 15 of them have voiced an opinion because the hon. Members for Harlow (Bill Rammell) and for Basildon (Angela E. Smith) are Ministers, and whatever they may think personally in wanting to represent their constituents' interests, they are bound by collective ministerial responsibility, so they cannot voice an opinion. Among the 15 Members of Parliament who are united, there is a Labour Member—the hon. Member for Thurrock (Andrew Mackinlay), who is the only Labour Member for the county, other than the Ministers—and a Liberal Democrat, the hon. Member for Colchester (Bob Russell).

Essex county council is root and branch against the proposals. Most of the borough and district councils in the country are against them, as are the vast majority of members of the public in the county who have voiced an opinion on the subject. So the Minister and the Prime Minister should not pay lip service and use the platitude that they will listen to the arguments—they should act on them. For once, as was mentioned by my hon. Friend the Member for North Thanet (Mr. Gale), instead of driving something forward and pressing for regionalised government, which underlies many of the Government's reforms, they should listen to the people and leave Essex alone to get on with the job of fighting crime without being distracted by other measures.

3 pm

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): I am pleased to have the opportunity to make a speech because I sat through the debate on police restructuring before Christmas and noted that not one Yorkshire Member spoke. I was thus pleased that my hon. Friend the Member for Pudsey (Mr. Truswell) made a speech earlier, although my comments will be slightly different from his. I want to talk about the Humberside police force in the context of what has happened over the past eight or nine years—since we have had a Labour Government. All hon. Members know that crime and community safety are key issues for our constituents, so I am proud of the Labour Government's record of putting them right at the top of the agenda.

Mr. Graham Stuart (Beverley and Holderness) (Con): Will the hon. Lady give way?

Ms Johnson: I am going to carry on and make some progress, if I may.

We have already heard about the additional 14,000 police officers, the introduction of police community support officers and the extension of CCTV in major towns and cities. I support the neighbourhood policing initiative, and we know that crime rates are going down in general, so obviously we should welcome that. We must also realise that steps have been taken to try to cut back on the bureaucracy with which the police must deal. There are now fewer forms for our officers to fill in. There are Crown Prosecution Service lawyers in police stations, which helps to ensure that charges are dealt with quickly, which means that cases can go to court far more rapidly than before.

Anne Milton: Will the hon. Lady give way?

Ms Johnson: I am going to carry on.

If we consider policing in 2006, we are all aware that there are local issues and more strategic national issues that we must address. We have already examined the jobs that we ask some of our police officers to do to find out whether they could be civilianised. We have considered establishing non-emergency telephone numbers so that the public can access the police more quickly than they can by dialling 999, to ask them to address problems that need not be dealt with immediately. I have already mentioned the police CSOs, and Hull has excellent community wardens who are about to be introduced throughout the whole of the city from April.

Against that background, I read "Closing the Gap", the report of Her Majesty's inspectorate of constabulary, with an open mind. I also drew on my experience as a member of the Metropolitan Police Authority in London. It is worth pointing out that the authority covers 32 London boroughs with basic command units that feed into the commissioner. The fact that there is such a large force does not mean that there cannot be effective management.

The Humberside police force has just over 2,275 officers, just over 1,200 staff, 354 special officers and only 22 police community support officers. Many hon. Members will know that we have had a chequered past in Humberside. We were involved with the Soham inquiry and the Bichard report. Our previous chief constable had a bit of a spat with a Home Secretary a short while ago, and we were the last police force in the country to get police CSOs. Our new chief constable realised that that was a mistake, so we are now well on the way to getting many more CSOs to serve our communities.

The options available to Humberside are either joining South Yorkshire police to form a force of about 5,500 officers, or forming part of a much larger regional force for Yorkshire with 12,000 officers. The chair of the police authority and the chief constable wrote to the

Home Secretary on 16 December to set out their view that they would prefer to go for a voluntary merger, and I shall briefly run through the chief reasons why I support that.

I was heartened to hear what the Home Secretary said about neighbourhood policing being at the heart of the policing agenda. The basic command unit will stay. It will be where most people recognise it—the local police station for their area. People in Hull talk not about the Humberside police force, but about local bobbies on the beat and the local Hull police. That would not change under a regional structure. In addition to community wardens and special constables, Hull has the excellent HANWAG—the Humberside association of neighbourhood watch groups. The groups play a key role in community safety in our area and they would all remain local.

A regional force would allow specialisations to develop. I was struck by an earlier comment about the fact that officers might not want to move to a different area or could think that larger forces would not give them the opportunities to develop their career. That is not the case for the Humberside police officers to whom I have spoken because they would relish the opportunities that would be available in a regional Yorkshire force.

Jeremy Wright: Will the hon. Lady give way?

Ms Johnson: No, I am going to carry on.

The Humberside police force does not have sufficient officers to deal with the major incidents and level 2 crime with which it is sometimes called on to address. A regional force would be better able to deal with cross-regional crime, especially crime that moves up and down the M62.

Operation Sapphire, which is run by the Metropolitan police, has the resources and staff that it needs because it can call on the resources of all 32 London boroughs. It creates havens for people who have been the victims of sexual assault. The Humberside police force has considered creating such a structure in its area, but it does not have the resources or staff to do so. If we had a regional force, we might well be able to set up structures such as Operation Sapphire, which would be of great service to people in Yorkshire.

On counter-terrorism, although Hull has one of the country's major ports, I do not think that Humberside's existing number of officers can deal with some of the possible threats to the Humber estuary. We must also consider the duplication of services because great savings could be made by addressing the 43 human resources and payroll departments. All in all, I support a regional force for Yorkshire.

When my right hon. Friend the Minister for Policing, Security and Community Safety makes her winding-up speech, will she address the problems with the precept because they are of great concern to many of my constituents? Will she ensure that people on our police authorities will be geographically accountable if we move towards a larger regional force? We should try to encourage a more diverse group of people to become involved in the accountability process. Young people are more likely to be the victims of crime than anyone else, so we should try to get them involved. We do not have to rush and do everything at once, so may we consider following a programme lasting for 18 months, two years, or three years so that we do not have to rush to change the badges on police officers' helmets and the signs on cars all at once? All in all, I support a regional force and think that Humberside would benefit greatly from a Yorkshire-wide force.

3.7 pm

Mr. Graham Stuart (Beverley and Holderness) (Con): I am pleased to follow the hon. Member for Kingston upon Hull, North (Ms Johnson), who gave a speech that was suitable for an ambitious Labour Back Bencher. She said that she supported a regional force for the whole of Yorkshire. She was in the Chamber when the hon. Member for Pudsey (Mr. Truswell) made his thoughtful speech, so I hope that she—and, indeed, Ministers—listened to it. He gave reasons that are grounded in the west Yorkshire community that he represents to explain why he does not believe that a regional force for the whole of Yorkshire would be appropriate.

I represent a rural constituency in east Yorkshire that contains just four towns: Beverley; Hornsea, which is on the coast; Hedon, which is just to the east of Hull; and Withernsea, which is on the coast. Those communities are a long way from Pudsey and the problems that beset metropolitan areas with which a Yorkshire police force would want to deal. Our fears, which have been expressed already today, can be best summed up by saying that the rural needs of those communities would be left behind because of the draw of metropolitan areas. In fact, the chief constable of Humberside police recently said:

"Experience suggests that the larger metropolitan forces inevitably exert a strong draw on resources often to the detriment of surrounding areas."

A full Yorkshire force would be too large, too remote and too distant from local people.

Already, as many hon. Members have shown in this debate, there is fantastic frustration. Anyone who came with me to the Kirkfield estate in Withernsea and knocked on door after door would see that the Government are right to talk about law and order and the challenges of antisocial behaviour, but that they are not right to move structures that can be influenced even further away from those frustrated people. They elect people such as me as Members of Parliament and others as councillors to whom they talk about their No. 1 issue—the daily challenge of needles, antisocial behaviour and disorder in their community. They feel that, year after year, despite who they vote for and the rhetoric that they hear, nothing is done about that. They are suffering from cricked-neck policing—the police, senior and junior, have a leash around their necks that is being pulled by central Government. That is the nub of the problem.

The Home Secretary was right to address the issue of accountability, but I wonder whether many Labour Members were convinced by what he said. I hope that the Minister, in summing up, will come back to the subject. When the Home Secretary said that there needed to be local accountability, he first mentioned national standards. One could laugh about that if it were not so symptomatic of this Government's approach.

[Mr. Graham Stuart]

Their idea of local accountability is greater enforcement of national standards. The right hon. Gentleman then talked about roles for overview and scrutiny committees, but they have not worked in the health service. They have been unable to exert influence or to address the threat to local health services in communities such as Hornsea and Withernsea. The Home Secretary finished his piece on how he would drive local accountability with the point that there was always his intervention.

Of the four key points that the Home Secretary made, two were about intervention at national level, which will not give any reassurance to people in Withernsea and Hornsea, or in villages such as Patrington, where I attended a meeting of the parish council last week specifically on the subject of policing. The local police inspector told us what we already knew—that very often there are just two officers serving the whole of the area. The prospect of unfunded, large-scale mergers, with costs possibly as high as £1 billion, dragging even more resources away from front-line policing and leaving rural communities even more denuded of cover is frightening to those who are already frustrated with the political process.

Mr. Jim Devine (Livingston) (Lab): Let me tell the hon. Gentleman about my experience in my constituency. He and I have similarly rural communities. The police put an ASBO on the whole village of Mid Calder because they had had problems with a small minority of youths for five or six weeks. There was much violence and aggression, and an attempted murder. Over the past six weeks, that community has had peaceful weekends. Perhaps the police in the hon. Gentleman's area should follow that lead.

Mr. Stuart: I thank the hon. Gentleman for that intervention. We must use whatever tools are available, and I would not rule out the fact that ASBOs, whatever their chequered record, have a part to play.

John Hemming (Birmingham, Yardley) (LD): Does the hon. Gentleman agree that as the reorganisation will incur massive costs, the police will not be able to afford to issue ASBOs?

Mr. Stuart: I completely agree; the difficulty is getting police to attend. In rural areas, proactive policing no longer occurs. The key question for us in this reorganisation is why would the creation of a huge Yorkshire force make accountability at local level more likely. The answer is that the likelihood is that it will not. There are issues about cost, and we have heard from the chairmen of the police authority that reorganisation will lead to fewer police on the beat.

I am astonished at the experience of the hon. Member for Kingston upon Hull, North of talking to police officers in Hull. It differs greatly from my experience of meeting officers from the same force in my constituency. They have told me that they would be distinctly put out at the prospect of being used in a whole-Yorkshire force, which would remove them from the communities that they joined the police to represent and protect. Sending them elsewhere in Yorkshire without any safeguards—I would be interested to hear about that in the summing up—could have a big impact on recruitment. That point was well made earlier.

The Government will be pleased that the right hon. Member for Southampton, Itchen (Mr. Denham) came out with some support for the policy; it sounds as though he will be supporting the proposed legislation. However, there were elements of scepticism and doubt in his speech. Following so closely the political disaster of last night and so many ill-thought-through bits of legislation, I say on behalf of the rural communities that I represent that the Government have not answered our questions about accountability and empowering local people so that they feel that they can control the police force and that we can escape the curse of cricked-neck policing, under which police officers who are supposed to represent my constituents appear to be representatives of Whitehall and the Minister.

3.15 pm

Helen Goodman (Bishop Auckland) (Lab): It is a pleasure to follow the hon. Member for Beverley and Holderness (Mr. Stuart). If I may say so, he gave a speech suitable for an ambitious, young Opposition Back Bencher.

I would like to take hon. Members on a brief tour of County Durham. It is a largely rural area with low levels of crime. In fact, I think that we have the lowest level of crime in the entire country. Of course, I get complaints from my constituents when there are serious problems and about antisocial behaviour, but in general the level of crime in the county is very low.

Moreover, the police force is very efficient when compared with those facing similar issues. On all seven Home Office performance measurements, County Durham performs well. On reducing crime, investigating crime, promoting safety, providing assistance, citizen focus, resource use and local policing, the delivery is fair, good or excellent, and the direction is either stable or improving.

The proposal in our part of the world is to bring together the police forces of Durham, Northumberland and Cleveland. One would therefore think, given that picture of a county force, that that circumstance would fit precisely the stereotype used by Conservative Members to criticise the Government's proposals. The area falls into all the categories that Conservative Members have said will be worst served by the Government's proposals. In fact, the local community is united in supporting the Government's proposals. The previous chief constable, Sir Paul Garvon, supports it, the new chief constable, John Stoddart, supports it, the county council supports it, the police authority supports it and all six Durham MPs support it.

Anne Milton: The hon. Lady is drawing out the fact that one size does not fit all—what is good for her area is clearly not good for my area of Surrey. Does she therefore agree that an approach that allows areas to make their own decisions about how their communities are best served is the right way forward?

Helen Goodman: I was not agreeing with the hon. Lady. I was disagreeing with her. I was saying that the

characteristics of areas that Conservative Members have said will be ill served by the Government's proposals are not considered a problem. The concerns that Conservative Members have expressed have not been raised in County Durham. Clearly she is so surprised by that that she does not believe what she is hearing, but it is indeed the case. One might, for example, be concerned that resources will be dragged into Cleveland, but again, that concern has not been raised.

Martin Horwood: The hon. Lady does not seem to appreciate the scale of the merged forces proposed. Her constituency is closer to mine than the far end of the Isles of Scilly with which Gloucestershire is supposed to form a south-west force. Would she be interested in a merger between Gloucestershire and County Durham to see whether we can shift resources between the two?

Helen Goodman: That is a patently ridiculous suggestion, as there is no proposal to unify County Durham with Gloucestershire. If the hon. Gentleman cares to look at a map, he will see that the proposed geographical region for the north-east is large, comprising Durham, Northumberland and Cleveland. County Durham is united in support of the Government's proposal because the force is too small to deal with the new challenges of organised crime and terrorism. We would be in a similar position to the Cambridgeshire force if we had to resolve an extremely difficult or complex problem.

John Hemming: Will the hon. Lady give way?

Helen Goodman: I feel that I have accepted enough interventions in a short speech.

The view in County Durham is that, as long as we retain local neighbourhood policing and the basic command units, which are not threatened by the Government proposals, the change will be a positive step. A counter-proposal in the north-east would have unified south Durham and Cleveland and north Durham with Northumberland, but it would have cut across the coterminosity of other services, so we did not wish to accept it in County Durham. Opposition Members have criticised the Government for introducing proposals that would increase bureaucracy. That is patently ridiculous. The proposals will reduce bureaucracy, unlike their proposals, which would introduce a new layer of bureaucracy in the system. I therefore support the Government amendment.

3.22 pm

Anne Milton (Guildford) (Con): I was surprised that the hon. Member for Bishop Auckland (Helen Goodman) found the Conservative proposals patently ridiculous. In doing so, she attacks my local community, my local residents, my police authority and my local policemen, who all support the views that my hon. Friends and I have expressed.

May I respond to a point made by the hon. Member for Kingston upon Hull, North (Ms Johnson)? I could hardly believe my ears when she said that police bureaucracy had gone down. In Surrey, an estimate earlier this year was that one third of police time was taken up with police paperwork, which has risen a great deal in the past few years. I fear that, yet again, the Government are trying to re-provide, reorganise and, in this case, restructure their way out of inherent problems in the public sector. In Surrey, restructuring is an attempt by the Government to solve chronic underfunding problems. If one talks to people in my Guildford constituency about restructuring, their eyes glaze over. I am sure that that is the case for many residents in other constituencies. All my constituents want to do is go about their business. They want to be free, both of crime and of the fear of crime. In Guildford town, Cranleigh and all the surrounding villages in my constituency, fear of crime is a significant and, at times, disabling issue for many local residents. They would therefore put crime and the fear of crime at the top of their list of priorities.

Surrey is a low-crime area, so it is easy to dismiss such fears, but they are genuine even if they appear disproportionate in the light of the figures. They stop people going to the local shops after dark and prevent parents from allowing their children to walk to school. They stop people going into Guildford at night, because 4,000 to 5,000 kids from the local area go into town to drink in the bars and clubs. They stop people getting on with their lives, so they are socially disabling. Although the crime figures are low in Surrey, there are worrying trends, including an upward trend in violent crime, which gives considerable cause for concern. Villages are not immune to the problem. My hon. Friend the Member for Beverley and Holderness (Mr. Stuart) talked about rural crime, which is an increasing concern. Farmers have to go to significant lengths to secure their property, farm gates and vehicles.

When my residents' eyes glaze over, it is because restructuring of the police is not their main concern. They want to know what the changes will do for them. Will they feel safer? Will crime and antisocial behaviour go down? Will the police be more accountable and will they be able to respond to their problems? My instinctive belief is that that any measure that makes Surrey police more distant from my local residents or which makes the police more distant from anyone is the wrong thing to do. The proximity of the police and their association with the local area are important. The Home Secretary talked about neighbourhood policing, which I applaud. However, my hon. Friend the Member for North Thanet (Mr. Gale) cited Jerry Kirkby, who piloted neighbourhood policing in Surrey and believes that the restructuring will knock neighbourhood policing on the head.

Tim Farron (Westmorland and Lonsdale) (LD): Is the hon. Lady aware that Cumbria police authority is the only authority in Britain that has received an excellent charter mark for citizen focus? People throughout Cumbria and in my constituency of Westmorland and Lonsdale are concerned that, if decisions affecting our area are taken in Preston or Liverpool, that focus will be removed from our communities. I am sure that she will agree that the widening scope and centralisation of police decision making will have a negative effect on her own area and on citizen focus.

Anne Milton: The hon. Gentleman makes a good point. Local residents need to identify with their local

[Anne Milton]

police. If that association is taken away from the local community, particularly in areas where fear of crime is a major concern, the problem will be compounded, as people will know that the police are further away.

In a letter written in January, the Association of Police Authorities made it clear, as the Minister for Policing, Security and Community Safety will know, that it had serious concerns about restructuring and was alarmed about the speed with which the Home Secretary was rushing the changes through. It wanted more time for the police and communities to be consulted. It was concerned about the costs of restructuring, which cannot be met from already overstretched police budgets. For Surrey, that is a serious issue. I am convinced the Government are restructuring their way out of huge problems of police underfunding.

Mr. William Cash (Stone) (Con): We in Staffordshire have grave concerns about centralisation if we were merged with the west midlands, because the problems in society are totally different. Does my hon. Friend accept that it would be a disaster for Staffordshire to be merged, for Treasury-driven reasons, with a body as big as the west midlands?

Anne Milton: I thank my hon. Friend. With reference to the comments of the hon. Member for Bishop Auckland, it is important to realise that every area is different. She painted an entirely different picture from the one that I will paint and the one that my hon. Friend the Member for Stone (Mr. Cash) has painted. We do not need a one-size-fits-all model.

Surrey has the worst grant settlement of any force in the country. According to the police, the funding gap can be reduced only by reducing costs, which means decreasing services. Surrey police authority considers that restructuring will be not only expensive but disruptive, and of little overall benefit. Analysis by the police locally reveals that the real issue is not structure, but how the police resources are used and the removal of red tape, which constrains chief officers. Surrey has long been underfunded, creating, as the police authority recognises, an unreasonable council tax burden for Surrey's residents.

A Surrey-Sussex merger, which is one of the options that Surrey police have considered, would cost £29 million. The police admit that although such a merger

"would increase resilience in providing Force level protective services, for example major crime investigation, strategic roads policing, counter terrorism capabilities and other services, the same level of resilience could be built into the Surrey Force at a similar cost but without the upheaval of a merger",

and without the loss of focus. The police go on to say:

"To achieve full resilience (avoiding abstracting local police resources to deal with anything but the most critical events) would require an additional £26 million of funding per annum in Surrey alone."

The police authority has not offered to merge with another police authority because it is deeply unhappy about the proposal. As Surrey police have said, merging Surrey and Sussex forces would bring two poorly funded forces together to create one larger poorly funded force.

I shall conclude my remarks because other hon. Members wish to speak. Like many of my hon. Friends who represent Surrey constituencies, I remain deeply unhappy about the plans to restructure our Surrey force. My local residents' fears about their safety and about crime will not be dealt with by the proposals. I urge the Home Secretary and the Minister to say not just to Opposition Members, but to Surrey police authority, to Surrey police and to Surrey residents that the restructuring will not go ahead, and that there are better things to do with the £29 million that will be spent on the exercise.

3.32 pm

Mr. David Gauke (South-West Hertfordshire) (Con): I acknowledge that the O'Connor report identifies failings in the current system. It refers to organised crime as

"widespread, vibrant and growing",

and says that

"very few forces meet the required standard".

It also says that

"vulnerability was evident in relation to counter terrorism and domestic extremism, serious and organised crime and public order".

It is understandable that the Government want to do something. One can be critical of a Government who have been in office for eight years—nearly nine—when that is the verdict of the report that they commissioned.

The question is: what does the O'Connor report recommend, and is that the right course of action? The hon. Member for Somerton and Frome (Mr. Heath) pointed out that the conclusions reached by the report are not quite as conclusive as the Government like to make out. If one looks at the analysis of the various parts of protective services—the initiative is being driven by protective services—again, things are not quite so clear-cut.

Of the seven elements identified, the report found that capability in road policing was entirely independent of size. On civil contingency, the report acknowledges that

"every force outside the Met would require mutual aid very early into a multi-site chaotic event".

On critical incidents, it states that forces, including smaller forces such as Dorset and Leicestershire, that have suffered a significant critical incident demonstrate a high degree of capability. I cite a local example at Buncefield in Hertfordshire, where the police handled an incident very successfully, with mutual aid. According to the report, forces that perceive themselves to be low risk tend to take a less structured approach—in other words, forces that do not see much of a problem do not prepare to the same degree. That is understandable.

The O'Connor report also notes that not all forces have profiled their communities to identify vulnerabilities. There is just a hint in that section that larger forces are slightly more politically correct. I do not want to over-egg that argument, but perhaps larger forces are doing more analysis of the make-up of their communities and as a result become slightly more politically correct and less focused on the matter in hand.

Individual forces have developed expertise in particular aspects of public order—for example, party conferences in Dorset and Huntington Life Sciences in Cambridge. There is also evidence that expertise is passed from force to force, which is perhaps an example of the federal approach working better. On public order, the O'Connor report says that there is a rough correlation between size and reactivity, but it also says that an establishment of 2,200 officers is the minimum size for preparedness, rather than 4,000 officers—the figure that the Government often quote.

The O'Connor report identifies failures in the way in which all forces deal with major crime, and states that success is to some extent dependent on whether forces have dedicated major investigations teams. In a recent written reply, the Minister revealed that 13 forces have got major investigation teams. A force does not require 4,000 officers to have a major investigation team, because while there are only six forces of that size, 13 forces have major investigation teams, which once again suggests that the 4,000 limit is unnecessary.

I acknowledge that serious organised crime is an issue. However, the O'Connor report says that we know very little about it and that insufficient analysis has taken place.

One would have thought that the Government would take all sorts of steps on counter-terrorism, but in a recent written answer, the Minister said that the current regional and national counter-terrorism structures were appropriate. I do not have time to go into that matter in further detail, but the point had to be made.

The right hon. Member for Southampton, Itchen (Mr. Denham) has said that Hampshire have the necessary protective services, but it has 3,800 officers. Furthermore, if Hertfordshire police authority were to merge with Bedfordshire police authority, the new force would not meet the 4,000 mark, but its protective services capability would be greater than if Cambridgeshire were involved, too. I hope that the Government will consider such matters on a case-by-case basis and not stick rigidly to the 4,000 limit.

3.37 pm

Mr. Mark Harper (Forest of Dean) (Con): I shall make one brief point and one substantial point. First, the Home Secretary has discussed accountability and the link between crime and disorder reduction partnerships and district councils. In my area, for example, the basic command units are the Forest of Dean and Gloucester, which cover a district council area and a city council area. Those areas are distinct and different, and it would not be satisfactory if they were served by a single BCU.

Secondly, I want to discuss the alternative to mergers, which is collaboration between independent forces. As the Minister knows, the chief constable has provided examples of services that are currently shared in the south-west, where independent police forces are already co-operating on regional tasking and co-ordinating special branch intelligence and air support, which, as the hon. Member for Somerton and Frome (Mr. Heath) said, Gloucestershire has shared with Avon and Somerset since 1996. Indeed, a new regional arrangement has been implemented on the provision of helicopter pilots. The implementation of Airwave, procurement, drug-testing services and forensic physicians have also been shared among services, saving the region £1.4 million per annum. The success of joint procurement shows that the approach outlined in Her Majesty's inspectorate of constabulary's document "What price policing?" can work. Collaboration and sharing require commitment and belief, but they provide results without the up-front cost of amalgamation.

There is another example of shared services between the emergency services in Gloucestershire. Since 2002 a joint police, fire and ambulance control room has operated from Quedgeley in the constituency of the hon. Member for Gloucester (Mr. Dhanda), who is sitting on the Front Bench now. The facility is one of three nationally, proves its worth every day, and is popular in the county.

Shared services and the collaborative model offer the Government a way out. As has been said, mergers are popular and professionally supported in some areas, but where they are not popular, I urge the Minister to consider the collaborative model. The chief constables and the police authorities in Gloucestershire, Wiltshire and Dorset are working on a proposal to retain those forces' independence and have them make a great commitment to working together, which is a good alternative model. I urge the Minister to examine that alternative, and hope that she concludes that it is right for those three counties.

3.40 pm

Nick Herbert (Arundel and South Downs) (Con): The Home Secretary began by suggesting, incredibly, that the majority of police authorities support his position, so it is worth reminding the Minister of the facts. By the 23 December deadline that the Home Secretary set, of the 41 police forces affected by the proposed restructuring, 14 refused to express a preferred option and another 14 stated that their preferred option was to stand alone. By my reckoning, that means that 28 out of the 41 police authorities—68 per cent.—have rejected the Home Secretary's proposals. Only seven police authorities signed up to the full regional mergers as proposed by the Home Office, and in every case at least one other authority in the region opposed the plans. It is fantasy politics to claim, as the Home Secretary did, that police authorities support what he is doing.

The Home Secretary also prayed in aid the comments of several chief constables. However, for every chief constable who has publicly spoken out in favour of restructuring, others have opposed it. Opinion is divided. I could quote the chief constable of Dyfed-Powys, who said that the Government's plans were

"verging on a shambles"

and

"Alice Through the Looking Glass stuff".

My hon. Friend the Member for Forest of Dean (Mr. Harper) mentioned Gloucestershire. The chief constable of that force, who is also the head of finance and resourcing at the Association of Chief Police Officers, said:

"Restructuring will be a highly risky undertaking, financially, operationally and organisationally".

The Home Secretary signally failed to deal with what my right hon. Friend the Member for Haltemprice and Howden (David Davis) said about the cost of the

[Nick Herbert]

proposals, which the Association of Police Authorities estimates to be £525 million and rising. The Government have so far offered only £125 million to defray those costs—less than a quarter of the amount—and we know that that is not new money. There is a £400 million shortfall. I have repeatedly asked the Minister to tell me how that shortfall is to be funded; perhaps she will tell me now. It is clear that local taxpayers are going to pick up the bill. That means that police precepts will rise by, we calculate, 21 per cent. to meet the £400 million gap. That is against the background of rising council tax and a police precept that has already doubled since the Government came to power.

The last time that I raised this, the Minister said that she did not accept the APA's estimates. I have to tell her that we will be sceptical about the Government's figures—when they finally get round to publishing them—in the light of the National Audit Office's refusal yesterday to sign off the Home Office's books because it could not properly account for its £14 billion annual budget. I remind the Minister that in some parts of her region, the north-west, the £47 million cost of restructuring will result in council tax bills rising by as much as £32, while in the Home Secretary's region they will rise by as much as £30.

At Prime Minister's questions, the Prime Minister has repeatedly expressed his support for the option of sharing services. Today the Home Secretary repeated his opposition to that solution. We might have known that that was the Home Secretary's position, because he has written to us all; we received the letter today. He has published a glossy leaflet about what he intends to do with the police. When he is asked how serious crime is going to be combated, he replies:

"Establishing larger forces with greater capacity to investigate serious crime".

It is a done deal, is it not? No sooner had the Prime Minister made his comments in support of sharing services by police forces, than the Minister—who is the Minister for respect—gave a briefing to the lobby to say that that was not the case. I suggest that that was not very respectful to the Prime Minister.

The Home Office appears to be in a state of confusion about what is happening. In a briefing from Home Office officials to members of local authorities earlier this month for a conference entitled the "Innovation Forum", page 2 begins:

"This is not about mergers".

If it is not about mergers, what is it about? Do the Government have a coherent view of whether they are willing to consider sharing services? The Association of Police Authorities has asked them to consider that. Perhaps we could have a straight answer to that question.

When the Prime Minister was asked about amalgamations, he said:

"It is not a question of forcing them through".—[*Official Report*, 25 January 2006, Vol. 441, c. 1426.]

Clearly, that is exactly what the Home Secretary plans to do, because amalgamations do not have the unanimous support of police authorities in any region of the country. If the Government are determined that amalgamations are the answer, they can only proceed by compulsion. They should stop pretending that some sort of voluntary arrangement is possible, because police authorities do not want it.

The Government's reluctance to allow mergers across regional boundaries, which they confirmed again today, reveals their agenda. The Deputy Prime Minister's plans for regional government were defeated overwhelmingly in the first referendum in the north-east, but the Government are proceeding with regionalism by stealth. That happens with planning decisions, the replacement of local fire control rooms with regional centres, in the national health service and now with the police.

I am sorry that Home Secretary is not here, because I wanted to emphasise to him that big is not always beautiful.

David Davis: The Minister who is here should approve of that sentiment.

Nick Herbert: Indeed.

The Home Office's performance assessments show that three of the top-performing police forces have fewer than 4,000 officers. As my right hon. and learned Friend the Member for Devizes (Mr. Ancram) said, size does not matter. Why are the Government so dismissive of the option of sharing services? Several points that Labour Members made were wrong. No additional bureaucracy will be created by forces sharing services, as shown by the fact that no primary or secondary legislation is required to achieve that.

Agreements to share services would be legally binding, not ad hoc. Sharing services would enable police authorities to achieve the economies of scale inherent in a merger without the additional costs. Police forces could preserve their local identity and accountability, and implementation would be quicker and less disruptive. Existing arrangements show that the sharing solution is practical. That is apparent when one considers the midlands counter-terrorism support unit or the West Midlands central motorway patrol group, which operate across forces.

Sharing services works well in other public services—for example, the Army, in which brigades undertake operational and support functions while the regimental structure is retained.

The Government could have pursued a police reform agenda. Only one in four crimes are detected, and the Minister knows that detection rates have been falling. Police officers spend less than a fifth of their time on the beat. It takes three and a half hours for every arrest to be processed. The police reform agenda should cover modernising working practices, cutting paperwork and making police properly accountable to local people. Instead, the Government are obsessed with reorganisation. That often happens in their dealings with public services.

Constant interference and change is good for only one group of people—the management consultants, who already charge a great deal of money, at the taxpayers' expense, as they advise on changes in the Government's constant public service reorganisations. For everyone else, the process is disruptive.

Chief constables and police authorities should spend time on policing our streets. Instead they spend too much time, as my right hon. Friend the Member for

North-West Hampshire (Sir George Young) said, worrying about headquarters moves, how to merge IT systems, and their jobs.

We made the Government a serious offer. We said that if they considered alternatives to amalgamation, costed the options properly and consulted local people, we would be constructive in reaching agreement on how to shape policing in the future. However, the Government are clearly blindly determined to press ahead. They have lost the support of police authorities and are losing that of increasing numbers of chief constables. They never had the support of local people and they will not say how the £500 million will be financed. They have no serious proposals to ensure local accountability of the police. They will not allow amalgamations to cross regional boundaries, but the proposed police force amalgamations will leave local taxpayers with a £400 million bill.

Vast regional forces will take chief constables hundreds of miles from the local people whom they are meant to serve. Regional forces will weaken the link between police and their communities, and strengthen the Government's grip on the police. This is exactly the wrong way to strengthen the fight against crime, so we ask the Government, one more time, to think again.

3.50 pm

The Minister for Policing, Security and Community Safety (Hazel Blears): I was about to say that we had had an excellent debate; I genuinely think we have. We have heard some really good contributions, and the tone of the debate, when it was opened by the right hon. Member for Haltemprice and Howden (David Davis), was very different from that of some debates that we have had. I thought that the right hon. Gentleman was seeking consensus. He was trying to be constructive and to find a way forward. He agreed that there was a need to deal with protective services, and that services might be weak in some police forces. He also agreed that teams needed to acquire skills and expertise, and that there was a need for major incident teams. There appeared to be a huge degree of consensus between us, and I wondered what I would have to talk about.

Then, however, we heard the speech of the hon. Member for Arundel and South Downs (Nick Herbert), who, in the past 10 minutes, has managed to provoke me to the point at which we really can have a good and proper debate on these issues. It is important that we share some of the concerns, however, and I was also heartened by the hon. Member for Somerton and Frome (Mr. Heath), who recognised that there were serious gaps in the police forces' ability to deal with some of the serious challenges of 21st century policing. That feeling has been echoed across the Chamber today, and I am grateful for that.

As always in these debates, we can all recognise the problems, but we do not always agree on, or even recognise, the way to deal with them and the decisions involved in doing so. I have to say to Members on the Opposition Benches—where we sat for a very long time; far too long, in my view—that it is easy to say what one is against, but it is far more difficult to say what one is for. We need to develop constructive proposals that will strengthen policing in this country.

I want to put one fact clearly on record from the outset; this is not about a regionalisation agenda. It is not about changing structures or re-drawing the map of policing for the sake of it. Our proposals are about trying to ensure that our police service, which protects the people of this country, is fit for purpose and able to tackle crime and antisocial behaviour at a local level, to deal with volume crime and serious and organised crime involving drugs, money laundering and people trafficking, and to deal with international crime and the threat of terrorism.

It is the Government's responsibility to grapple with those issues, no matter how difficult they are. We face difficult issues of accountability, governance, finance and responsiveness—it is perfectly legitimate to raise those issues—but at the end of the day, our top priority must be to ensure that the police service in the whole country, not just in one particular area, has the capacity, the capability and the resilience to deal with the pressures that we face.

Mr. Gray: If this is not about regionalisation, why has the Home Office laid down that the police in my area of North Wiltshire on the M4 may not amalgamate with the Berkshire police, even if they want to, because they are in different Government regions? Why has the Home Office laid down that absolute stipulation about the regional boundary?

Hazel Blears: At the start of this process, we set out certain criteria that we thought would help police forces to draw up proposals to submit to us—*[Interruption.]* Again, I say that it is the Government's responsibility to set a framework, and to establish the broad parameters. The alternative would be a free-for-all in which no one took responsibility or made the necessary decisions. We said that the criteria would include looking at Government office boundaries, although we did not say that that was an absolute given. We said that if there was a compelling case for crossing such a boundary, we would consider it. I hope that the hon. Member for North Wiltshire (Mr. Gray) would accept that, in relation to a range of services, it is necessary to have relationships, coterminosity and people working together to ensure that we have the resilience to deal with all these issues.

David T.C. Davies (Monmouth) (Con): Will the Minister give way?

Hazel Blears: No, I have dealt with the issue.

I also want to emphasise some of the facts that relate to our proceeding in this way. Although we have talked about structures, accountability and governance, which are important issues, I would not want us to neglect the real policing imperatives. Only 13 out of 43 forces have fully resourced specialist murder units. Fewer than 6 per cent. of the more than 1,500 big organised crime gangs are targeted by police in the course of a year. Only seven out of 43 forces deploy special branch, together with its neighbourhood policing teams, providing that essential community intelligence to enable us to prepare for and counter terrorism. Those are real, substantive policing issues, and that is the agenda at stake.

I want to deal with some of the points made during the debate. The hon. Member for Somerton and Frome said that we shared some common ground. He is keen to sustain neighbourhood policing, as are all my right

[Hazel Blears]

hon. and hon. Friends. But he should think carefully; unless there is some coming together, so that we have larger forces with capacity and resilience, we will not be able to sustain neighbourhood policing for the long term as we want to do. We need to consider the whole of the police force's business; otherwise, neighbourhood policing will sit on top of our current organisation, and it will be easy to strip out in years to come. I mean to make sure that that does not happen.

I very much welcome the support of my right hon. Friend the Member for Southampton, Itchen (Mr. Denham). I particularly welcomed his analysis about federation leading to blurred lines of accountability and the possibility of even more costs and bureaucracy if we have to have an extra layer on top of our existing forces.

The right hon. and learned Member for Devizes (Mr. Ancram) said that he could ascertain from the Home Secretary's body language that he was about regionalisation. I have never seen regionalised body language in my life. We have already agreed that big is not necessarily beautiful, and that size does not matter.

My hon. Friend the Member for Pudsey (Mr. Truswell), in a thoughtful contribution, set out his genuine concerns. I assure him that I will examine extremely carefully the case made in relation to West Yorkshire. I have met him and other colleagues, and I will continue to give that issue extremely close attention.

My hon. Friend the Member for West Bromwich, West (Mr. Bailey), in an excellent contribution, also spoke about support for neighbourhood policing, and urged us to get on with taking action. It is important that we do not have an extended period of blight and uncertainty, which will provide an opportunity for morale to dip, and I do not want that to happen. When we make our decisions, there is a need to press on with our action.

I welcome the support of my hon. Friend the Member for Wolverhampton, South-East (Mr. McFadden), who knows the challenges involved in "Closing the Gap" to tackle serious crime. He thinks that the public should not have to choose between tackling local crime and serious crime, and he is absolutely right. The mission for the police service is now extremely wide. We therefore need an organisation that is fit for purpose, so that we can deploy our resources to tackle all the threats that face us.

I welcome the support of my hon. Friend the Member for Kingston upon Hull, North (Ms Johnson), who brought her experience in London to the debate. As she said rightly, the community's relationship is with the BCU commander, and not necessarily with the larger force. That relationship will be key in making sure that local people have the ability to set priorities.

My hon. Friend the Member for Bishop Auckland (Helen Goodman) gave us some tremendous support. I am delighted that, while her area has a high-performing force and low crime, she still recognises the sense of coming together, sharing resources and considering a collective framework.

Several other Members have made contributions. I recognise the concerns about rural areas. As Members will know, I do not represent a rural area, but I am concerned that every part of the country—rural and urban, market town and inner city—should have a neighbourhood policing team made up of police officers, community support officers, special constables and neighbourhood wardens that is not abstracted when there is a double or triple murder, a major demonstration, or, heaven forbid, another terrorist incident. At the moment, with small forces, the pressure to draw those officers away from the neighbourhood is intense, and that will get worse as serious crime is more of a threat. The way in which to sustain neighbourhood policing in rural as well as urban areas is to ensure that we have large enough forces to maintain that strategic capacity and resilience.

We will of course consider the ideas that have been advanced about federation. I am not convinced that it can provide the solution that we seek, but we will certainly examine the cases that are put to us. However, I say this to Members who see federation as a magic bullet to deal with the problems that we face: it could produce blurred lines of accountability, a chief constable who was not responsible for all areas of crime, an extra layer of governance and another command team. It could cost each area £1 million if a separate command team had to deal with serious and organised crime.

There is no simple solution. These are complex issues that require a complex response. We are determined, however, that the steps we take will improve policing in every part of the country, so that we can protect the people to whom we owe a responsibility. I hope that Members throughout the House will recognise that the responsibility of us all, not just Government, is to consider not only individual forces but how to secure the best possible system, which will serve us now and also in 15 and 20 years' time and will take account of the real challenges of 21st-century policing.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 235, Noes 311.

Division No. 149] **[4.01 pm**

AYES

Afriyie, Adam	Brooke, Annette
Ainsworth, Mr. Peter	Browne, Mr. Jeremy
Alexander, Danny	Browning, Angela
Amess, Mr. David	Bruce, Malcolm
Ancram, rh Mr. Michael	Burrowes, Mr. David
Arbuthnot, rh Mr. James	Burstow, Mr. Paul
Atkinson, Mr. Peter	Burt, Lorely
Baker, Norman	Butterfill, Sir John
Baldry, Tony	Cable, Dr. Vincent
Barker, Gregory	Cameron, rh Mr. David
Baron, Mr. John	Campbell, Mr. Gregory
Barrett, John	Carmichael, Mr. Alistair
Beith, rh Mr. Alan	Carswell, Mr. Douglas
Bellingham, Mr. Henry	Cash, Mr. William
Benyon, Mr. Richard	Chope, Mr. Christopher
Bercow, John	Clappison, Mr. James
Beresford, Sir Paul	Clark, Greg
Binley, Mr. Brian	Clifton-Brown, Mr. Geoffrey
Bone, Mr. Peter	Cormack, Sir Patrick
Boswell, Mr. Tim	Cox, Mr. Geoffrey
Bottomley, Peter	Crabb, Mr. Stephen
Brake, Tom	Curry, rh Mr. David
Brazier, Mr. Julian	Davey, Mr. Edward
Breed, Mr. Colin	Davies, Philip
Brokenshire, James	Davies, Mr. Quentin

Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Opik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Tasther, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Rosindell and
Mr. Crispin Blunt

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel

Grogan, Mr. John
Gwynna, Andrew
Hall, Mr. Mike
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oliver, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Alan Campbell and
Mr. Parmjit Dhanda

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MR. DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the excellent work of Her Majesty's Inspectorate of Constabulary (HMIC) in clearly setting out the case for reform of the current structure of policing in England and Wales; thanks police forces and authorities for their hard work in responding to the HMIC findings; congratulates the Government on its commitment to delivering excellent policing at all levels, from vandalism to terrorism, through strategic police forces equipped with dedicated capacity at the neighbourhood level; and endorses the need for reform to move swiftly to minimise uncertainty and damage to morale within a service which has over the past eight years shown itself dedicated to continuous improvement in delivery of a truly locally responsive service.

Government's 10-year Transport Plan

Mr. Deputy Speaker (Sir Michael Lord): I must inform the House that Mr. Speaker has selected the amendment in the name of the Prime Minister. I also remind the House that there is a 10-minute limit on Back-Bench speeches.

4.17 pm

Chris Grayling (Epsom and Ewell) (Con): I beg to move,

That this House notes that 2006 marks the beginning of the second half of the decade covered by the Government's Ten Year Plan for Transport; further notes that a substantial proportion of the commitments and specific projects outlined in the document Transport 2010: The Ten Year Plan have subsequently been abandoned; further notes that overcrowding on roads and railways is getting worse; and expresses its concern that, at a time when record amounts of money are being spent on transport, so many of the schemes which could ease overcrowding have been dropped or delayed indefinitely by the Government.

It is eight years and eight months since the Government came to power, and the Secretary of State for Transport has been in office for just under half that time. This year also marks the start of the second half of the Government's much-vaunted 10-year plan for transport. It is, therefore, an appropriate moment for the House to review progress to date towards the Government's declared goal of creating what the Deputy Prime Minister described as

"the integrated transport system this country needs and deserves. A system fit for the new millennium and of which we can be justly proud."

There is no doubt that in those eight years we have seen frenetic activity in the Department for Transport. We had the much-vaunted 10-year plan. We saw a series of White Papers and debated a series of transport Acts. We have had numerous strategic plans from Government agencies. We have seen the creation of new bodies to give direction to our transport system, such as the Strategic Rail Authority, set up in a blaze of publicity and commended by the Secretary of State, who said when he took office that it had already brought coherence to long-term planning as well as a commitment to getting results. The new management was making a real difference, he said. Then, he went and scrapped it, two years later.

We have had expensive multimodal studies setting out transport priorities all round the country. We have had a drive from the Department to improve the quality of local transport plans. We have had blue skies thinking from Lord Birt who wanted to build vast toll motorways across the country. Last week, it was the turn of the Government's science think-tank, Foresight, which set out its vision of transport for the future. Next, it will be the turn of Rod Eddington to set out how he thinks transport should look.

We cannot knock the Government for all the activity, thinking and debating that has taken place in the Department in the past few years. But there is one small problem. Out there, in the real world, things have been getting worse for the travelling public and there is precious little on the way to make their lives better. The trains are getting more crowded and are still running late. Traffic jams are getting longer every year. In much of the country, buses are no longer a viable transport alternative. Nothing seems to be happening to sort the problems out.

Bob Spink (Castle Point) (Con): Does my hon. Friend agree that the drive for further development in the south-east, especially the 124,000 more houses in the Thames gateway area, will exacerbate the overcrowding of the roads and rail services in the area? Residents of Canvey Island need a new road and a new rail station much more than they need the thousands of new houses that will be forced on them by the Office of the Deputy Prime Minister.

Chris Grayling: I agree. One cannot build hundreds of thousands of new houses without the infrastructure to support them. However, in those areas where development is planned by the ODPM, with a distinct lack of joined-up government, the Department for Transport does not have plans to support the developments with infrastructure improvements.

Mr. Sadiq Khan (Tooting) (Lab): The hon. Gentleman mentioned new organisations and bodies that have been set up over the past few years. Will he join me in congratulating Transport for London and the Mayor, who have been responsible for a 70,000 reduction in the number of vehicle journeys into London, thanks to the congestion charge, and a massive increase of 54 per cent. in bus usage in the past few years?

Chris Grayling: There is no doubt that some good work has been done on transport in London by the devolved administration, but the hon. Gentleman has to bear it in mind that it is easy to do good work when one has £1 billion extra to spend on it. Many parts of the country do not enjoy the financial support that London does; the level of service is rather less satisfactory than it is in many parts of London.

Dr. Andrew Murrison (Westbury) (Con): The picture in London may be rosy, as the hon. Member for Tooting (Mr. Khan) points out, but has my hon. Friend noted that the south-west public transport users forum is far less upbeat about train services in particular? It is a funny way to start a 10-year transport plan by considering shutting the London Waterloo to Bristol service, which stops in the towns in my constituency.

Chris Grayling: That is right. As my hon. Friend knows, in many parts of the country the reality for many people is that transport alternatives do not exist. It is true that London is reasonably well served by bus services, but those who take suburban rail services into central London suffer from increasingly overcrowded trains. The forecasts are for even more passengers on those trains in future, but no more trains are planned.

Mr. Jim McGovern (Dundee, West) (Lab): The hon. Gentleman mentions overcrowding on trains. Does he agree that given a 36 per cent. increase in rail passenger journeys since 1997—in 2001, there were more than 1 billion passengers for the first time since 1961—the Government are perhaps victims of their own success? That success story is a result of the sound investment

[Mr. Jim McGovern]

policies of this Government, as opposed to the botched privatisation policies of the previous Conservative Government.

Chris Grayling: The Secretary of State tends to say that that is a consequence of economic growth rather than transport policies. I shall come back to the increase in rail usage, but if trains are overcrowded and likely to become more so, one naturally looks to Government for some ideas on how to ease the congestion and increase capacity. That is distinctly lacking.

The hon. Gentleman is right: the number of people travelling by train has rocketed in the past few years. More passengers are carried on the railways than were carried on a much bigger network before the Beeching cuts. That is a matter of record. The Government's own figures show that the frequency of what, in the technical jargon, are called trains with passengers in excess of capacity—or, to the layman, really, really full trains—has gone up and up. The problem is that the Government forecast a further increase in passengers on the railways over the next few years. The future finances of the railways—the detailed financing in the franchise documents—require a growth in passenger numbers over the next few years to meet the passenger targets.

There are two problems, however. First, the official figures also show that there are no plans to increase the number of trains on our railways over the next seven to 10 years. The rail regulator says that between 2007 and 2014 there will be no growth at all. The maths is simple: if there are no extra trains but 30 to 40 per cent. more passengers, the trains will be more overcrowded.

Mr. John Redwood (Wokingham) (Con): My hon. Friend is making a powerful case. The sum of £49 billion was allocated to the railways in the 10-year plan. Much of that has already been spent, much of it wasted. Will my hon. Friend confirm that, with the single exception of finishing off the Conservative scheme for the cross-channel rail link, the Government are not adding to the capacity of the network by building new railway lines? The money is just disappearing.

Chris Grayling: Even more astonishing is the fact that not only are the Government not adding to capacity, as they promised, setting out scheme after scheme for improvement, but all schemes have been shelved, postponed or kicked into the long grass. That is happening throughout our transport system.

The second problem is that passengers will pay more and more to travel on overcrowded trains. The same franchise agreements—the same small print—requires an increased contribution from passengers. That is what happened with the fare increases at the start of January. Let nobody think that is simply the work of private sector rail companies: the finances of the rail industry are dictated closely by the Government in the franchise agreements they set up. Those agreements are predicated on higher and higher fares in the years ahead—a higher price for more crowded trains. Passengers will believe that that is not good enough.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): Will the hon. Gentleman confirm that his simple argument about passenger numbers and capacity works only if all those passengers travel at peak time? Off-peak, there is enormous capacity in existing trains, so we need to look at policies that encourage people to work flexitime. It is not the simple equation that he suggested.

Chris Grayling: Yes, it is true that the busiest trains are at peak times, but if the hon. Lady has travelled on a long-distance train recently she will know that passengers frequently have to stand from Birmingham to Manchester, or from London to Birmingham. It is not simply a question of peak or off-peak; there are congestion problems across the network. It may be desirable that the commuters of Milton Keynes work more flexibly, but I am sure that the hon. Lady would not tell them that she did not want them to travel to work in the mornings. Most people have no option; they have to travel to work within a certain window of time. Simply pricing them out of peak times is not good enough.

There are similar problems on the roads. Motorists could be forgiven if they were confused about the Government's roads strategy over the past few years. When Labour took office they scrapped all the road schemes. The Deputy Prime Minister said that he would have failed if he had not cut road usage over the next five years. National schemes were cut. Smaller local schemes were cut. The money to fund small schemes throughout the country evaporated.

Mr. Henry Bellingham (North-West Norfolk) (Con): My hon. Friend is making a very powerful case indeed—*[Interruption.]* He certainly is. Is he aware that a number of villages in my constituency on the A47 between King's Lynn and Norwich are crying out for bypasses? The schemes were cut by the Deputy Prime Minister in 1997; now all we get are multi-modal studies. All studies and no action. Many of my constituents are crying out for action from the Government, but they are not getting it.

Chris Grayling: My hon. Friend's comments speak for themselves—*[Laughter.]* There may be mirth on the Labour Benches, but Labour Members should find out about their constituents' experience of travelling in this country. The issue will become bigger and bigger, and Labour Members will be held to account for the Government's failings on transport.

Average road speeds are dropping and average travel times on the roads are increasing. The amount of traffic is increasing yet all the schemes that could make a difference are, as my hon. Friend said, on hold or delayed, or no decision has been taken.

Mr. Khan: The hon. Gentleman said that traffic and travel times on the roads are increasing. Does he accept, however, that London offers a classic example and that when the Mayor introduced congestion charges it led not just to fewer cars being used, and thus less time spent in traffic, but lower emission rates? Will he join me not just in congratulating the Mayor of London but in welcoming the introduction of the congestion charge?

Chris Grayling: The hon. Gentleman, as a London Member, should be aware that such matters are devolved. I am interested in holding the Secretary of

State for Transport to account. As the hon. Gentleman knows, the Mayor of London is responsible for the congestion charge, not the Secretary of State.

The truth is that things were not meant to be like this. The Deputy Prime Minister presented a 10-year plan that, he said, would ease all the congestion in the transport system. We were promised wholesale change by 2010.

Ms Dawn Butler (Brent, South) (Lab): Will the hon. Gentleman give way?

Chris Grayling: I want to make a bit more progress.

The Deputy Prime Minister said:

"Now we have a 10 Year Plan that will deliver the scale of resources required to put integrated transport into practice. It will also deliver radical improvements for passengers, motorists, business"—*[Interruption.]*

Mr. Deputy Speaker: Order. We do not want any more sedentary interventions, particularly not from those on the Parliamentary Private Secretary Bench.

Chris Grayling: Labour Members are trying to divert attention from the Government's transport failures.

Dr. Starkey: On a point of order, Mr. Deputy Speaker. Is it permissible for a member of the Opposition Front-Bench team to pretend to be a Back Bencher by moving between the Front Bench and the Back Benches in the middle of debate? Are the Opposition so short of Back Benchers?

Mr. Deputy Speaker: It is not a matter for the occupant of the Chair if hon. Members choose to move around the Chamber to make their comments from different places.

Chris Grayling: All Opposition Members are determined to represent the interests of our constituents on this important issue.

The Government have set out promise after promise to hon. Members and people in the country. They promised us that, by 2010, they would modernise our main rail arteries—the west and east coast main lines and the great western route—and upgrade our suburban railways in London, Birmingham and Manchester. They promised less congestion and more rail freight, with upgrades to the routes to ports. They promised that Thameslink 2000 would be opened to improve north-south traffic in London and that Crossrail would be complete and easing east-west congestion in London.

The Government also promised us a huge jump forward in light rapid transit systems in our cities, with 25 new light rail routes; a big jump in work on our road network and major new road schemes around the country; and a widening of 5 per cent. of the road network and low-noise surfaces on 60 per cent. of our road network. They are all great promises, but I have always suspected that the Secretary of State for Transport was a little embarrassed to inherit so many of them. However, he seemed enthusiastic enough about them when he took over. He said:

"The Ten Year Plan represents our key reform in the delivery of the government's transport objectives."

It is time for a half term report on the plan. How much visible progress has been made in the past five years? How much of the plan has come to fruition? How much of it is on the way to coming to fruition? There is no doubt that some things have been done. The west coast main line is being modernised. The channel tunnel rail link is approaching completion. The M25 has been widened in places, although a mischievous journalist told me that the Secretary of State's sole transport legacy to Britain would be that he added an extra lane to the M25. There have been some other new road schemes, and a couple of new tram routes, but the truth is that most of the plan has disappeared without trace.

On the railways, most of the promises have disappeared into thin air, or at least into the long grass. The east coast main line modernisation has disappeared to the point where a battle is going on. A company wants to run trains from Sunderland, and GNER wants to run extra trains from Leeds. There is not, however, enough room for both of them to do so. The great western main line improvement has been completely forgotten. The rather inaptly named Thameslink 2000 service has no chance of opening this decade and—would hon. Members believe it?—the Government are planning to preside over a ghost station under St. Pancras because they cannot afford the final part of the interchange between Thameslink trains and the new channel tunnel rail terminus. Let us imagine what will happen: for the next 10 years, passengers will travel non-stop through an empty station before getting off at the next station and walking back to link up with channel tunnel trains. Is that not a damning indictment of the Government's failings on transport?

Martin Horwood (Cheltenham) (LD): If the hon. Gentleman is concerned about transport schemes not going ahead, he should visit Gloucestershire, where the new Conservative administration in the county council has just cut £10 million from the integrated transport budget, which has been described by the non-party Cheltenham strategic partnership as representing

"a fundamental shift away from the implementation of sustainable, socially inclusive transport policies",

thus putting at risk Government funding that may come to Gloucestershire. We are hearing Tory words, but is it not clear that the Tories act very differently in our constituencies?

Chris Grayling: The Liberal Democrats are the last people who should accuse others of saying one thing in one place and another thing in Westminster. The hon. Gentleman will realise that the lack of joined-up government means that although the Department for Transport might aspire to improve transport facilities throughout the country, the Deputy Prime Minister is cutting funding to local authorities in county areas, which is making it impossible for authorities to do what they want to do.

Edward Miliband (Doncaster, North) (Lab): The hon. Gentleman's speech is premised on the idea that we are not spending enough on transport. That would be fine if the Leader of the Opposition wanted to spend more, but

[Edward Miliband]

he criticises us for spending too much across the board. How does the hon. Gentleman square those two positions?

Chris Grayling: If the hon. Gentleman is patient, he will find that my thesis is not that the Government are spending inadequate sums. I am asking the Government how it is possible to spend so much extra money on the transport system—the motion refers specifically to the amounts that are being spent—yet fail to deliver so many of the things that were promised.

There are many examples of that. We know about Crossrail. Targets for rail freight have been abandoned and the upgraded links to ports such as Felixstowe have been downgraded. The subsidy for rail freight has been cut in half. There were plans to allow suburban rail lines to take more passengers by adding extra coaches and lengthening platforms, but the Government paid South West Trains to take out a carriage from planned new trains because they abandoned plans to lengthen platforms. That was doubly ironic because one of the explicit promises in the 10-year plan was to cut congestion and ensure that no passenger stood for more than 20 minutes. You will know from travelling in from East Anglia, Mr. Deputy Speaker, as do many of us from travelling on trains around London and the experiences of our constituents, that that aspiration is a million miles from reality in far too many places. Worryingly, as I said to the hon. Member for Milton Keynes, South-West (Dr. Starkey), passengers are standing on inter-city services, too.

There was a much vaunted promise to open 25 new light rail lines. I understand that the Secretary of State has taken a hard look at the economics of trams and has reached the view that guided busways are better light rapid transit systems than trams. However, if we accept that he has taken that decision, where are all the guided busway schemes? I asked him in a written question last week how many of the 25 rapid transit schemes were on the way. A couple have opened so far and there are about six more in development, although it is by no means certain that they will be open by 2010—another promise broken.

The Secretary of State made a whole string of promises on roads to put flesh on the bones of the general announcements in the 10-year plan, but many are back on hold again. The Stonehenge tunnel was given the go-ahead in 2002, but put on hold again last week. Improvements to the M6 were announced in 2002, but there is no sign of them happening. Improvements to the M1 are on hold. The link between the M6 toll road and the M54 that was announced in 2003 was still a matter of debate during Transport questions last week. Improvements to the A14 were announced in 2003, but we have seen nothing yet. Smaller projects, such as the Kiln lane link in my constituency, were announced three or four years ago, but are now back on hold again. There have been lots of promises and press releases, but the bulldozers remain firmly in their garages. The Government pledged to treble the number of cycling trips in the 10-year plan, but the number of trips is falling, not rising.

Margaret Moran (Luton, South) (Lab): The hon. Gentleman refers to the failure to complete guided busways and widen the M1. Is he aware that my constituency will have the new Translink guided busway by 2008 due to an investment of some £84 million? The M1 will be widened between junctions 6a and 10 due to investment of £240 million. Those projects represent part of the investment of around £218 million in my area that proves that our 10-year transport plan is working, contrary to what the hon. Gentleman says.

Chris Grayling: The hon. Lady clearly demonstrates a good reason why we should be worried about the Government's numeracy strategy. Even if she is right that one busway will be approved and constructed in her constituency, rather than losing Government support, as many others have, there will still be 24 more to go. Believe me, the Government are nowhere near meeting their commitment on 25 new rapid transit systems by 2010. However, as I said to the hon. Member for Doncaster, North (Edward Miliband), we recognise in the motion the fact that more money is being spent.

Mr. Michael Wills (North Swindon) (Lab): The hon. Gentleman has been generous in giving way, but will he clarify his attitude towards investment? In my constituency, we have seen the benefits of the investment. In 1996, the Conservative Government cancelled, arbitrarily and suddenly, the Blunsdon bypass, which was to bring much-needed relief to that community. This Government have invested the money to put that bypass back, for which the whole of Blunsdon is very grateful. This Government have trebled the amount of funding going to Wiltshire county council for its local transport plans. As a result, we are seeing much needed traffic-mitigation measures in the village of Cricklade in my constituency. The Government have quintupled the amount of funding going to Swindon borough council—

Mr. Deputy Speaker: Order. The hon. Gentleman has given us enough to work on for the time being.

Chris Grayling: As I was about to say, I fully accept that the Government have increased their budgets. Indeed, the Secretary of State has boosted spending beyond the original 10-year plan forecast. He said in 2004 that the spending review

"raises planned spending over the next three years from £10.4 billion this year to more than £12.8 billion by 2007. That is 60 per cent. more in real terms than in 1997. Spending will be higher than the investment plans we set out four years ago. By 2010, we will be spending £1.2 billion more per year than the 10-year plan envisaged."—[*Official Report*, 20 July 2004; Vol. 424, c. 158.]

He frequently boasts that he is spending £87 million a week on the railways, and he is right. It is not quite as much as that in this financial year, but it certainly will be in the next. Five years ago the Government were spending £1 billion; in the coming financial year it will be £5 billion. Over the same period the Highways Agency budget has gone up from £3 billion to around £5.4 billion. The Government have provided an extra £1 billion a year for transport in London.

So if all this extra money has been provided and all these extra sums are being found, why, five years after the publication of the 10-year plan, which was lauded by the Secretary of State, have so many of its projects

designed to ease congestion by 2010 disappeared? That is the conundrum; that is what the Secretary of State needs to ask himself. If the Government are spending so much money, where is it going?

The Secretary of State will undoubtedly tell us later that he is trying to catch up with decades of under-investment on the transport network. If that is the case, why did the Government make all those promises, produce a 10-year plan, set out all the different things that they were going to do by 2010 and walk away from those commitments less than five years later? That is what this House has a right to know. Without the expansion in capacity that those projects represented, the travelling public face years and years of additional congestion.

All around the network projects are being cancelled and promises are being broken. Last week I received a written answer from the Secretary of State showing that of the 112 road schemes that had made it into the Government's targeted programme of improvements, only 32 have been completed. We know from hon. Members around the House that in very many parts of the country—obviously not in the constituency of the hon. Member for North Swindon (Mr. Wills), but in the constituencies of hon. Members throughout the House—projects that were planned and promised are not happening.

I think of projects such as the improvements to road surfacing. Anyone who has been down to see the A30 in the west country knows that the noisy road surface there is causing real distress to residents who live close to it. The Government promised—the Prime Minister promised—that they would deal with that and that they would renew those road surfaces by 2007. I discovered recently that last summer Ministers sent a memo around the Highways Agency saying, "We're going to drop the commitment to replace noisy road surfaces. We're not going to make a public statement or one to the House, but here's a line to take in case anybody asks a difficult question." That is another promise broken.

What happened to the rail schemes? What did happen to the east coast modernisation, to longer platforms for suburban trains, to plans for Crossrail by 2010 and to Thameslink 2000? What happened to the new transit systems? What happened to the push to increase cycling? I cannot understand why the Government made so many promises, set out so many new schemes, spent so much extra money, and yet all those schemes have been abandoned. I await with interest to hear the Secretary of State explain specifically why.

We were told in the 10-year plan document that there was more than enough money to deliver all the Government's promises, which in turn has proved to be another worthless promise. May I ask the Secretary of State how it is possible to promise so much and deliver so little? I listen carefully to his speeches, but he seems to have only one idea left to tackle Britain's transport problems, and that is his plan to introduce a nationwide system of road pricing. His grand road pricing scheme may play a part in future public policy on transport. We need to look at that and discuss it with him, but first he must answer important questions about how it will work, how it will be paid for, and how it will be enforced. Another question, however, is top of the list. It is self-evident that we cannot use road pricing to encourage people to leave their cars at home if we do not give them any alternative transport. Where are those alternatives? They are not provided by rush-hour trains, which increasingly suffer from overcrowding that far exceeds health and safety guidelines. They are not provided by buses, because in most of the country outside London services are all too infrequent. They are not provided by tram routes, which the Government promised but which they will no longer provide. What is the alternative that the Government are providing for the travellers whom they said they want to encourage off Britain's roads? At the moment, the answer to that question is virtually nothing at all.

The Government have been in power for nearly nine years. Today's Ministers have no more idea about how to make transport in this country better than they did 10 years ago, even after endless studies, White Papers and blue-skies thinking. We need a proper transport strategy. We need quick improvements to ease congestion and increase capacity. We need value for money from vastly increased Government spending. We need a long-term plan, both to support economic growth and to ensure that our transport system does not destroy our environment. We will not obtain that plan from a Government who have run out of ideas. Things are not going to get better under Labour. It will be the job of the next Conservative Government to start getting British transport back on track.

4.46 pm

The Secretary of State for Transport (Mr. Alistair Darling): I beg to move, To leave out from "House" to the end of the Question, and add instead thereof:

"acknowledges the importance of providing a clear strategy of sustained long-term investment and forward planning to address decades of under-investment in the transport system; welcomes the further investment and new strategic framework provided by the subsequent Future of Transport White Paper; recognises the achievements since the 10 Year Plan was published, including the highest number of people using the railways since the 1960s and the delivery of major strategic road schemes, with further schemes either under way or due to start before April 2008; acknowledges that one of the main reasons for the continuing pressure on transport networks is that the United Kingdom is enjoying the longest period of sustained economic growth for more than 200 years; and supports the Government's determination to take the decisions which will be required to meet these pressures and put UK transport on a sustainable footing, including tackling the environmental impacts of transport, trialling road-pricing and building on the improvements in rail performance, as well as planning for long-term transport needs."

I am grateful to the hon. Member for Epsom and Ewell (Chris Grayling) for giving us another opportunity to debate transport, thus enabling me to point out the differences in approach between the Conservatives and ourselves. I hoped that he would devote rather more than the final page of his speech to what the Conservatives would do differently, but one never knows from one day to the next what Conservative policy is, so he is bound to be cautious. In the four years that I have served as Secretary of State, I have lost count of the number of shadow Secretaries of State who have been and gone. I live in hope that we will hear just one idea from one of them about what we ought to do in future.

Dr. John Pugh (Southport) (LD): Will the Secretary of State give way?

Mr. Darling: I am not going to speak for ages as I usually do, and I should like to deal with the case that has been made. As the Liberal Democrats are doing so well, however, I shall give way to the hon. Member for Southport (Dr. Pugh).

Dr. Pugh: I should like to make a specific point. A question that was dodged throughout by the hon. Member for Epsom and Ewell (Chris Grayling) concerned the Conservative attitude to congestion charging in London, given that the party now has a leader who is a prominent London cyclist.

Mr. Darling: The right hon. Gentleman is on some days, I am sure.

May I start with the railways? I do not want to spend much time revisiting the history of Britain's transport system. The hon. Member for Epsom and Ewell is entitled to ask questions about the Government's policy, but it is worth reminding him where we started. In 1997, we inherited a botched privatisation, and Railtrack, which was the Tories' poll tax on wheels, had lost control of its expenditure. Hatfield showed that it did not have any idea about the state of the network for which it was responsible, and eventually it became bankrupt. When we last debated these matters, the House will recall the damning indictments in the court judgment of the poor state of the track and the incompetence of the people whom the Conservatives had allowed to run our railways. In addition, we faced a period of falling expenditure. In the year before the general election in 1997 not a single new railway train was delivered—the orders had just dried up. Against that background, it is not surprising that we needed to ensure that we did a number of things to improve our network.

The hon. Gentleman rightly drew attention to the fact that we have doubled spending on the railways and asked where the money had gone. May I give him some examples? In 2004–05, 626 miles of railway were replaced. The hon. Gentleman mentioned the west coast main line. Seven and a half billion pounds were invested in that. New state-of-the-art trains are running on that line, which have cut the journey time to Glasgow by 30 minutes and to Birmingham by 20 minutes, with greater frequency available. The southern region power supply had to be upgraded because Railtrack did not appreciate that new trains could not run off a power supply system that was basically installed in the 1930s. Phase 1 of the channel tunnel rail link was opened, cutting the journey time to Paris by 20 minutes.

Mr. Redwood: That was a Conservative Government scheme.

Mr. Darling: I am sorry to tell the right hon. Gentleman that this Government had to rescue the scheme because the financial arrangements set up by the previous Government had collapsed by 1998. It was therefore necessary for us to put the scheme back on the rails, so to speak, and it was delivered on time and on budget. Phase 2 starts next year. Anyone going to St. Pancras now will see the results of huge sums of money being spent on the railways, which will bring real benefit.

We have had the biggest rolling stock replacement ever. Almost 40 per cent. of railway carriages have been replaced over the past few years, many of them on the very London commuter services that the hon. Member for Epsom and Ewell uses and which he mentioned.

Several hon. Members *rose—*

Mr. Darling: I will give way in a moment.

All that has been done at a time when more people are travelling on the railways than at almost any time since the second world war. There are more than 2,000 additional weekday services than there were in 1996–97. That is another example of how we can reduce overcrowding. The hon. Member for Epsom and Ewell is right—that is the big challenge now. Having brought up reliability from an unacceptably low level of performance in the past, we now need to make sure that we can cater for the additional passengers that we want to carry. Also, we have introduced the train protection warning system across the network.

In London, £1 billion a year is being spent on the tube. The hon. Gentleman should pay tribute to the Labour Mayor who is doing that. The Jubilee line extension and the docklands light railway opened just before Christmas. He mentioned trams. Yes, there have been difficulties with three schemes, but it is worth noting that Nottingham tram, which I opened about 18 months ago, is doing extremely well.

More people are travelling by train, more money is being put in after years of underinvestment and there are more railway carriages—all that seems to me to compare favourably with what we inherited from the Conservatives when they lost office in 1997. Of course, there is more to do. I am about to come to roads, and a similar point must be made in that context, but in the interests of equity I shall give way to the Conservatives before the Liberals.

Mr. Charles Walker (Broxbourne) (Con): I am sorry to ambush the right hon. Gentleman, but we have some capacity problems on the Broxbourne to Cheshunt line, which we share with the Stansted Express. Would it be possible for me to write to the Secretary of State and perhaps have a meeting with him or one of his Ministers to discuss ways of getting extra capacity on that line without any additional cost to the public purse—perhaps by getting BAA to make a slightly largely contribution, and possibly letting us share some of its Stansted Express trains?

Mr. Darling: If the hon. Gentleman wrote, I am sure that the Under-Secretary, my hon. Friend the Member for Halton (Derek Twigg), would be happy to meet him. If the hon. Gentleman can persuade BAA to pay for increased capacity as far south as Cheshunt into Liverpool street, I will happily join him, although I am not sure that BAA will accept that proposition—at least, not without some persuasion. However, the hon. Gentleman is right. That is a case of a railway line on which there has been a huge increase in the number of passengers. With the additional housing that we know about, never mind the housing that is coming, plus the

developments at Stansted airport, capacity is one of the big issues that need to be addressed. I shall return to how we do that.

Andrew Gwynne (Denton and Reddish) (Lab): My right hon. Friend briefly mentioned trams. In Greater Manchester progress has been made, hopefully, in respect of Metrolink, not least through the authority's acceptance of the risk. Did he glean from the shadow Minister's opening speech that a future Conservative Government would write a blank cheque to capital schemes with costs spiralling out of control?

Mr. Darling: I have yet to be persuaded that the Conservatives would spend the same amount as we are spending, let alone more. I shall deal with that shortly. Although I have said time and again that money is not everything in transport, if we do not spend the money, we cannot be surprised if the infrastructure is not there or if it begins to crumble.

The hon. Gentleman began his new position with a flurry of activity on 1 January—I come from north of the border, where 1 January is not the obvious day on which to start such things—including a press release condemning the Government on their lack of progress. That press release, which included the complaint that we had junked a number of road schemes, was re-released on 26 January, which at least shows that it was durable. I was surprised that the press release said that we had junked the A120 Stansted to Braintree road, because that road opened in July 2004. He also drew attention to the A46 Newark to Lincoln road, with which I am not familiar, although I understand that it opened in July 2003.

Mr. Deputy Speaker: Order. Will the Secretary of State address the Chair, not only for my sake, but for the sake of the microphones?

Mr. Darling: With pleasure, Mr. Deputy Speaker.

The hon. Gentleman also complained about the A1(M) Ferrybridge to Hook Moor road, from which he said the Government had walked away. That is surprising, because it is being built at the moment, and anyone who visits the area can see construction taking place. I therefore take the hon. Gentleman's complaints with a pinch of salt. There are undoubtedly areas in which we could do better and there are roads that remain to be built, but he and I could travel together down the A120 or the A46 and appreciate the investment by the Labour Government.

Chris Grayling: I am sorry for misleading people in that press release. I always try to rely on impeccable sources for my information, and in that case my source was the Highways Agency website, so something is clearly going wrong in the Secretary of State's Department. Perhaps he should tell the Highways Agency to provide more accurate information on which Opposition Members can rely.

Mr. Darling: I do not know where the hon. Gentleman got his information. However, if he travels down two of those roads, he will find that they have been open for some time, while the third is under construction.

In 1989, the then Conservative Government announced some 500 road construction schemes worth £12 billion, but the programme had fallen to 150 schemes worth £7 billion by 1997. That Conservative Government axed 237 road schemes in almost every county in the country. Why did that happen? It was not because the Conservative party suddenly acquired environmental credentials. The House will recall that the early 1990s saw one of the deepest recessions of the past century. *[Interruption.]* The right hon. Member for Wokingham (Mr. Redwood) has mentioned the exchange rate mechanism, which I can see is a fond memory. He will also remember who was special adviser to the Chancellor of the Exchequer at that time. [HON. MEMBERS: "Who?"] The current leader of the Conservative party. That Conservative Government got into difficulties because when their economic policy failed, their transport policy collapsed with it.

I am interested to know the Conservative policy on roads. On 8 November last year, the leader of the Tory party said:

> "Britain now needs a concerted programme of road building".

That was before his election as leader of the Conservative party. At the beginning of January, however, the right hon. Member for Suffolk, Coastal (Mr. Gummer), who heads the commission advising the Conservatives on transport policy, said:

> "There is no doubt about it—there must be an assumption against road building".

In the space of a month, the leader said that we need a road-building programme, and the adviser said that there should be a presumption against road building. I am willing to be flexible, but I cannot see how a major road-building programme can be reconciled with a presumption against road building. That beggars belief and perhaps illustrates some of the problems that the Tories are getting themselves into. We look forward to the day when they nail their colours to the mast, because many of the nods and the winks will not be borne out.

David Taylor (North-West Leicestershire) (Lab/Co-op): Does the Secretary of State agree that one of the best ways of summarising the case that he is making very effectively is that long-term average investment in transport infrastructure in Europe is about 1 per cent. of GDP, yet in this country over the past 25 years, for two thirds of which we had Conservative Governments, it has been a full one third less than that? It takes a substantial period, does it not, to redress underinvestment over such a lengthy period, and are we not relatively happy with the progress that has been made so far?

Mr. Darling: I think that all of us would prefer to make progress as fast as we possibly can. My hon. Friend is right to say that one of the problems with transport is that it sometimes takes a frustratingly long time to see the results.

Let me respond to the point made by the hon. Member for Epsom and Ewell. Since 2001, 35 major trunk road and motorway schemes have been completed. Fifteen are under construction and a further 21 will start in the next three years. I think that the House will recognise that, yes, there will be changes in the road programme from time to time, but we have

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been able to put money into the road programme, as we have into the railways, to ensure that we improve transport.

Mr. Redwood: I should like to clarify something for the right hon. Gentleman. Conservative policy will be expressed and defined by the leader of the party and the relevant shadow spokesmen, so he should listen to what the leader says. My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) has his own views, which he will express through the policy group on the environment. As chairman of the economic competitiveness group, I will also be thinking about transport issues and will doubtless draw attention to the need for more capacity of all kinds for the sake of a growing economy. Our advice will go into the pot in 18 months' time, out of which will come a revised and even better Conservative policy than the one that we currently have. I think that that is very clear.

Mr. Darling: I certainly hope that it is better than the current policy, because there is no current policy at all. It does not matter whose policy it is—I look forward to it in any case.

Mr. Khan: My right hon. Friend talked about the legacy of the decades of underinvestment. Was he as surprised as me to hear no mention from the Opposition of the fact that more than half of our stations are inaccessible to disabled people—for example, Earlsfield in my constituency? Can he confirm that there are plans to invest more than £370 million over the next 10 years on making those stations accessible to disabled people and, for example, to young mothers with buggies?

Mr. Darling: We are very aware of that. The problem is that many of our stations were designed by the Victorians before access was considered a problem. We hope to make an announcement on that shortly.

Mr. McGovern: The other night, I had the dubious pleasure of working through the official Opposition's manifesto, largely to try to get an idea of their views on transport. Does my right hon. Friend agree that any party that devotes seven lines of text in its manifesto to this very important subject does not deserve to have an Opposition day debate on it?

Mr. Darling: I am more generous; I enjoy the opportunity to explore exactly what the Conservatives' thinking is on transport. Sadly, today is no exception.

Paul Rowen (Rochdale) (LD) *rose—*

Mr. Darling: I will give way to the hon. Gentleman in a moment. In fairness to him, I was about to say one or two things about the Liberals. Their amendment was not selected, but I can anticipate what the hon. Member for Carshalton and Wallington (Tom Brake) is going to say because I read his press release. He circulated it for three days, but has yet to have it picked up by any of the newspapers, so I will help him out. He complains about an apparent increase in the cost of the roads programme. I draw his attention to the fact that since 2003—I make no bones about this—we have built in a so-called optimism bias, because some of the costs were not realistic.

There has also been an increase in construction costs. The comment by the hon. Member for Epsom and Ewell about bulldozers in garages is simply not true—would that it were, in some ways. The problem is that so much construction is going on that there has been some inflation in construction costs. That is why these projects are costing more. Often when the optimism bias is built in, it reduces as the costs bottom out. I wonder whether the hon. Member for Carshalton and Wallington agrees with his acting leader, who said in *The Scotsman* today that he thought that public expenditure was high enough and that the Liberals would no longer campaign for an increase in it. The Liberals' normal position is that we ought to spend more, not less, on transport.

Tom Brake (Carshalton and Wallington) (LD): I am happy with the position that the acting leader has adopted.

Will the Secretary of State confirm that the parliamentary answer that I received from him states that, taking VAT, inflation and optimism bias into account, there is an overrun of £1 billion on road-building projects from before 2003?

Mr. Darling: No.

Tom Brake: That is what the answer states.

Mr. Darling: Of course I know what the answer said but, as I explained briefly, we are taking a far more realistic view of what projects are likely to cost. Under successive Governments, people have presented projects, said that they would cost x but they ultimately cost x plus 20 per cent.

Paul Rowen: Will the Secretary of State give way?

Mr. Darling: I shall shortly. I promised the hon. Gentleman that I would and I keep my promises.

We need to be more realistic. There is no doubt that, in several cases, costs have been higher than we thought they would be. That is a general problem that the hon. Member for Epsom and Ewell could have cited. I do not believe that anyone realised the true state of the railways in the late 1990s. It was not until Railtrack went bust and we could open the books that we realised how much money had to be spent on putting the railways back on a proper footing.

Paul Rowen: I am grateful to the Secretary of State for finally giving way. Why is he not prepared to accept the same cost overruns for light rail schemes as he accepts for road building? Indeed, he has cited cost overruns as a reason for scrapping several light rail schemes. Is not that a case of one rule for road building and another for light rail?

Mr. Darling: No, it is not. Earlier, the hon. Gentleman complained that we refused to sanction the big cost increase in the tunnel at Stonehenge. I wanted the tunnel go ahead because it would have been great to

move the traffic away from a national monument. However, the ground conditions are far worse than people thought and the cost would have increased dramatically. When the cost of a tunnel is £500 million, one has to think about it. Even the Liberal Democrats, when they are in office in local government, tend to take a slightly—only slightly—more realistic view of cost increases. Simply ignoring cost increases is fiscally incontinent.

Chris Grayling: The Stonehenge tunnel is a good example and I understand the Secretary of State's predicament. However, why did he announce the scheme before he knew how much it would cost? Why did not he do the work beforehand? Why does he announce new schemes only to work out subsequently that he cannot afford them?

Mr. Darling: The hon. Gentleman is right that I announced the Stonehenge scheme in 2002. An inquiry subsequently took place because of objections by the National Trust and others. In the meantime, the Highways Agency did more exploratory drilling in the normal course of working up the scheme and discovered that the chalk, far from being firm, was moist. That meant an increase in cost. When faced with that, one has a choice. One could take the Liberal Democrat view of, "It's somebody else's money, let's just do it", or decide, "This is half a billion quid, we've got to be realistic." If we could get the road away from Stonehenge, most people would agree that that was a huge improvement. However, we cannot simply sign away projects regardless of the cost.

The debate should be about what we do in the future. The hon. Member for Epsom and Ewell is right that there is general agreement that we can blame successive Governments—Labour and Tory, and probably Liberal when they were in power—*[Interruption.]* Gladstone had his weaknesses.

David Taylor: For fallen women.

Mr. Darling: Yes. In those days, the tabloid press was not as bad as it is now.

We can all sign up to the proposition that successive Governments did not spend as much as they should have done. That is why we have increased investment. Let us not forget that the Opposition have voted against every singly penny of that increase since 1997. The reason I sought to draw the hon. Gentleman earlier on his spending proposals was that the shadow Chancellor said about future spending:

"It is called sharing the proceeds of growth".

The long and the short of it is that the Conservatives would not spend as much as we are spending, and we are entitled at some stage to find out where they would spend less, how much less it would be, and what the implications would be.

Martin Horwood: As we have had no clarification from the Conservatives on this matter, may I tell the House that when they took over in Gloucestershire, they cut bus priority schemes, park-and-ride schemes and the planned purchase of new buses? Perhaps that is an indication of their direction of travel.

Mr. Darling: We have learned a lot about Gloucestershire this afternoon. I do not think that I can add to what the hon. Gentleman has said.

When the 10-year plan was launched in 2000, it was the first time that any Government had been prepared to set out transport planning for 10 years. Conservative Members who have been Ministers will know that the old days of annual spending rounds and stop-go spending were ruinous for transport. The reason for things going wrong with many road and rail schemes is that people thought that they had the money for them, only to discover that they did not.

The 10-year plan was a big achievement. However, I make no bones about the fact that there have been changes to it since it was published. The day I was appointed to this job I said that I was going to review it, see whether it was right and make any changes that were appropriate. And I did. I announced them in 2004, so in some ways the hon. Member for Epsom and Ewell is about two years behind on these matters.

Our policy is quite clear: we need sustained investment and, in addition—this is important, because I agree that money is not everything—we need better management. I have already talked about Network Rail, but on the roads we now have traffic officers who clear up after incidents. Instead of a road being shut for five or six hours after a lorry crash, for example, it can now reopen much more quickly. Following the explosion at Buncefield just before Christmas, we thought that the motorway might have to be shut for several hours, but because of the action taken by the traffic officers, it was able to be reopened much more quickly. The Traffic Management Act 2004 will make it more difficult for people repeatedly to dig up roads, sometimes for weeks on end and with no obvious signs of activity taking place.

The third strand to our policy, in addition to investment and management, is our ability to plan ahead for the long term. That strikes me as the subject that the public really want to hear about, rather than past glories and failures.

Mr. Russell Brown (Dumfries and Galloway) (Lab): The hon. Member for Epsom and Ewell (Chris Grayling) spoke on behalf of the Conservatives for almost 30 minutes, yet he made no mention of rural bus services. My suspicion is that the failed deregulation of the bus services in the 1980s was the reason for his not mentioning that subject. Will the Secretary of State explain in detail what has now been done for bus service provision in rural localities?

Mr. Darling: I will. I want to say something about bus services in the context of road pricing, so I will deal with that matter shortly.

Ms Butler: Does my right hon. Friend agree that it is disappointing that the Conservatives made no mention in their manifesto of matching the Government's commitment of £350 million to ensure free bus travel for disabled and elderly people?

Mr. Darling: It is disappointing, but not surprising. I imagine that we shall deliver the same verdict on their next manifesto as well.

In regard to planning for the long term, I want to concentrate on several issues. The House will recall that I published an aviation White Paper in 2003 which set

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out the long-term strategy for aviation over the next 20 to 30 years. I mention that because that is the kind of time scale that we need to think about in transport planning. The White Paper was widely welcomed as a good example of the Government being prepared to take a long-term view of these issues. I notice that the hon. Member for Epsom and Ewell said in the *Evening Standard* on 28 January:

"We are going to take a long hard look at government plans on aviation".

Well, it is three years since we published the White Paper. I would have thought that we might have seen just a glimmer of the Conservatives' thinking on the matter by now.

We reorganised the railways in a much more satisfactory way last year. Next year, we will publish our longer-term strategy on spending to 2015. The hon. Member for Epsom and Ewell is right that capacity is the key issue, not just on the railways but on the roads. We will address that then, when we will also have the benefit of the Eddington review and the longer-term strategy.

We keep returning to the central issue of road congestion. I have said that we need additional capacity, especially at some of the big pinch points. We also need to manage the system better, which we are doing. I firmly believe, however, that we need to consider how road pricing can reduce congestion. We are all familiar with the problem—traffic is growing, the number of cars has increased by something like 60 per cent. in the past 25 years, people are travelling longer distances and more people have access to cars, partly because of economic prosperity. We can no longer say that the issue is 10 years away—it always will be unless we do something about it, and we are doing that.

I am not quite sure where the Conservatives stand on this issue, because the hon. Member for Epsom and Ewell sometimes gives the impression of being hostile. In November last year, as I said, he was critical of the satellite tracking of cars. I notice, however, that the Leader of the Opposition, in setting out his transport policy—which he appears to have lifted from my last speech—talks about investment management and then says that we should examine

"new solutions for road charging based on usage and time of day".

He seems to be going one way. I am not sure how far the hon. Member for Epsom and Ewell is going with him.

We need to make progress in this area. In the next year or so, as I have told the House previously, I hope to decide in which part of the country we will trial road pricing. It will be a fairly large area, as it cannot be done on a small scale. I have made it clear that road pricing can work only if it is accompanied by a major improvement in public transport, and about £10 billion will be available through the transport innovation fund during the spending period to 2015. The congestion charge in London has worked partly because London has always had a better transport system. Ninety per cent. of people coming into central London do so by public transport. If it is to work outside London, we need to improve public transport, and we will do that.

As part of that—this brings me to the bus point—the House might have noticed that I made it clear in a written statement last Thursday that we will change the current regime to ensure that in the areas where road pricing is to be trialled there will be greater control over bus services. If we are going to say to somebody, "Don't take your car", we must be able to say that there is a train, tram or bus, and we must be satisfied as to the adequacy and reliability of the service. We have been talking to the Office of Fair Trading about that over the past few weeks, and because I am determined to press ahead I assure the House that we will make changes.

In addition to that, as my hon. Friend the Member for Dumfries and Galloway (Mr. Brown) was right to say, we will continue to improve rural bus services, and we will examine how bus usage can be improved outside London because there are areas where bus companies and local authorities could co-operate a bit more. If there is any impediment to that, we will do our best to remove it.

Chris Grayling: Will the Secretary of State give way?

Mr. Darling: I will do so in a moment, because the hon. Gentleman has been patient listening to my insults and criticisms.

I hope that, at some point, the House will have a good opportunity to discuss road pricing, and perhaps we should arrange that. When I look ahead 20 years, I cannot see how we will deal with the congestion that we will face in this country unless we all agree on that approach. At some point in the future, Governments will change, and if we want such a long-term change to take place, we need a common approach. That is not to say that there are not difficult choices to be made and questions to be answered, but that is why we cannot leap into this tomorrow morning. It is probably one of the biggest transport issues that we face, however, and we need to make progress now.

Chris Grayling: I look forward with interest to hearing more about the Secretary of State's proposals and plans for a pilot scheme. We will examine that pilot scheme carefully, and he will find that we do so with a sceptical eye, as he would expect, as that is our job. He has talked about rural buses. Is he prepared to put on the record a commitment to rural railways, too, given the statement and the changed guidelines published last week? Is he prepared to commit to retaining intact the current rail network for the foreseeable future?

Mr. Darling: I welcome the hon. Gentleman's first point. I hope that he will engage with us constructively. I am happy for that to happen, formally or informally. As for the railways, what we published last Thursday were revised guidelines that were necessary following the abolition of the Strategic Rail Authority. In the introduction, I explained that while an increasing number of people were using the railways and I wanted that to continue, clearer guidelines were needed.

I have said time and again that I am happy to support rural railway lines. The community development partnerships that we announced a couple of years ago are designed to give lines that are in the last chance saloon a chance to continue, and they have been quite successful. It beggars belief that we should reach a point at which no one is using a train or a station, and say that nothing can ever be done about it.

The story in *The Independent*—I looked no further than the author's name before returning the newspaper to the shelf—was a complete exaggeration, but that is what he does, and we just have to live with it. I am pretty confident about the prospects for the railways, but to say that no network or service can ever change cannot be the right approach.

The hon. Gentleman did not mention the fact that road pricing is a big challenge for us. Congestion is a challenge, but so is the environment, given the pollution caused by any form of transport. The European Union emissions trading scheme is advancing, mainly because of pressure from us and from other countries. We need to consider additional trading schemes. I announced a renewable transport fuel obligation of 5 per cent. last November, and we have made changes to vehicle taxation to encourage more environmentally friendly cars. The Mayor of London was able to announce a low emission zone yesterday, thanks to legislation introduced by us.

Those are all important developments and we should not forget about them, but many other things could be done at the same time. I understand from his press release that the hon. Member for Carshalton and Wallington intends to refer to that as well, and I am with him to that extent. We and the Liberal Democrats may agree on the ends; the difference between us relates to the means. The Liberal Democrats are rather slow in coming forward in that regard.

I welcome the debate. I am sorry that we do not yet know what the Conservative party policy is, but we do know, thanks to the right hon. Member for Wokingham, what the process is, and at least three people are contributing to it. There could be three policies at the end of that, but so much the better. We in the Labour party believe in choice.

I commend the amendment to the House.

5.22 pm

Tom Brake (Carshalton and Wallington) (LD): Members can imagine how the suspense has built up in the last few months over the Conservative transport policy. We have been given tantalising glimpses of elusive education policies, veils have been lifted and swiftly dropped on law-and-order proposals, and health policies have been dangled before us and then whipped away.

As the Secretary of State said, today's debate should have provided an opportunity for the Conservative spokesman to parade, in all its splendour, his party's position on transport, and to reconcile the views of his party's leader with those of the right hon. Member for Suffolk, Coastal (Mr. Gummer). I shall not repeat the quotations that the Secretary of State has already put on record, but he could also have quoted the Chairman of the Environmental Audit Committee, the hon. Member for East Surrey (Mr. Ainsworth). When the Highways Agency invited tenders for the widening to four lanes the remaining three sections of the M25, he said:

> "When the Heathrow section of the M25 was widened, I warned that the work would cause massive short-term disruption with no long-term benefit, since traffic volume would simply increase to fill the new capacity. Regrettably, this has turned out to be true.
>
> I fear the same will be the case for this new contract; all the evidence is that when you increase road capacity, traffic simply grows to fill it."

The Secretary of State could have quoted those words from the hon. Member for East Surrey—who is not here today—and encouraged the hon. Member for Epsom and Ewell (Chris Grayling) to try to reconcile those views. In fact, the hon. Member for Epsom and Ewell could have tried to reconcile the views of the leader of his party with those of the then hon. Member for Witney.

Mr. Redwood: Perhaps the hon. Gentleman would stop spreading odd comments about Conservative policy that are not true, and tell us about the Liberal Democrats' policies. Is he one of those who believe that they should clobber the car in urban areas and then say that they would not do it in rural areas, and explain how the two can be kept separate? Can he also tell us what are the differences between the three contenders for the leadership of his own little party on transport matters? I believe that they disagree wildly.

Tom Brake: I thank the right hon. Gentleman for his intervention and leave it to him to highlight odd policies. I will come to Liberal Democrat policies at the end of my speech.

The hon. Member for Epsom and Ewell could have tried to reconcile the views of the leader of his party with those that the latter held when he was just an ordinary Member of Parliament. The Secretary of State quoted the right hon. Member for Witney as stating on 8 November that Britain now needs a concerted programme of road building. In a speech to the Renewable Energy Association on 1 December, the right hon. Member for Witney said that

> "climate change is one of the three greatest challenges facing mankind today . . . Our carbon emissions have increased in five of the seven years from 1997 to 2004 . . . We're now on a track which, without a significant change of course, will lead to an increase, not a reduction, in carbon emissions in this country."

It is clear that he wants both to build new roads and to reduce man-made greenhouse gas emissions, but the Department for Transport's own figures show that that is not possible. Unfortunately, new roads equal more traffic, which equals more emissions. The figures also show that just under 25 per cent. more traffic is going to be generated by road-building schemes—and that is just by those schemes for which the Department can actually provide figures. Of course, we cannot be absolutely certain about the projected traffic increase, because figures exist for only 36 per cent. of the Department for Transport's schemes. Moreover, data on the increase in carbon dioxide emissions resulting from road-building schemes exist for fewer than half such schemes.

It is also hard to reconcile the leader of the Conservative party's enthusiasm for confronting climate change, to which he referred in today's Prime Minister's questions, with the practice of Tory councils. I have some good examples. Barnet is well known for removing cycle lanes. In Bath, the Tory council tried to scrap a bus gate that allows buses easier access to the city centre. In Hampshire, the council voted last year to scrap funding for 18 bus routes and reduced funding for a further eight. *[Interruption.]* I hear cries of, "Excellent!" from the Conservative Front Bench—perhaps it was from the Back Benches; I am not sure which—but the official Opposition adopt many such transport policies.

[Tom Brake]

In West Berkshire, the Tory council slashed the highways capital budget, which meant less funding for cycle lanes. West Berkshire previously won an award for the most improved highway authority in England in respect of implementing measures to increase cycling. In Oxfordshire, plans have been shelved indefinitely to link a number of outlying villages to Abingdon. That is the record and I am afraid that it does not sit comfortably with the Conservative leader's recent pronouncements.

I should not dwell for too long on Tory policies, but I should point out that their quality of life commission is right to seek to reconcile the irreconcilable.

Mr. Redwood: Will the hon. Gentleman give way?

Tom Brake: I happily give way to the right hon. Gentleman a further time.

Mr. Redwood: In the light of the hon. Gentleman's argument that we should not build roads because people might use them, does he therefore think that we should not build hospitals because ill people might fill them? Does he further think that ill people might sometimes need roads to get to hospital?

Tom Brake: I thank the right hon. Gentleman for his further intervention. We are clearly in very odd territory, which I shall leave to him.

Reviewing the targets in the 10-year transport plan is an interesting intellectual exercise, but given that the Government have conceded that it is dead in the water, has jumped the rails and the wheels have fallen off, it is much more relevant to look at the targets issued in July 2004 and the Department for Transport's autumn performance report, which was published last December. In looking at those targets, we need to take particular account of what the Prime Minister said in the foreword to the report, "Avoiding Dangerous Climate Change". He said that:

"it is now plain that the emission of greenhouse gases . . . is causing global warming at a rate that is unsustainable."

The Department's current target is to provide transport that works for everyone, and I am sure that we can all agree with that. Other objectives include supporting the economy through the provision of

"efficient and reliable inter-regional transport systems".

Part of that will involve the development of ways to measure congestion. Regrettably, we cannot assess the Department's performance in that respect, as details of progress are to be published at a later date.

The Department's second target is to improve the punctuality and reliability of rail services. Good progress is reportedly being made, and I do not necessarily disagree, but what about overcrowding, to which the Secretary of State referred earlier? I know that he likes to consult my press releases, so he may be interested in one that was published late last year. It pointed out that, each day, 25,000 passengers on trains in and out of London travel in conditions that the Department's statistics officially designate as overcrowded. They are the lucky ones, of course. The unlucky ones are those who cannot get on the train in the first place, but their numbers are not taken into account.

The increase in overcrowding on some services since 1997 has been phenomenal. On WAGN trains, overcrowding has increased by no less than 485 per cent., while on c2c's morning services it has risen by 263 per cent. The increase in overcrowding on various other services has also been very large, and the crush can only get worse in the poor weather that we can expect over the next couple of months.

The Government cannot expect people to get off the roads and on to public transport when our trains are over capacity and there is no room to accommodate passengers. They must bring forward some concrete proposals and the Secretary of State has waxed lyrical about double-decker trains. I had hoped that he would have used his speech to say more about the progress being made in that regard, and perhaps the Minister of State will do so when he winds up. We would welcome some information about that, although I suspect that the plan has not gone much beyond speech making.

Interestingly, the Department has no target for fares. That may be just as well, as there have been above inflation increases at a time when the network is severely overcrowded. Those rises have sent exactly the wrong signal, given that the Government are trying to get people out of cars and on to trains. Moreover, they entrench the UK's position as the country with the most expensive rail fares in Europe.

Mr. Philip Hollobone (Kettering) (Con): I share the hon. Gentleman's concern about fares. People in my Kettering constituency are paying more for their midland mainline services to London, but increasingly have to stand for an hour. Does he agree that, when the Government review rail franchises, they should include a clause that means that passengers who buy a ticket for a journey that lasts longer than, say, 15 or 20 minutes are entitled to a seat?

Tom Brake: The hon. Gentleman raised a similar possibility in Transport questions. It is a valid point and I hope that the Minister of State will be able to give us both some comfort about overcrowding and what passengers can look forward to in years to come.

I am grateful to the Thomas Cook agency for producing a helpful report that confirms that, for £10, people can travel 300 miles in Slovakia and 200 in Italy, but only 38 in Britain. They can go three times further than that in France. For £10, people in Britain can get to the next county if they are lucky, whereas in most European nations they can get to the next country.

The Government's second transport objective was to improve the accessibility, punctuality and reliability of local and regional transport systems, and to look at buses. The Secretary of State was asked about rural bus services today and the second target on bus services related to growth in patronage in every region. According to the Department's autumn performance report, that target remains "challenging", which I think is code for, "We will miss it by a mile". According to a parliamentary written answer, the number of passengers is down 13 per cent. in the north-east, 10 per cent. in the west midlands, 9 per cent. in the east of England, and 9 per cent. in Yorkshire and the Humber.

The only comfort for the Government is performance in London, which is very good. Hon. Members have congratulated the Mayor on his congestion charging policy, which, incidentally, the Liberal Democrats were almost alone in supporting before its introduction. It was only once the Government had the comfort of knowing that that had been a success that they were willing to go on the record to congratulate the Mayor.

Mr. Darling: Why were the Liberal Democrats against the Edinburgh congestion charge?

Tom Brake: I expected that intervention. It is up to local parties to decide whether to support a scheme. We supported the Mayor's proposals for the London scheme, when there was almost a total absence of support on the Government Benches. Perhaps the Secretary of State can confirm that, in Edinburgh, the Liberal Democrats and almost all the Opposition parties were against the proposal, as, I understand, were all the Labour councils in the surrounding area. Clearly, there were failings in that scheme, which Labour councils identified just as the Liberal Democrats did.

Chris Grayling: If the hon. Gentleman and his party believe philosophically in allowing local authorities and local party groups to take their own decisions, why does he stand up in this place to criticise other parties for decisions taken locally?

Tom Brake: I thank the hon. Gentleman for his intervention, but it would be helpful if he illustrated the point he is making. If he expects any political party, including his own, to apply a policy uniformly across the whole country, I should welcome it. It is not the position that the Liberal Democrats adopt.

The targets also cover light rail and we all know what the Government's performance has been on that over the last year or so. We had the Leeds supertram, when funding was provided for the scheme at almost the same time as the Government were negotiating an alternative bus solution. They gave people the impression that the tram would proceed while negotiating behind closed doors with an alternative provider, and £39 million of public funding spent on that has been lost.

There was the Manchester tram, too, and now we have the situation in relation to Merseytram. That matter is being discussed in the High Court today, and I received a letter from the chief executive of Merseytravel—I understand it is a matter of public record, or so widely in the public domain that I can discuss it—stating that on 29 November the Government gave a not accurate summary of recent events, which was subsequently repeated by the Prime Minister at Question Time the next day. In fact, a none-too-accurate summary of the Government's own position was given. Whether it is buses or trams—

Mr. Darling: It might help the House to learn that about an hour ago the Merseytram application for judicial review was dismissed.

Tom Brake: I thank the Secretary of State for clarifying that. If he has not received a copy of this letter, I would be happy to send him one so that he can respond specifically to the allegation that the information that was provided to Members, by Ministers and by the Prime Minister, was inaccurate.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): The hon. Gentleman reminded us that his party strongly opposed the Edinburgh congestion charge. I am sure that he is aware that, as a result of that defeat, inspired by the Liberal Democrats and others, the city council now faces a shortfall in its budget for its light rail schemes. Given what the hon. Gentleman is saying, I would have thought that the Liberal Democrats would want to see that shortfall met. Unfortunately, the Minister for Transport and Telecommunications on the Scottish Executive, who is a Liberal Democrat, has turned down the request for extra funding. Will the hon. Gentleman urge his colleague to supply that extra funding?

Tom Brake: The hon. Gentleman will be aware that there is a Labour-Liberal Democrat coalition Government in Scotland, so it is unfair to heap responsibility solely on a Liberal Democrat Minister. The hon. Gentleman implies that Liberal Democrats should be in favour of congestion charge schemes wherever they are and whatever form they take. That would be an irresponsible position. We need to look at each individual congestion charging scheme and see whether it is appropriate for that city. In London, we felt that it was appropriate; in Edinburgh, we did not.

Dr. Pugh: The Secretary of State answered his own question. He said that in order to have a good congestion charge that works well, one needs an enviable transport structure, including an underground and other services that London has and Edinburgh has not.

Tom Brake: I thank my hon. Friend for that helpful intervention. One of the necessities for the introduction of a congestion charge is a public transport network that provides people with an alternative when the scheme is introduced.

Mark Lazarowicz: Given the hon. Gentleman's obvious hostility to new road building, will he confirm that he opposes the proposal to spend hundreds of millions of pounds on a new road bridge across the Forth?

Tom Brake: The point that I have made about road building is that the Secretary of State has allowed the Department for Transport road-building programme to swell by an extra £1 billion and has not been successful in keeping those costs under control. We favour keeping the costs under control.

Objective three is balancing the need to travel with the need to improve quality of life by improving safety and respect for the environment. Some solid progress has been made on the number of people killed or seriously injured in road accidents. There are, however, some areas in which further attention is needed. Those include child deaths on the road. The number of serious injuries has fallen significantly, but the number of deaths is not falling at the same rate. We are also seeing an increase in the numbers killed or seriously injured while riding two-wheeled motor vehicles.

[Tom Brake]

I do have time to address the issue of air quality in detail. However, the Government's own performance report acknowledges that only four out of seven of the targets in that area will be met. I hope that the Government will not seek to achieve the remaining targets by revising the methodology to make it easier to achieve them. I understand that the Government intend to issue a revised methodology at some point—I thought it would be last month, but perhaps it will be this month—for measuring the air quality around Heathrow. It will be interesting to see whether the outcome will be to make it easier to meet the air quality standards for the area around Heathrow and so enable the third runway to go ahead.

I hope that the Government will demonstrate more joined-up government on greenhouse gas emissions. The public squabble between the Departments for Trade and Industry and for Environment, Food and Rural Affairs about how to achieve the target and how challenging it should be is not helpful in dealing with what the Prime Minister described as one of our most significant problems.

Mr. Nick Hurd (Ruislip-Northwood) (Con): The hon. Gentleman acknowledged the problem of congestion, but although I have listened carefully to his speech I have not heard a Lib Dem solution. Will he clarify whether he supports the Government in their move towards a national road pricing scheme at an estimated cost of between £14 billion and £60 billion on a revenue-neutral basis? The lesson from London is that to change motorists' behaviour requires a strong price signal. Does not the evidence undermine the logic of a revenue-neutral approach and throw into question the wisdom of spending several billion pounds on it?

Tom Brake: I am happy to clarify our position. We are on record as supporting road-user pricing and saying that, for it to work, to be acceptable or palatable to the public, it must be revenue-neutral. That would mean getting rid of petrol duty and vehicle excise duty, otherwise the policy would be unsaleable to the public. If we want people to buy into a scheme of such size and complexity, we shall have to offer them that carrot.

The Secretary of State challenged figures supplied by his Department that stated that, taking into account inflation, VAT and optimism bias, there has been an underestimate for road-building schemes before 2003 of about £1 billion. He should have got that situation under control but he has failed to do so. We have asked the National Audit Office to investigate why there has been such a failure to address those underestimates and the significant cost increases for road-building schemes.

Several Members asked about Liberal Democrat transport policies. Our first priority will be to ensure that transport is fairer. A significant number of people still do not have access to cars, including the young, many senior citizens and people on low incomes. They are thus denied access to services or find it difficult to reach them. Unfortunately, many other Government policies demonstrate a lack of joined-up government. For example, post office closures mean that people with no access to a car find it much harder to use those valuable services.

Mr. Wills: Is the hon. Gentleman aware of the Government's support for concessionary travel? For example, in my constituency, Swindon borough council has benefited from nearly £1 million to make it available for precisely the groups that he wants to help.

Tom Brake: I am very aware of the Government's concessionary fares scheme and I welcome it. My only concern is that local authorities consider that it is severely underfunded and that the £350 million allocated will not cover the costs. Some local authorities are having to make adjustments to fares for existing passengers to try to accommodate the extra costs that will arise due to concessionary fares.

Paul Rowen: Is my hon. Friend aware that Tyne and Wear passenger transport authority faces a shortfall of £7.4 million as a result of the introduction of concessionary fares? The PTA will be forced to cut the very bus services that the scheme was supposed to encourage people to use.

Tom Brake: I thank my hon. Friend for that useful intervention. I hope that the Secretary of State is listening carefully and will respond positively to Tyne and Wear's approaches on that front.

Jim Cousins (Newcastle upon Tyne, Central) (Lab): May I throw some light on that point? Yesterday, the Government announced additional and substantial support for Tyne and Wear, which means that free travel will be extended to the Tyne and Wear metro system. The director general of the passenger transport executive described the figures that the hon. Member for Rochdale (Paul Rowen) has just cited as "crude", so will the hon. Member for Carshalton and Wallington (Tom Brake) advise his Liberal Democrat friends in Tyne and Wear not to support premature cuts in the bus services while we are working through the issue?

Tom Brake: I thank the hon. Gentleman for his intervention. If he is right that additional funds have been provided to allow the metro service to be incorporated, that is a positive development.

We must help people who do not have access to cars. Fairness in transport must be a priority, and that involves enhancing passenger safety. I understand that a report will be published tomorrow that highlights the fact that the state of many of our stations is so poor that that, in itself, pushes people away from rail services, thus exacerbating the lack of accessibility to many train services. We need to grow the bus network. A number of hon. Members alluded to the fact that bus deregulation is an issue outside London, because bus companies can stop and start their services and threaten to withdraw bus services if they do not receive subsidy for a service that had been run previously by the private company. Light rail systems should be promoted, as they have a key role to play in many parts of the country in providing accessible transport, particularly for people with disabilities.

Andrew Gwynne: The hon. Gentleman briefly mentions the need to improve bus services. Is he aware

that, in my part of Greater Manchester, the Government have made available to Stockport and Tameside councils very great amounts of public money for the south-east Manchester multi-modal study, which is having a major impact, not least with the implementation of quality bus corridors?

Tom Brake: I thank the hon. Gentleman for his intervention. I am here not to say that everything that the Government have done is negative, but to congratulate them where appropriate—I have done so two or three times, as I am sure *Hansard* will confirm—and to highlight some failings in Government policy.

The second issue that the Government need to address is ensuring that transport policy is greener. The Government's lack of action on aviation policy is certainly regrettable. They have simply pushed all responsibility for tackling the environmental problems associated with aviation to a future EU emissions trading scheme, which may never happen. The Government could have taken action now and supported our calls to halt any growth in airports and runways in the south-east until the environmental issues—whether the climate change, pollution or congestion implications—associated with aviation are addressed.

David Taylor: Will the hon. Gentleman at least give the Secretary of State for Transport credit for his announcement on the requirement to have stringent noise controls at airports? Does the hon. Gentleman welcome the fact that East Midlands airport, which is in my constituency, will publish its airport master plan—a further Government initiative—very soon indeed? The community can use those documents to try to work their way through the problems that exist.

Tom Brake: I do indeed welcome the measures that the Government have taken. No doubt, East Midlands airport's representatives will mention those issues to me when I visit them tomorrow to listen to the noise. As the airport is in the hon. Gentleman's constituency, may I warn him that I will be visiting for legitimate purposes tomorrow evening?

Our final priority is to make spending on transport projects more accountable. Very large sums of money are now being distributed and priorities are being identified regionally, where democratic control is not great. As other hon. Members have said, we are concerned about the ability of local communities to influence the bus services provided in their areas. All that needs to be underpinned by paying attention to value for money, which is why my Liberal Democrat colleagues in the London assembly are putting forward a proposal to replace the tram scheme for London with a trolleybus scheme that could do the same job for about a third of the price.

We need to ensure that the Government invest for the long term, so we need to make more use of bonds. Several hon. Members referred positively to what the Mayor has achieved in London. He thought that bonds were the appropriate way to address investment in the London underground. Unfortunately, the Government did not allow him to go down that route, but we would have supported it.

The Government quietly torpedoed the 10-year transport plan years ago.

Dr. Pugh: The Government might have torpedoed the national 10-year plan, but they have quietly introduced regional 10-year plans that commit the regions to significant expenditure with little democratic accountability. We thus have a new set of plans that are diverse and unrepresentative.

Tom Brake: That is why we would ensure that people responsible for taking decisions on transport priorities are democratically accountable, which they are not at present.

After torpedoing the 10-year plan, the Government produced a revised plan in July 2004 called "The Future of Transport", but that is already taking on water. Bus use outside London has declined by 7 per cent., although it is an objective that bus use will increase in every region by 2010. The Government claim that their efficiency target has been met, yet road building projects overrun by more than £1.5 billion. While they might hit their targets on punctuality and reliability for rail, the law of unintended consequences means that train overcrowding has rocketed since 1997 with 25,000 passengers travelling to and from London each day on officially overcrowded trains. An objective analysis shows that the Government's progress on their self-imposed targets has been patchy. Delivery has been poor and targets have been discarded, downgraded, or have simply disappeared. Delivery lags behind rhetoric and anyone who travels on our roads, railways or buses knows it.

Liberal Democrats think that the Secretary of State is tired. He longs for a higher-profile post. It is time to put him out of his misery and appoint a Secretary of State who will really get to grips with the tragedy that is our transport system.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. May I remind right hon. and hon. Members that Mr. Speaker has imposed a time limit of 10 minutes on Back-Bench speeches? However, they will see that we are under time pressure, so I am sure that they are capable of doing the arithmetic for themselves.

5.57 pm

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): I will come to the aid of the Secretary of State because I wish to thank him warmly for the funding that we have received in Milton Keynes. Milton Keynes council, which is, of course, unfortunately controlled by the Liberal Democrats, has received more than £3 million from the Government for its local transport capital expenditure every single year since 2001. For the most part, it has been spent reasonably well. The money that has been spent on supporting public transport, bus priority measures and improving the quality of bus networks is starting to improve the lamentable bus transport system in Milton Keynes.

I should mention that a key aspect of continuing to improve bus transport in Milton Keynes, as in other places, is not in the gift of the Department for Transport because it is related to the planning of future housing.

[Dr. Phyllis Starkey]

We are all grappling with the way in which we can plan future housing growth in Milton Keynes so that we can try to make the expanded city more public transport-friendly than it is at present.

Primarily, I want to talk about the rail system in Milton Keynes. We are on the west coast main line. My constituency contains four rail stations, three of which are on the west coast main line; Wolverton, Milton Keynes Central and Bletchley. Milton Keynes as a whole has suffered from the incredibly lengthy delays to the modernisation of the west coast main line. I am old enough to recall that that was first planned before the privatisation of the railways. The Tory Government did not undertake the modernisation because they thought that as the railways were going to be privatised, the private rail companies could do it, which, of course, they did not. This Government finally delivered the modernisation, although because such a huge amount of time had passed, they had to examine the plans again, redo the costings and rescale the work. For my constituents and everybody else up and down the west coast main line, they have delivered a rail service that is considerably more reliable and has a vastly increased capacity.

However, although the capacity of the west coast main line has increased, passenger and freight usage has also increased. The key issue for my constituents, of which all members of the Front-Bench team will be well aware, because I have raised it endlessly in the House, is the conflict between long-distance rail passengers and commuter rail passengers. This is to a certain extent a zero-sum game; whatever the capacity of the rail system, it is finite at any one time.

There is an understandable desire among passengers from the north of England and Scotland for trains travelling down the west coast main line through Milton Keynes not to stop terribly often, because every time they do so it increases the journey time. In addition, if a train from the north which is already about 90 per cent. full stops at Milton Keynes during a peak time, it is likely that more people than the few remaining available places will try to get on.

Therefore, a balance must be struck between the needs of long-distance travellers and those of the very large number of commuters—about 20,000 a day—whose journeys are packed into a very small time and who want to be able to travel reliably, reasonably comfortably and in a short time into London and out again. There are also commuters who come into Milton Keynes from London and the north, and some people from Milton Keynes who commute northwards, although in much smaller numbers.

There was a problem; my constituents would have liked every Virgin Pendolino train to London to have stopped in Milton Keynes and, preferably, all the people on it to have got off to make space, so that they could have enjoyed a fast journey in peak time. The Pendolinos are about 10 to 15 minutes faster than the Silverlink trains, which are the main commuter trains.

Dr. Pugh: I assure the hon. Lady that trains from the north are never 90 per cent. full because half the train is first class. The standard class section is often 120 or 130 per cent. full, but the train as a whole is never 90 per cent. full.

Dr. Starkey: I accept that I might have exaggerated slightly, but the general point remains.

As soon as it became evident to my constituents that there would be a problem with the timetable that was due to be introduced in 2004, that they would no longer be able to get on quite so many fast Pendolino trains and that they would have to rely on Silverlink trains instead, I raised the issue repeatedly with the Secretary of State, and I am incredibly pleased that he responded very positively. Indeed, my hon. Friend the Under-Secretary of State for Transport, the hon. Member for Halton (Derek Twigg), was able to join me on Milton Keynes Central station a couple of months ago to celebrate the fact that the scheme for providing an extra platform is being funded by this Government to the tune of £24 million from the community infrastructure fund; a very large slice of a national fund of only about £200 million, for which I am immensely grateful.

Network Rail is providing another £85 million and it has been agreed with Milton Keynes council that a further £6 million would come from section 106 contributions. The platform is timetabled to be built for 2008; as Members will be aware, such a major scheme has to be fitted in with all the other things planned on the railway. It will provide a turn-back facility at Milton Keynes, enormously increase capacity at Milton Keynes Central and improve the service for my constituents.

At this point I want to get on the record, so that the Secretary of State can give this due attention, the fact that the excellent Milton Keynes and Bletchley Rail Users Group, which I was instrumental in starting, has set out what it is hoping will be delivered in the 2008 timetable, which is even now being discussed, so that users can benefit from this Government's munificence in planning such extra works.

The group would like at least three non-stop trains an hour in the evening peak between London and Milton Keynes; two fast trains an hour to Birmingham in the morning and evening peaks; a half-hourly fast service between Bletchley and London in the morning and evening peaks; and a northbound hourly service to Manchester, Liverpool and Glasgow with connections to intermediate stations to allow effective business travel to and from Milton Keynes. The group has written directly to the Department for Transport, whose Ministers have heard my speech, so I am sure that they will give those requests due consideration.

The people of Milton Keynes are extremely grateful for the funding that they have received. They are grateful, too, for the funding that will be used to upgrade Wolverton station as part of the regeneration of Wolverton. They are grateful for the additional investment from the private sector in Bletchley station to improve the service. Every hon. Member would want even more to be spent on transport, particularly transport schemes in their own constituency. We all know perfectly well, however, that public spending is always a balance of priorities; the more that is spent on one service the less that is spent on another, or the more that has to be raised from general taxation.

I am grateful for the funding that my constituents have received from the Government transport strategy. The Government have delivered a great deal more than the last Government or, frankly, any Tory Government ever would.

6.6 pm

Mr. John Redwood (Wokingham) (Con): The Secretary of State made a sensible change to the Government's approach to transport when he began his difficult job. His predecessor thought that it was possible to shift a large number of people off the road on to the train to solve environmental and capacity problems. The Secretary of State quickly realised that we are short of capacity of all kinds. He realised that the fundamental transport problem facing the country is insufficient capacity on the roads and railways to deal with the current level of economic activity. That problem will become much more acute in the years ahead, assuming reasonable growth in the economy.

To give some figures, if we grow at European levels of only 2 per cent. per annum—it is feared that we will go down to such levels—we must make capacity available for a two-thirds increase in the journey miles travelled in the next 20 years. If we return to Anglosphere levels of achievement and secure 3 per cent. growth, or if we return to our old trend rate of 2.5 per cent., there will be an increase of between 75 per cent. and 100 per cent. in the number of miles travelled by people as all those extra goods are taken to market and extra services are provided, and as more people travel to work and go about their business spending their extra leisure pounds. They will want access to facilities, so they will need more transport.

The Secretary of State will agree that we want to live in a vibrant and growing economy, which naturally means more transport. I therefore find the Liberal Democrats' attitude absurd. They presumably want to live in a prosperous country, but they say that we cannot make more capacity available in transport alone. They rightly argue that we have to make more hospitals available for the ill, and that we have to make more schools available for children. They believe that we cannot make more transport capacity available, but that would mean that we would not have a growing vibrant economy and people would not be able to travel to school, hospital or work. How on earth do they think that we can manage if we do not tackle the underlying capacity problem?

The Secretary of State inherited a grand scheme, with a total spend of £180 billion consisting of a mixture of public and private funds. I remember criticising the scheme when it was announced for two main reasons. First, the modal shift could obviously not be achieved on the scale that the right hon. Member for North Tyneside (Mr. Byers), the then Secretary of State, imagined. The new Secretary of State has recognised that. Secondly, I did not think that £180 billion was nearly enough expenditure over a 10-year period to tackle our serious capacity problems. I want much more to be spent, but we can fund that increase by raising private capital. We do not need to increase the public component.

By way of contrast to the £180 billion so-called transport strategy, outside that document was all the spending that individuals and companies are undertaking on motor vehicles. People are buying cars, vans, lorries by the thousands every month and that, I compute, probably adds up to more than £180 billion over the 10-year period that people will spend on new vehicles, leaving aside the trade in second-hand vehicles. So we know that there is plenty of money available for transport. People must spend that money. It is often their only way of getting around, of getting goods to market or of getting to work on time, particularly for those who work unsocial hours, so people make that money available.

I want the Government to provide more opportunities for private money to be made available to solve the capacity problem. I am a great fan of a recent scheme which was begun under the Conservatives and was finished under the Labour Government; a bi-partisan effort. I refer to the toll motorway to the north of Birmingham. It is a very good scheme. It provides flexible tolls so that motorists pay more if they travel at a popular time of the day or night, and less if they travel at a less popular time. Perhaps the tolls need to be made more flexible to get maximum capacity use. I am sure that will happen, as there is an economic incentive for it. I would like to see the Government come up with opportunities for the private sector to start tackling the big capacity problems on our road network through that kind of private finance for new facilities on our roads.

I see from the document that the Secretary of State has made a number of changes, compared with the original 10-year plan. Some of his changes have been sensible. He is right that some of the tram and mass transit systems that were proposed do not offer good value for money, and some of them could be dangerous. If people wish to introduce a tramway system into a busy and congested city or town centre on existing roads, it can be extremely dangerous. That, after all, is why the original trams and trolleybuses were taken out some years ago, because there were conflicts between pedestrians and cyclists and other road users, and there were some very bad accidents.

Mr. Lee Scott (Ilford, North) (Con): Does my right hon. Friend agree that for people such as my constituents, who must endure travelling on overcrowded underground trains, the fact that they are penalised if they wish to pay with a strange old commodity called cash is not an encouragement to get them out of their cars and on to trains? There is a double whammy. If they use their cars, they are penalised by congestion charging; if they do not, they are penalised by not being able to travel comfortably to their destination.

Mr. Redwood: I agree with my hon. Friend. His constituents often suffer from an inadequate underground system. It is another example of infrastructure in this country that is stretched to breaking, not nearly big enough and not modern enough for current uses. The entire underground should be air conditioned. We need two or three new underground lines, as a minimum. We need to improve the reliability of the existing lines. That all takes money.

I remember proposing some years ago in the House a privatisation scheme for the underground, the people's tube, which would have given everybody shares in the

[Mr. Redwood]

tube free and would have raised a lot of money from outside to build the two new lines that I thought then were the minimum that we needed, so that we could have a more modern underground. The Government decided on a different system, not one that I think was very felicitous, but we are where we are.

I hope the Secretary of State can work with his advisers and with those involved in the underground to see how we can get at least a couple of new lines on the underground to start providing that extra capacity, and how we can start to have full air conditioning and more modern trains so that when we have hot periods in the summer—the Government seem to think we will have more hot periods in the summer—people will be able to cope.

Clive Efford (Eltham) (Lab): I accept that we will always want improvements in infrastructure and rolling stock, but as the right hon. Gentleman is speaking critically about the problems of transport in London, may I draw his attention to the annual London survey, which shows that 80 per cent. of London's transport users are satisfied with London's transport system, compared with previous surveys, which showed a much lower number of people who were satisfied? That shows a trend among people in London towards appreciating the improvement that have been made in our transport system, to the point where it has overtaken London's nightlife—

Madam Deputy Speaker (Sylvia Heal): Order. Interventions must be brief. That is a very lengthy intervention.

Mr. Redwood: I am grateful to you, Madam Deputy Speaker, for conserving my time, which is precious to me, if not to the hon. Gentleman. As a part-time Londoner, I do not live in such a happy world as that that he thinks 80 per cent. of the public inhabit; perhaps I belong to the other 20 per cent., but other, more accurate surveys agree with my view.

There is room for enormous improvement. We need increased capacity on the tube, better tube trains and a Secretary of State who, now that he has partially privatised the tube system, raises as much money as possible from the private sector and ensures that it is spent as efficiently as possible to allow us better to husband our resources.

People are prepared to spend a lot of money on transport, but they want something good for their money. They must spend enormous sums of money if they rely on railway transport, and we have heard many stories of people paying a lot of money for tickets and not even getting a seat, which is not only uncomfortable, but unsafe. Trains are intrinsically unsafe, because if they decelerate sharply, stop sharply or come off the tracks, people can be badly injured by being thrown around; a person who has a seat is much less likely to be injured than someone who does not.

One does not have the opportunity to wear a seat belt on a train, which would make trains much safer, whereas seat belts are mandatory in cars, where the risk is lower, because cars have fewer hard surfaces and dangerous interior features than trains. We must examine safety on trains. On fast trains, it is wrong that people do not get a guaranteed seat and do not have the option of wearing a seat belt in order to travel more safely.

The position on private investment could be much stronger. In Wokingham, there is a perfectly good scheme that would allow us to have a new station at no cost to the taxpayer, because if the underused station property were redeveloped, the developer gain would pay for the new station. Many of my constituents, the local council and I want to see that scheme happen, but it has sat in the pending tray for four or five years as the railway industry has experienced an enormous series of reorganisations under this Government.

The industry should get its act together on property and realise that there is an enormous resource in under-utilised or badly used property in the railway estate. Councils would be happy to work with local railway management to provide suitable planning permission for such sites to release money for the improvement and redevelopment of public facilities. Why is it that so many stations do not have the most obvious facilities these days? Why has space not been rented out so that people can buy food when they return home late in the evening and need something to eat? Why is there nowhere to get a coffee and a newspaper in the morning? A surprising number of stations lack the most obvious commercial facilities, which represents a money-making opportunity for the railway. If only the railway had commercial flair and spent less time arguing about 10-year strategic plans and dealing with Government bureaucrats and more time thinking about what its customers need and how it can raise the money commercially to provide it.

When the Government extend their plan to 2015, they should not only tell us that we need more capacity of all kinds, but come up with the policies to deliver increased capacity of more kinds. They should give the go ahead for new road routes, because the private capital will be there, if people are allowed to charge a toll. If they go over to comprehensive road pricing, the whole network could be expanded and maintained at private expense, because the toll money could be recycled. Knowing this Government, they would still make a profit out of the transaction, given the taxes that they would be likely to impose.

Will the Government examine rail capacity in London and elsewhere and consider how one or two big schemes could be privately financed and add to the capacity of the railway network? Will they examine how the railway industry can start to develop and redevelop its surplus property outside London to provide a stream of income into the railway to provide more modern facilities? And will they examine how the railway industry can join the modern world when it comes to safety standards and additional facilities at our stations?

6.19 pm

Mr. Paul Truswell (Pudsey) (Lab): We can only view with astonishment the brass neck of the Conservatives in tabling this motion. They did irreparable damage to public transport. They are a bit like arsonists who, having started a major conflagration, sit on the sidelines and complain that the fire service is not putting it out

quickly enough. I do, however, have some reservations about how quickly the Government's fire service is putting out the conflagration. I regret that my right hon. Friend the Secretary of State and the Under-Secretary of State, my hon. Friend the Member for Halton (Derek Twigg), are no longer present, and apologise to my other Front-Bench colleagues, who may have heard these comments before.

Since the Conservatives deregulated bus services, quality and standards have fallen dramatically, fares have risen by almost 50 per cent. in real terms, and the number of passengers has fallen by more than a third in my area, West Yorkshire. That represents about 100 million passenger journeys. Fares have gone through the roof. In the period from April 2004 to June 2005, Firstbus in Leeds increased off-peak fares by 27 per cent. and peak fares by 19 per cent. Bus operators' own figures illustrate that operating costs during that period rose by only about 9 per cent. In January, fares went up yet again.

Under deregulation, bus operators can make profits while providing very poor services. They can pick and choose where they run services. Services are chopped and changed, missing or late. It is no wonder that passengers have deserted bus services in such numbers.

Mark Lazarowicz: We heard earlier about the different story in London. There is also a different story in Edinburgh, where bus use has gone up and prices are still low. Is it perhaps no coincidence that in London we still have a degree of regulation of bus services and in Edinburgh we still have community ownership of the local bus service?

Mr. Truswell: I am sure that there is no coincidence whatsoever. Obviously, quality contracts have operated in London because services were never deregulated. I understand that last year patronage in London went up by about 10 per cent., while in the rest of the country overall it went down by 3 per cent.

Passenger transport executives such as Metro in my area are able to influence directly only 20 per cent. of the network that they provide through tendered services. In effect, there is little competition for tenders, so it is difficult to test whether best value is being obtained. That is diametrically opposed to the result that was intended by opening up the market.

Quality bus partnerships are the Government's preferred way forward in tackling the dreadful legacy inherited from the previous Government.

Mr. Peter Bone (Wellingborough) (Con): Will the hon. Gentleman give way?

Mr. Truswell: I am tempted not to, because the hon. Gentleman has not been sitting in the Chamber for quite as long as many of us. I apologise for that.

Partnership works where there are ready profits to be made by the private sector, but it does not meet the challenge of the social needs in many of the communities that we represent. I have no problem with partnership where it works, especially with operators who are prepared to take a long-term view instead of a profit-making view. But sometimes—I say this with all due respect to my Front-Bench colleagues—we have to put power in the hands of passengers and communities, not in the hands of the profit-maker. That is why I support quality bus contracts.

I was mildly heartened by what the Secretary of State said last week, and again here today, about the fact that he may be considering using quality contracts. However, I am disappointed that they come with strings attached and that they are regarded as the sweet coating on the bitter pill of introducing road charging. We ought to go the extra mile and say that quality contracts are a useful tool in promoting bus use.

I want to say a few words about my constituency. I am worried that the A65 Kirkstall road quality bus initiative seems to have gone into the ether, because that measure would have served my constituents very well.

Rail users in my constituency, like many others throughout the country, have been ill served by privatisation. However, under the Government, three stations in my constituency have been refurbished. A £250 million refurbishment has taken place at Leeds city station, enabling it to develop greater capacity for local routes.

A rail passenger partnership grant has allowed most of the rolling stock on the Airedale and Wharfedale line to be replaced with brand new, air conditioned, class 333 trains. They replaced the antediluvian, 40-year-old, slam-door cast-offs from the south-east commuter belt that we inherited under the previous Government. We cannot take lessons from the Conservative party about investment in rail.

Between 1994 and now, rail use in West Yorkshire increased from 11.5 million to 21 million passengers. There is a price to pay for that. The Select Committee on Transport identified overcrowding in West Yorkshire as being worse than in the south-east, which may surprise some London-centric Members. The Harrogate line, which goes through Horsforth in my constituency, and the Calder Vale line through New Pudsey are two of the most overcrowded routes in West Yorkshire at peak times.

Despite the recent renewal of rolling stock, capacity on the Wharfedale line, too, approaches saturation point at peak times. It is under pressure from new development, especially housing development. The Department for Transport is currently funding eight carriages up to 2007 on the Wharfedale line. It is essential that the rolling stock is retained and that we do not move backwards by having less capacity through the removal of that rolling stock.

The Northern Rail franchise is under review. I submit to our Front-Bench colleagues that that must reflect not only current demand and pressure on services but the potential for carrying tens of thousands more passengers if we increase capacity and perhaps accompany that with park-and-ride schemes. I contend that, in West Yorkshire, we would get more passengers per pound of investment than almost anywhere else in the country.

West Yorkshire Metro has a blueprint for increasing patronage by more than 50 per cent. in the next 10 years with what I regard—I hope that Ministers agree—as a relatively modest investment of between £5 million and £6 million a year.

[Mr. Truswell]

Although we should not take lessons from Conservative Members about public transport, I hope that my hon. Friends accept that genuine concerns need to be tackled if we are to emerge from the mire that we inherited from the Conservative party.

6.27 pm

Paul Rowen (Rochdale) (LD): I am grateful to the hon. Member for Epsom and Ewell (Chris Grayling) for initiating the debate and for some of his comments, although, like other hon. Members, I await the Conservative policy with bated breath.

My hon. Friend the Member for Carshalton and Wallington (Tom Brake) covered several points on Conservative and Labour transport policies as well as our Liberal Democrat alternatives. I want to concentrate on public transport, especially light rail, buses and the railways.

The 10-year plan was announced in 2000, although it was modified in 2002. It made several specific commitments. They included: 25 light rail schemes and 100 per cent. increase in passengers on light rail; a 10 per cent. increase in the number of passengers using buses, with newer and more reliable bus services; and more cities and towns with park and ride schemes. The White Paper combined figures to make a 12 per cent. increase overall. That has not happened.

We were told that the number of passengers using the railways would increase by 50 per cent., with more modern trains and improved commuter services in London and other cities, and that rail freight would increase by 80 per cent. Although improvements and investment have occurred—my party will not deny that—they have been too slow, too late and do not fulfil the commitments in the 10-year plan.

Only two new light rail schemes have been completed and one more has been agreed. Passenger numbers have not increased by the projected 50 per cent. but by only 28 per cent. The Government have scrapped light rail schemes in Leeds, Hampshire and Merseyside. Earlier, the Secretary of State claimed that that was due to increasing cost, yet he failed to answer my point that it is okay for road schemes to overspend—indeed, he is prepared to accommodate that—but not for light rail to do so. Only the Manchester Metrolink extension is still on the shelf. That project has sat on the Secretary of State's desk since July 2004, when public pressure forced him to reinstate the scheme. Meanwhile, services on the Rochdale-Oldham loop line continue to decline, with 30-year-old Pacer trains and track that cannot cope when a few leaves fall. We are entitled to hear from the Minister today when the Manchester Metrolink extension is to go forward.

Mark Hunter (Cheadle) (LD): Does my hon. Friend agree that, until the Government fulfil their promise on the Metrolink big bang expansion in Greater Manchester, his constituents and mine—and those of many other Members in the region—will continue to struggle with enormous congestion problems? Only that investment in the Metrolink expansion will help to persuade car users seriously to consider public transport as an alternative.

Paul Rowen: I agree entirely with my hon. Friend. The Secretary of State said that our area would receive that investment, but unless or until it is delivered he will not get any support for traffic congestion charging. The Government said in their 10-year plan that other countries had more light rail schemes than the UK, but recent Government decisions have served only to make our position even worse, compared with other cities and towns in Europe.

The Government also made a pledge to increase bus use by 10 per cent. It is true that, if we include services in London, the 10 per cent. target has been achieved. However, outside London there has been a 7 per cent. fall in bus use. At the same time, bus fares have increased by 24 per cent., compared with a retail prices index increase of only 11 per cent. During the same period, the number of vehicle kilometres has fallen by 13 per cent. in metropolitan areas and by 4 per cent. in other areas of England. People are paying exorbitantly high fares for a much poorer service under this Government. I note that the Secretary of State did not cover buses in any great detail in his speech.

Mr. Redwood: Is the hon. Gentleman against the people in his constituency getting a bit richer and buying cars? He does not seem to understand that a lot of people have been buying cars and want to use them.

Paul Rowen: I understand the right hon. Gentleman's point of view, but for many people buses are the only the service available, and, in many areas, that service is exorbitant in cost and declining in frequency.

A recent report produced by the National Audit Office and the Audit Commission entitled "Delivery chain analysis for bus services in England" makes a telling observation that supports a point made earlier by the hon. Member for Pudsey (Mr. Truswell). It states:

"Regulation is both tightly managed and effective inside London but there is scope to make the unregulated market outside London work better."

Dr. Pugh: Is my hon. Friend aware that the right hon. Member for Wokingham (Mr. Redwood) avoided altogether using the word "environment" in his intervention? Our preference for public transport is based on the fact that it does not cause the same environmental damage as private transport.

Paul Rowen: Yes, and it was the right hon. Gentleman's Government who deregulated the buses. It is a simple fact that bus services outside London are controlled by five major bus companies, which together control two thirds of the bus market in this country. Local authorities and passenger transport executives have control of only 20 per cent. of the total bus market. In Rochdale and neighbouring Oldham, the bus operator, First, has a virtual monopoly, controlling 70 per cent. and 80 per cent. of all bus services respectively. The result of that monopoly is cancelled services, late-running services, high bus fares and a high degree of passenger dissatisfaction.

Mark Lazarowicz: I mentioned the position in Edinburgh, which I would like the hon. Gentleman to

visit some time to see what can be done with a different form of local bus company ownership. Does he agree that there is a strong case for the competition authorities conducting a serious investigation into the way in which the bus market in this country has developed and is operated?

Paul Rowen: I shall visit Edinburgh tomorrow on my way to the Dunfermline by-election. My next point was going to be that, at the very least, the Minister needs to refer the monopolies that exist at local authority level to the Office of Fair Trading. It is obvious that those bus monopolies are making disproportionate profits compared with the profits made on bus services in London. For example, in the metropolitan areas, an 18 per cent. return is being made on bus services, compared with only 8 per cent. inside London. The way forward must be targeted regulation, which, as the Minister responsible informed me in a written answer, the Government have no intention of introducing. Without it, however, I fear that bus usage will continue to decline and roads will become even more congested.

Substantial investment has been made in railways, although, again, because of the complex structure of the rail industry, it has not led to the planned improvements. The reality is that we were supposed to get a 50 per cent. increase in passenger journeys. The figure is now 20-odd per cent., but the report said that without further increases in capacity, that 50 per cent. increase would not be achieved. I look forward to hearing what proposals the Minister will make to deal with the Manchester or Birmingham bottlenecks. Without such action, commuter services cannot be improved further.

We also need to consider the age of the rolling stock. I was informed in a written answer last week that, outside London and the south-east, there are no plans to upgrade and improve rail network services. For example, Northern Rail's rolling stock, which covers a vast area from the Scottish borders down to the midlands, has an average age of 17.1 years. No allowance has been made in the 10-year plan to improve and upgrade that rolling stock. That can only result in more unreliable, more uncomfortable and more crowded services for rail commuters.

Funding for the railways needs to be examined properly, particularly the question of why so much money is being paid to rolling stock leasing companies, and why franchises have been set at limits below 10 years, contrary to the original plan, which envisaged a 10 to 20-year lead-in, which would have allowed more investment in new rolling stock.

I welcome the opportunity to take part in this debate. Transport is important for all of us. The wealth and future development of the country depend on it. Halfway through the 10-year plan, we have a mixed picture. There has been some improvement, but not enough has been done. The Government can and must do better.

6.38 pm

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): In his closing remarks, the Secretary of State urged us to look to the future in terms of what can be done to improve further the transport system. In the time available, I want to highlight one specific area to which I hope the Government will look for the future. I want to urge the Government to give an early commitment to the development of high-speed rail in the UK.

In his attack on the Government, the Opposition's transport spokesman at least referred grudgingly to the fact that the west coast main line had been upgraded. That upgrading is already showing benefits in terms of attracting passengers to rail and away from road and air travel. That shows what more could be achieved if we moved forward with the development of proper high-speed rail links in the UK. The Government's own advisory bodies have reported on a number of occasions that:

"High-speed lines are essential if we are to deal with capacity constraints that are building up on our intercity network"—

and—

"The case for construction of a high-speed line is now much greater than it was 20 years ago, when there was more . . . capacity on the conventional network."

I was delighted when, a few weeks ago, the Institution of Civil Engineers published a report on the possibility of a dedicated high-speed line for the United Kingdom. That reflects the growing realisation that an idea that would have been regarded as bonkers a few years ago is gaining acceptability among policy makers, who recognise that it has now reached its time. The Government's adviser, Lord Eddington, has indicated that he will adopt that approach when he produces his report at the end of the year. I do not have time to describe all the advantages of high-speed rail, but it can offer shorter travel times for passengers, strengthen the move away from dependence on the road network and, in particular, from short-haul air travel, and ensure that the north of England, the midlands and Scotland can enjoy the economic prosperity that will result from more and better links to the continent of Europe through full development of the high-speed channel tunnel rail link.

I do not expect the Government to commit themselves to a high-speed rail line today, but I stress that there is strong support for it in the House. I hope that if Lord Eddington recommends it, the Secretary of State will choose to be bold, for we are at our best when we are at our boldest. I hope that he will ensure that we in the United Kingdom—not just in the south-east, and not just for the purposes of our links with the continent of Europe, but throughout the country—can begin to enjoy the type of high-speed rail network that our European friends and neighbours regard as the norm. It is time that we joined the 21st century in that regard, as well as in the context of the other initiatives and projects that the Government have introduced at both local and national level.

6.42 pm

Stephen Hammond (Wimbledon) (Con): This has been a strategically important debate, featuring interesting contributions from a number of Members.

Opening the debate, my hon. Friend the Member for Epsom and Ewell (Chris Grayling) got to the heart of what we were asking—if the Government are spending so much money, where is it going and why are they not delivering on their 10-year plan? The fundamental failure of the plan lies in the fact that it announced much

[Stephen Hammond]

and promised much, but had no short-term or long-term context in relation to our country's economic needs or, indeed, its need for a sustainable environment. The Secretary of State clearly disagrees with me because he described it as a piece of strategic thinking. It was not his piece of strategic thinking, though; it was that of the Deputy Prime Minister, and given that relatively inauspicious start it was probably destined to fail.

In his foreword to the document dealing with the 10-year plan, the Deputy Prime Minister wrote that he was

"developing an integrated transport policy to tackle the problems of congestion and pollution".

On congestion, the facts are that the number of motor vehicles registered has risen from 27 million to 32 million. The number of passenger kilometres travelled has risen from 730 billion to 797 billion, which is almost entirely due to extra car miles, as nationally bus usage is down by 7 per cent. Investment in road infrastructure is now £4.2 billion, but under the Conservatives it reached £6.2 billion. If I quote the Government's figures correctly, investment in our trunk road system—mentioned by several Members today—reached its 1993 level only this year. As we have all agreed, expenditure on the rail infrastructure is now three times higher in real terms, but the question that we have asked several times without receiving a proper answer is, "Where is all that investment going?"

The all-operators public performance measure, which was just under 90 per cent. in 1997–98, is now only about 85 per cent. The train operating companies expect capacity to grow by about 2 per cent. between now and 2014, but usage is expected to grow by 38 per cent.

Mr. Redwood: Will my hon. Friend confirm that if the Government did hit their target of a 50 per cent. increase in railway passengers over the 10-year period, that would tackle only one year's worth of growth in the total demand for travel?

Stephen Hammond: I am grateful to my right hon. Friend for that intervention. The paper that I read on this issue confirms what he says. The reality is that capacity seems not to be a word in this Government's lexicon. The capacity issues that the transport system needs to address are not being addressed.

The hon. Member for Carshalton and Wallington (Tom Brake), who spoke for the Liberal Democrats, gave a very long speech.

Mr. Redwood: Too long.

Stephen Hammond: Some might agree.

The hon. Member for Carshalton and Wallington regaled us with several of his supposedly spiked press releases, but in doing so he merely proved to the House why they have remained unused by the Press Gallery.

My right hon. Friend the Member for Wokingham (Mr. Redwood) described the economic context in which we need to consider our country's infrastructure requirements and what we need to do to ensure a vibrant 21st-century economy. He rightly said that modal shift will not meet our needs and that we will need to achieve capacity increases in both rail and road. He also rightly said—the Secretary of State was out of the Chamber at the time—that we need to continue to use, and to expand the use of, private-sector finance to ensure that our economy's capacity requirements are met. He raised several interesting points relating to safety, and he finished by urging that maximum commercial use be made of railway property. Every Member of this House will surely agree with that.

The Deputy Prime Minister said in the introduction to "Transport 2010" that the plan will deliver the scale of resources required to put integrated transport into practice. Everybody in the House agrees that more is being spent. The Secretary of State recited in his opening contribution what my hon. Friend the Member for Epsom and Ewell had already mentioned: a list of schemes that have been completed. What the Secretary of State failed to do, and which we asked him to do, was to explain why, if so much money is being spent, so many schemes have been stopped or scrapped, and why so much of "Transport 2010" is not going to be delivered. If Members care to do so, they can hear about the detail of one such scheme in today's forthcoming Adjournment debate. The Deputy Prime Minister also said that he will put in place an "integrated ... transport system". It is certainly true that at the moment trains and cycles, trains and buses, and freight movement from ports by rail and road are not integrated. The short answer is that "Transport 2010" has not delivered an integrated transport policy.

As everyone has said today, moving freight by rail is a good idea. However, I wonder whether, when we recite that slogan, we consider all the economic, environmental and sustainable community issues that it raises. If he has not already done so, the Minister might care to acquaint himself with the Green N8 scheme, which I believe the Office of the Deputy Prime Minister is pushing. It involves moving aggregates by rail freight, but the only trouble is that concrete output is moved by road through our communities and the crowded and congested roads of north London. So in reciting these slogans, we should also be clear about what they mean for local communities.

There is no integrated transport policy. We have heard today a number of promises, and we have heard about a number of broken promises. The short answer is that the trains are getting more crowded and are still running late, and everybody is paying more for them. Traffic is still jammed and it is taking longer and longer to reach its destination. More cars are registered and everybody is paying more. When the Secretary of State was first in post, he said that he

"had no intention of tearing up the 10 year plan."

Well, it is not delivering and it will not deliver, so perhaps that is exactly what he should do. "Transport 2010" is not addressing the needs of Britain in the 21st century—it is a failure.

I commend this motion to the House.

6.49 pm

The Minister of State, Department for Transport (Dr. Stephen Ladyman): The Conservatives' thesis today seems to be that the Government have managed the economy so brilliantly well that we are all getting back to work and getting richer, and so we all want to travel more. I do not disagree with them for a second.

The Opposition also believe that the Government are investing heavily in transport but claim that we are not seeing the benefits. Opposition Members should think about their personal experience for a moment. The hon. Member for Carshalton and Wallington (Tom Brake), the Liberal Democrat spokesman, was constructive enough to admit that there have been significant improvements—including new rolling stock and increased reliability—and that people are aware of them.

I have been a Minister for nearly three years. Not one week has gone by in that time when I have not used inter-city trains to fulfil some ministerial engagement. I have seen for myself that train services are better and more comfortable. An article in the press just this week talked about the improvements on the west coast main line and said that airlines flying to Manchester are starting to think that they are under threat.

I had to fulfil an engagement today in Newport in Wales. I was able to rely on the trains to get me there and back again, even though I knew that I had to be here for this debate. In 1997, no one would have considered taking the train to Newport without taking the week off work and being accompanied by a team of sherpas. The improvements are there for all to see. For example, slam-door trains have been replaced. The hon. Member for Canterbury (Mr. Brazier) is one of the shadow transport spokesmen, and he will know—

Mr. Julian Brazier (Canterbury) (Con): Will the Minister give way on that point?

Dr. Ladyman: No, although I will if there is time later. The hon. Gentleman will have experienced those slam-door trains. I used to work for a private company in east Kent. It used to tell people that it chose Kent for a base in the 1950s because of the train service available then. Unfortunately, exactly the same trains were being used by the mid-1990s as were deployed in the 1950s. All those trains are now gone: people can see the improvements and they are aware of the channel tunnel rail links that are starting to be completed—

Mr. Brazier: Will the Minister give way?

Dr. Ladyman: I am sorry, but I need to make progress. My hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey) talked about the improvements that she and her constituents have seen in west coast main line services.

If the Opposition's comments about rail were stunning and inaccurate, their remarks about the Government's approach to road schemes were breathtaking. The press release by the hon. Member for Epsom and Ewell (Chris Grayling) contained incorrect statements about roads that have, in fact, been completed.

Chris Grayling: The Highways Agency website was inaccurate.

Dr. Ladyman: The hon. Gentleman says that the Highways Agency website was inaccurate, but we checked that during the debate and found it to be entirely accurate. He needs to have a long talk with his researchers about which old documents they used for his speech.

I shall give a few examples of why I think that the Opposition's view of our road programme is breathtaking. Between 1990 and 1994, the then Conservative Government announced that a number of road schemes would be scrapped. They included the Greater Manchester western and northern relief road, the Langford turn in Bedfordshire, the Blackwall tunnel interim scheme on the A13, the A31 Stoney Cross junction improvements in Hampshire, the A59 Copster Green bypass in Lancashire, the M1-M62 link road between Wakefield and Kirklees, the western environmental route in the London boroughs of Hammersmith, Fulham and Kensington and Chelsea, and the Exeter northern bypass. All those schemes were cancelled by the Conservatives.

The previous Conservative Government obviously got the taste for cancelling road schemes, so in 1994 they announced a review. They then cancelled the schemes on the M12 and M606, and the A1 to M1 to Scratchwood link. They also cancelled schemes on the M1, A5, A6, A6/A46—I could go on. The list of schemes that the Conservative scrapped in 1994 is very long. There are 49 of them in all and I could use my entire time talking about them.

Like an addict who had had his first shot of some drug, the Conservatives realised it was rather fun to cancel road schemes, so back they came in 1995 to cancel schemes on the M1, the M5, the M23, the M25 and more. I could go on even longer on this list because there were 77 of them. If that were not bad enough, they came back again in 1996 to scrap schemes on the M1, the M3, the M4, the M5—the list goes on and on. They scrapped no fewer than 107 road schemes that year alone. Yet they have the brass neck to tell us we are not committed to road building where it is necessary and important.

Of the 40 schemes that we identified for the targeted package of improvements, 38 are on target to be delivered by 2010. Two remain challenging. The hon. Member for Epsom and Ewell (Chris Grayling) himself identified the Stonehenge programme, and I merely ask him whether he would have given the go-ahead to a £500 million tunnel under Stonehenge without looking again at the options. We called a review when we realised it would have been cheaper to move the stones and the mountain they were sitting on.

The Liberal Democrats were of course able to critique both other parties' transport policies without giving any constructive suggestions of their own. Three leadership candidates are going round the country at the moment with three very different transport proposals. Those of the hon. Member for North Southwark and Bermondsey (Simon Hughes) seem to consist of saying that the only transport modality that should be available to any of us is walking around in open-toed sandals. The only transport contribution so far from the right hon. and learned Member for North-East Fife (Sir Menzies Campbell) has been his saying that he will drive a little less often in his classic Jag. The contribution of the hon. Member for Eastleigh (Chris Huhne) has been to say that no matter how we decide motorists should pay to use the roads in future, they should pay in euros.

[Dr. Ladyman]

All that hardly adds up to a coherent package. When the hon. Member for Carshalton and Wallington stands there giving us a list of transport proposals that would cost billions and billions of pounds, yet says that he agrees with the right hon. and learned Member for North-East Fife about the Liberal Democrats' public spending commitments, I have to remind him exactly what it was his right hon. and learned Friend said. He said:

"I am clear there is now no great public mood to increase the overall burden of taxation."

He added that current public spending was

"without precedent and must now level off."

Yet the hon. Member for Carshalton and Wallington stood there telling us about scheme after scheme that he wants to move forward.

The hon. Member for Rochdale (Paul Rowen) talked about Metrolink, telling us how we should move forward on that. I have to tell him that two of his neighbour Liberal Democrats have sat in my office in the past few weeks telling me we should go ahead with a £1 billion road scheme in their constituencies. Where does all the money come from? Where would the Liberal Democrats propose to find the money?

Paul Rowen: Will the Minister give way?

Dr. Ladyman: No.

The Government can be very proud of our achievements. We are not saying everything is perfect, but we are delivering. There have been more than 1 billion passenger journeys by rail, more even, as the hon. Member for Epsom and Ewell admitted, than there were before the days of Beeching. Some 3,800 new carriages have entered service since 1999. There is not a slam-door train left on the network. The average age of stock has been reduced from 20 years to 13. Some £7.6 billion has been spent on west coast route modernisation, which has knocked half an hour off the journey between London and Manchester. East coast upgrade improvements are under way or already delivered at King's Cross, Peterborough, Leeds and Grantham. The list goes on and on and—

Mr. Patrick McLoughlin (West Derbyshire) (Con) *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 226, Noes 318.

Division No. 150] **[6.59 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leigh, Mr. Edward
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John

Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Williams, Hywel
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Rosindell and
Mr. Crispin Blunt

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Field, rh Mr. Frank
Fisher, Mark
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Iranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
Meacher, rh Mr. Michael
Meale, Mr. Alan
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James

Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Frank Roy and Gillian Merron

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MR. SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House acknowledges the importance of providing a clear strategy of sustained long-term investment and forward planning to address decades of under-investment in the transport system; welcomes the further investment and new strategic framework provided by the subsequent Future of Transport White Paper; recognises the achievements since the 10 Year Plan was published, including the highest number of people using the railways since the 1960s and the delivery of major strategic road schemes, with further schemes either under way or due to start before April 2008; acknowledges that one of the main reasons for the continuing pressure on transport networks is that the United Kingdom is enjoying the longest period of sustained economic growth for more than 200 years; and supports the Government's determination to take the decisions which will be required to meet these pressures and put UK transport on a sustainable footing, including tackling the environmental impacts of transport, trialling road-pricing and building on the improvements in rail performance, as well as planning for long-term transport needs.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

PENSIONS

That the draft Pensions Act 2004 (PPF Payments and FAS Payments) (Consequential Provisions) Order 2006, which was laid before this House on 9th January, be approved.—*[Mr. Watson.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

That the draft Pension Protection Fund (Pension Compensation Cap) Order 2006, which was laid before this House on 11th January, be approved.—*[Mr. Watson.]*

Question agreed to.

EUROPEAN COMMUNITY DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

TRANSMISSIBLE SPONGIFORM ENCEPALOPATHIES

That this House takes note of European Union Document No. 11408/05,Communication from the Commission: 'TSE Roadmap'; and agrees with the Government's policy of maintaining a set of effective and proportionate TSE controls to protect human and animal health and of securing the long overdue lifting of the EU ban on UK beef exports.—*[Mr. Watson.]*

Question agreed to.

COMPANIES ACT 1985 (REGULATIONS)

Ordered,

That the Companies Act 1985 (Operating and Financial Review) (Repeal) Regulations 2005 (S.I., 2005, No. 3442), dated 14th December 2005, be referred to a Standing Committee on Delegated Legislation.—*[Mr. Watson.]*

PETITION

Council Tax

7.15 pm

Matthew Taylor (Truro and St. Austell) (LD): This year, under Government plans, council tax payers once again face increases that are more than twice the rate of inflation. With average bills already well over £1,000, many people on low incomes, such as pensioners, face having to pay as much as 10 per cent. of their annual income in council tax. In contrast, high earners, such as the Prime Minister and the Secretary of State for Environment, Food and Rural Affairs, might pay less than 1 per cent. of their income in council tax. Such unfairness cannot go on.

The petition that I present rightly declares:

That the year-on-year, inflation-busting increases in Council Tax are causing hardship to many and take no account of ability to pay; further that the proposed property revaluation and re-banding exercise will make an already flawed system even worse.

The Petitioners therefore request that the House of Commons votes to replace Council Tax with a fair and equitable tax that, without recourse to any supplementary benefit, takes into account ability to pay from disposable income. Such tax to be based on a system that is free from any geographical or politically motivated discrimination, and that clearly identifies the fiscal and managerial responsibilities of all involved parties.

And the Petitioners remain, etc.

As a Liberal Democrat, I have long been campaigning for such a change. It is time for the Government to listen to my constituents and those of a like mind throughout the country.

To lie upon the Table.

A46 Improvement Scheme

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

7.17 pm

Mr. Kenneth Clarke (Rushcliffe) (Con): About half an hour ago, I listened to the Minister of State, Department for Transport, who will reply to the debate, wind up the previous debate and try to argue the merits and demerits of the handling of highways construction in this country. Many years ago, I was in the office that he now holds because I was Minister responsible for roads for about two or three years. I replied to many Adjournment debates. I felt a certain sympathy when I heard him describing projects proposed, projects postponed and projects cancelled, which has been the history of far too much of our infrastructure investment in this country. Governments have promised a glut of road building and investment one moment, but the next minute, in the middle of a financial crisis, have cancelled many such schemes. However, the Minister is accountable for the present situation. He is responsible for trying to deliver some consistency of purpose and putting important projects in place. While I sympathise with his complaints about some of the inconsistencies of previous planning, I hope that that will make him feel guilty and thus able to respond to my complaints about the way in which improvements to the A46 are being handled.

The A46 is built along the route of the old Fosse way. The Romans, who had an altogether better approach to infrastructure building, put the road on the map in the first place. The relevant part of the road, as far as I and other hon. Members in the Chamber are concerned, runs through my constituency and that of my hon. Friend the Member for Newark (Patrick Mercer) between Newark and Widmerpool. The road forms part of the route between Lincoln and Leicester, via Newark. It runs close to the city of Nottingham, and important feeder roads bring in traffic from Nottingham to the junctions at Bingham and Widmerpool. The road links cities and the A1 and the M1, so it is an important artery for the whole region. The part of the road about which I am talking lies between two stretches of dual carriageway. There is a fast dual carriageway between Newark and Lincoln, and there is a fast dual carriageway from Widmerpool south to Leicester. There is quite a long bottleneck between Widmerpool and Newark, for which improvement has always been planned but never delivered.

The road carries quite a large amount of heavy goods traffic and is frequently congested. It is that most dangerous of roads—a three-lane, quite fast highway on which people expect to overtake down the centre when the opportunity arises, which has plenty of rolling small hills with dead ground and other dangerous patches. It does have a very bad accident record. There are also a large number of important rural junctions to various villages. Although there are always arguments about the precise route, there has never been any great controversy in my county of Nottinghamshire about the need to improve such an important route.

If I may, I shall deal only with the modern times of the road. I suspect that dualling was first canvassed before the second world war. In May 1989, the road was put

[Mr. Kenneth Clarke]

into what we then called the trunk road programme. Quite a lot of work was done preparing for building and quite a lot of consultation with my constituents and others took place. The scheme was at quite an advanced stage when, in 1997, the incoming Labour Government took it out of the trunk road programme. I will not return to the debates at that time, because bad examples can be found under previous Governments, including the one of whom I was a member, but the present Government have behaved inconsistently.

When the Labour Government first came to office, they were against building roads. I went to see the then Minister, Lady Hayman, and told her that the road she was taking out of the trunk road programme would be reinstated, probably by her Government, within a few years once they had faced choruses of public complaint. Alas, she decided to take the road out of the trunk road programme; inevitably, it has been restored, because the need for it is fairly desperate. It has since been proceeding as a Highways Agency TPI—targeted programme of improvements—project under the Government's present arrangements.

I have been impressed by the progress made in recent years. Consultation on the preferred route has been going on since about July 2005—indeed, consultation is still going on. There are still some arguments about particular junctions. There is one that I think the Highways Agency has got wrong, but we are all working on the basis that there is no objection in principle to a dual carriageway. We need a dual carriageway with split-level junctions and we have been getting down to the nitty-gritty of how to achieve the maximum benefit for villagers and traffic flow. We have now reached the stage where the draft orders are shortly to be published. The Highways Agency thought, as I did, that the orders might even be made before the end of 2005 and that we might be about to go to the last major public inquiry. I and my constituents have been expecting the construction of the road to begin in 2007 or 2008, and that has been the intention.

The reason I asked for this debate—I am sure that it is the reason my hon. Friend the Member for Newark will be trying to catch the Speaker's eye and why the hon. Member for Sherwood (Paddy Tipping) has come along—is that we are all slightly appalled to discover that, following so much preparation, the project is in imminent danger of being postponed for several years. The danger comes from the fact that the Government have decided that they regard the road as a regional and not a national priority. They have therefore indicated that the progress of construction will depend in part on their reaction to the advice of the regional assembly, which was asked to give advice by the end of January 2006 on where the project should fit into the regional priorities, so that the Government could make final decisions on how to proceed with roads in the east midlands.

The regional assembly has been given an impossible task. The estimated cost of the project between Newark and Widmerpool is £220 million, but an out-turn figure of £250 million or £260 million would not be surprising. East Midlands regional assembly has been given an indicative budget of £80 million a year for highway improvements in the east midlands. That is the second lowest budget in the country, and it is broadly in line with what has been spent historically in our region. As a result, advice is being sought from the regional assembly and others in the region on how to fit in an important project, the cost of which will consume at least three years of the entire budget for every transport scheme—certainly every road scheme—in the east midlands. We cannot possibly expect people outside Nottinghamshire and the surrounding areas of Leicestershire and Lincolnshire to make that decision, as the early inclusion of the scheme in the programme would postpone every improvement, every bypass and every other demand in the entire region for three years.

The regional assembly has given its advice, but I have not seen it. I am relieved, however, to discover that it is not just a question of doing down Nottinghamshire. All the authorities in the region think that it is outrageous that they should be asked to put a whale in the pond by including the scheme in the regional programme. Local authorities are making representations to the Government saying that the project should be made a national one again. They have tried to allocate a date, but it is not an immediate one. If their advice is accepted by the Government they propose that construction should be postponed to 2012, 2013 or 2014. As with all road schemes, I will believe that when I see it. If the project, which is in an advanced state of preparation, slips from an early anticipated date to 2012 it will it be a very long time indeed before it is back on track. I therefore urge the Minister to make it a national project again.

Paddy Tipping (Sherwood) (Lab): The right hon. and learned Gentleman mentioned the regional assembly. May I remind my hon. Friend the Minister that the assembly has made it clear that the road is one of national significance with wider strategic importance? Councils of all political colours believe that it should be funded nationally because, as the right hon. and learned Gentleman said, if it is not, the budget allocated in the east midlands will be eaten up for three or four years. It is an unfortunate situation, and we need to make progress.

Mr. Clarke: I agree that this issue cuts across political parties. Labour-controlled Nottinghamshire county council agrees firmly with Conservative-controlled Rushcliffe borough council. Most local authorities in Leicestershire, Northamptonshire and Lincolnshire, regardless of party affiliation, think the present situation is wrong.

The road meets some of the national criteria that the Minister has sent to me, unless one takes a pedantic view. The cities of Nottingham and Leicester are linked to a large part of the outside world to the north and south by the route and more than 50 per cent. of the traffic consists of HGVs. It does not have the traffic flows that the Government specify for a national project, but its flows are grotesquely excessive, and it has a high proportion of HGV traffic. It therefore ought to be a national scheme. When he applies the criteria, the Minister should take a final sanity check not only to assess whether the project complies with the strict terms of the criteria for a national scheme but whether it makes sense overall to make it a regional project rather than a national one. A scheme that will cost at least

£220 million cannot be handled as a regional priority by a region that has only £80 million a year to spend on everything. It is just too big to be regarded as anything other than a national project.

I hope to concede some time to my hon. Friend the Member for Newark, so I shall conclude. Apart from the transport needs that I have urged on the Minister, and apart from the innate policy absurdity of making significant progress with a road project only to cancel or postpone it indefinitely, there is the question of the money that has been wasted. The Minister answered a parliamentary question that I tabled on 26 January, and revealed that since the project was last included in the programme more than £10 million has been spent on design, preparation and consultation. Money is still being spent. If we are not careful, the consultants will be designing castles in the air, but earning good money while they do so.

If the project is postponed to 2012–13, the Minister must admit that we will have to start the whole process all over again. Someone will demand that we have a fresh consultation on a preferred route and fresh designs made, and the money already spent will be totally aborted. The Minister is struggling to fit his roads programme into a finite budget. He is no doubt trying to get value for money. Expenditure of £10 million will be aborted and wasted on useless plans, consultancy and local negotiation if the road is put off, so I urge him to try to rescue it, and to follow up the good work that he has been doing in recent years by moving on from all the consultation and getting the road constructed.

7.30 pm

Patrick Mercer (Newark) (Con): I am grateful to my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) for securing the debate, to the Minister for allowing me to speak and to the hon. Member for Sherwood (Paddy Tipping) for being present to lend the necessary cross-party support to a crucial scheme.

I hold the Minister in extremely high regard. The last time he visited my constituency—I should point out that he is the first and the only Labour Minister to visit the constituency since 1997—he came at my behest because of a problem at the hospital in Newark. His help was much appreciated. I still quote him for the sense and balance that he showed on that matter.

If I may, I invite the Minister now to join me in driving along the A46. The last time he came to my constituency, he modestly said he did not know that part of the world. If he would like to join me on the stretch of road that my right hon. and learned Friend so clearly described, we will be able to count the floral tributes by the side of the road, the near accidents that we will probably see as we drive along the 17 miles from Widmerpool to Newark, and we will be able to observe how difficult it is to turn out from one of the villages in my right hon. and learned Friend's constituency and latterly in part of my constituency as the road approaches Newark. It is a hideously dangerous road.

There have been 57 casualties in the past five months on that stretch of road. As my right hon. and learned Friend pointed out, that is particularly galling in view of the fact that last Saturday morning I was in Newark town hall looking at beautiful computer-generated videos, excellent aerial photographs, very clever designs, maps, pictures and so on—I see that the hon. Member for Sherwood has been through the same process—which show, as my right hon. and learned Friend said, a castle in the air. It is hard for me to go among my constituents, to move with them and to say, "Great plans. They look super, don't they? But it ain't going to happen."

Driving along that road in 1965 as a boy with my father, I remember him saying, "This road has got to be sorted out. It's dangerous." Those were not quite the words that he used, but the Minister can probably imagine what he said. As a theological student before the war, my father had found that road dangerous. At the time, we knew there was a scheme in place to get the road sorted out.

In the previous debate I heard the Minister, quite understandably, coming out with a long litany of failed road schemes under Conservative regimes and now, clearly, under Labour. I do not make that point to the hon. Gentleman. I am not interested in what has gone before. Mistakes have been made. However, I am deeply interested in the safety and welfare of my constituents in Newark.

There are those who say that if we dual the road, we will make it more dangerous because speeds will go up. I ask the Minister to look at the casualty levels at Brough on the Lincoln side of Newark, where the road has already been dualled. The fatalities, I am delighted to say, have fallen to nil, and the number of injuries has gone down considerably. Nothing like that has happened on the A46, except for the space that now has safety cameras installed on it up towards Farndon. Although I am delighted to have such schemes put in place, nothing, I fear, will substitute for a proper dual carriageway.

I would be awfully grateful if the Minister applied the same balance and reason to that stretch of road as he did to Newark hospital. I would be grateful if he were to remain untrammelled by the bureaucracy that accompanies any Government.

Will the Minister accept my invitation to look at the road? In due course, will he accept the petition that we have started in Newark? Will he apply his common sense and intelligence and understand that this scheme must not be dealt with at the regional level? The scheme is of national importance, and it is of extreme economic importance to Newark. Will he use his good offices to make sure that he makes the sensible decision? I know that I can rely on him.

7.35 pm

The Minister of State, Department for Transport (Dr. Stephen Ladyman): I congratulate the right hon. and learned Member for Rushcliffe (Mr. Clarke) on securing the debate. I also congratulate my hon. Friend the Member for Sherwood (Paddy Tipping) and the hon. Member for Newark (Patrick Mercer) on their contributions.

I have considerable sympathy with the points that have been put today. Having studied the issues in preparation for the debate, I understand the points that have been made. I will not make a commitment today, other than to take those points away and consider if and

[Dr. Stephen Ladyman]

how we can proceed. There is no dispute as to whether the scheme needs to go ahead; the questions concern when it will go ahead and how we can pay for it.

Since reference has been made to the previous debate, I should point out that this scheme was not one of those pulled by the previous Conservative Government. It remained in the programme until 1997, although it involved building three roundabouts and imposing a 50 mph speed limit. That scheme was considerably cheaper than the current proposals, but it would not have dealt with the problems. Fixing those problems will make the scheme considerably more expensive; as the right hon. and learned Member for Rushcliffe has said, it will probably cost about £220 million.

The A46 is part of the core trunk road network, providing a strategic link between the M1 and the A1 in the east midlands. It forms part of the Bath to Lincoln trunk road, and it is a key road corridor for long and medium-distance traffic travelling from Leicester. It is the missing link between Lincoln and Leicester, as it is the only section of that important strategic route that has not been improved to modern standards.

The section between Widmerpool and Newark carries between 16,200 and 25,300 vehicles a day, up to 15 per cent. of which are heavy goods vehicles. The mix and level of traffic, which includes significant agricultural movements, gives rise to frequent congestion and delay.

As the right hon. and learned Member for Rushcliffe has said, the road is straight and undulating—it follows the old Roman road—which makes overtaking difficult. As the hon. Member for Newark has said, the road has a poor safety record; in the five years between 2000 and 2004, there were 14 fatal, 62 serious and 222 slight accidents.

Bridleways and footpaths join and cross this section of the A46, but walkers, cyclists and horse riders find the road difficult to cross because of the traffic. The Highways Agency has therefore proposed a new 28 km two-lane dual carriageway from the A606 two-level junction at Widmerpool to an improved roundabout at Farndon, just south of Newark. The improvement would reduce congestion, improve safety and provide a bypass for East Stoke and Farndon, helping to improve the overall quality of life for all the villagers. New two-level junctions would be provided at Roehoe, Owthorpe, Stragglethorpe, Saxondale, Margidunum, Red Lodge, Flintham and Lodge Lane.

Some sections of the existing A46 would be retained for use by local traffic, and some sections would be downgraded for use by cyclists, walkers and horse riders and for private means of access. The proposals would provide safe access across the A46 for those users through bridges and underpasses.

The proposed upgrade will improve safety and traffic flows and benefit the region's economy. It will complement the recently dualled stretch from Newark to Lincoln, which was opened in the summer of 2003. The journey time between Widmerpool and Newark will improve by 23 minutes in the morning peak, 27 minutes in the afternoon peak and 12 minutes in the inter-peak period. Over a 60-year evaluation period, 1,453 personal injury accidents will be saved, as will 52 fatal casualties, 327 serious injuries and 1,998 slight casualties. I hope that by putting that on the record hon. Members on both sides of the House will accept that I do not dispute the importance of getting on with the scheme.

The Highways Agency appointed an ECI—early contractor involvement—contractor, Balfour Beatty, in March 2004 to take the scheme through the statutory process and construction. Draft orders and an environmental statement for the scheme were published on 9 December. The Highways Agency held exhibitions in two venues in mid-January and the objection or comment period ends on 17 March. The visitors' books at the two exhibitions recorded some 844 signatures, and to date about 69 written responses have been received.

Now we come to the difficult bit. As part of the spending review in 2004, we announced that routes on the strategic road network will now fall into two categories: those of national importance, mainly the major motorways such as the M1 and M25; and those of predominantly regional importance. Under the criteria that we have adopted, the A46 has been classified as a route of regional importance. The criteria are these: to have average daily traffic flows along the length of the route of more than 60,000 vehicles; to link at least two of the top 20 English cities by population; to carry heavy goods vehicle traffic equal to or in excess of 15 per cent. as a percentage of all traffic; and to be represented on the European Union's trans-European transport network. There are other criteria involving Wales and Scotland and airports and seaports, which I am not sure would apply in this case. The A46 does not meet the strict interpretation of those criteria, as the right hon. and learned Gentleman said.

Paddy Tipping: I am delighted that my hon. Friend the Member for Gedling (Mr. Coaker) has been able to join us, because he, like me, travels from Nottingham to Leicester—the two major cities in the east midlands—on this particular road, and knows that it does meet the criteria.

Dr. Ladyman: I acknowledge the presence of my hon. Friend the Member for Gedling (Mr. Coaker); I had not realised that he had joined us in the Chamber. I take my hon. Friend's point, but I have to repeat that the road does not meet the strict interpretation of the criteria. However, I heard what the right hon. and learned Gentleman said about the need to look at the criteria a little more flexibly. I am certainly prepared to go away and investigate what we might be able to do in that respect.

The Secretary of State invited the regions to provide us with priorities for various schemes as part of our wider policy of taking advice from local people who know where the priorities should be. The Department received the advice from the East Midlands region yesterday. It presented many challenges, and the region has not made the scheme one of its early time scale projects. Instead, it suggested a later time scale than that that the Highways Agency originally proposed. However, the region said that it wanted to explore alternative funding sources with the Department and the Highways Agency.

Given that I have only just received the advice and the serious difficulties that the right hon. and learned Member for Rushcliffe outlined today, I do not believe

that I should comment further at this stage. I simply repeat that I have some sympathy with the points that have been made. I am prepared to consider how we can help with the scheme. However, I can make no promises because I am, to some extent, trying to squeeze a quart into a pint pot.

Patrick Mercer: Will the Minister please consider my invitation to come and see the road for himself?

Dr. Ladyman: I shall certainly consider that. Obviously, I am invited to see many roads at the moment. If I am in the area, I shall make arrangements to see the road. I am grateful for the invitation and, if I come, I shall ensure that hon. Members know that I am in the area.

Mr. Kenneth Clarke: If the scheme is put back because the region does not feel able to rule everything out for the next three or four years by recommending it, will the Minister confirm that we will have to start all over again, when it is revived, with the third process of consultation in less than 20 years, the third process of design and so on? If so, the amount of money that would be simply aborted constitutes a scandalous loss of transport investment opportunities.

Dr. Ladyman: It would depend on the length of the delay and several other factors. However, starting the process again is a possibility. At the very least, we must take account of construction inflation in the intervening period, which will always put up the price. That is why we estimate that it is likely to cost £220 million on the Highways Agency's current time scale.

I have listened to what the right hon. and learned Member for Rushcliffe, the hon. Member for Newark and my hon. Friend the Member for Sherwood said. I have no doubt that I shall receive many more representations about the road. I have undertaken to examine the issues as sympathetically as I can. However, I ask for a little sympathy in turn because I have to exercise the judgment of Solomon about the difficulties. Every region in the country has identified a whale in the pond, as the right hon. and learned Gentleman described it, that they would like me to make a priority and fund separately from their regional prioritisation. Clearly, I cannot do that everywhere because there is simply not enough money to go round. I stress that I have heard the messages of the debate and I shall do what I can to be helpful.

Question put and agreed to.

Adjourned accordingly at fourteen minutes to Eight o'clock.

House of Commons

Thursday 2 February 2006

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Recycling (Charities)

1. **Philip Davies** (Shipley) (Con): What support her Department provides to small local charities promoting recycling by selling on second-hand products and material. [47592]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): A wide range of funding is available for those sorts of schemes from a variety of Departments and other sources. We will publish shortly a consultation document on our waste strategy review, which will address the future role of the voluntary and community sectors in waste management.

Philip Davies: I thank the Minister for that reply. Will he consider providing some much-needed funding for Bradford area play association and Windhill community furniture store in my constituency and other small groups, which not only provide an invaluable service in the local area but play an important recycling role by selling second-hand products that would otherwise be thrown away?

Mr. Bradshaw: I note that the hon. Gentleman is asking me to make another spending commitment, which I am nervous about doing. He is right, however, to point out the important role that the voluntary sector plays in recycling and waste management. I am aware of one of the groups in his constituency that he mentioned, because he wrote to me about it. May I recommend that he advises it, if it has not already done so, to contact either its local Business Link or the national furniture reuse network, which might be able to help with advice on funding streams? As I said to him, the Government are examining closely whether the voluntary and community sector can play a bigger role in waste management as part of our waste review.

Mr. Peter Bone (Wellingborough) (Con): Yesterday, I received a visit from Ricoh, a company in my constituency, which proposes to provide can crushers in schools for recycling. The profit would be sent back to schools to fund projects. Can the Minister give that company any encouragement?

Mr. Bradshaw: That sounds like an excellent idea. If the hon. Gentleman writes to me about it, I might be able to provide some advice on how the company could get such an idea off the ground. Recycling of aluminium is a worthy project and it fetches a good price. One of the problems is that it is a relatively light substance and many local authorities do not go to much effort to collect it because it does not count towards their recycling targets. That is another issue that we hope to address in the waste review.

Biodiversity

2. **Greg Clark** (Tunbridge Wells) (Con): If she will make a statement on her policy on biodiversity. [47593]

The Minister for Climate Change and the Environment (Mr. Elliot Morley): Our goal is to conserve and enhance biological diversity within the UK and abroad. The Department for Environment, Food and Rural Affairs plays an important role in promoting biodiversity internationally, through support and funding for work on conserving individual species and successful participation in key international conventions and forums. At home, we are making good progress towards our target to bring into favourable or recovering condition 95 per cent. of all nationally important wildlife sites by 2010.

Greg Clark: Is the Minister aware of the work of the London ecology unit in establishing the critical importance of back gardens in promoting biodiversity in our urban settings? Back gardens are being lost at an alarming rate through their classification as brownfield sites. How can we have a credible biodiversity policy in urban areas when Ministers admit to me that they do not even know how much green space in our towns and cities is being lost every year in that way?

Mr. Morley: With respect, the hon. Gentleman is confusing two issues. It is certainly true that back gardens make an important contribution to biodiversity. I say that as someone who featured in the *BBC Wildlife* magazine, probably due to a lack of gardening skills. On the brownfield definition, I think that he is thinking of waste areas in urban areas, which can have some biodiversity benefit because they are overgrown, and which are classed as brownfield sites in relation to development. In terms of land assessment and registration, most local authorities have a fairly good idea of the figures.

Colin Challen (Morley and Rothwell) (Lab): I know that my hon. Friend will be very much aware of the concerns expressed by non-governmental organisations about the rapid development of palm oil and its impact on biodiversity and tropical deforestation. Is he having discussions with his colleagues in the Department of Trade and Industry and the Department for

International Development to address this serious situation and to ensure that we do not use palm oil from such sources?

Mr. Morley: Yes, I can confirm that for my hon. Friend, and I know that other hon. Members have an interest in this matter. We strongly support the Department for Transport's proposal for a biofuels obligation, but we do not want that to be at the expense of deforestation and unsustainable management in terms of importation. DEFRA has been working with the Department for Transport to introduce a certification scheme for imports of biofuels to ensure that we address those issues.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): As the Minister will know, the Centre for Ecology and Hydrology provides excellent research at its Banchory station, monitoring the upland areas and sea bird life. Can he clarify how Government policy will be enhanced by the loss of four of the Centre for Ecology and Hydrology's research centres and a cut in staff of more than a third? Will he ensure that his Department makes representations to the Natural Environment Research Council to make it understand fully the importance of effective biodiversity research in informing Government policy?

Mr. Morley: I can certainly confirm that the Centre for Ecology and Hydrology provides an excellent service. DEFRA spends about £2.7 million on commissioning work from it. As the hon. Gentleman will know, the CEH is accountable to the Natural Environment Research Council, which has proposed its restructuring. The proposal is still at the consultation stage. I am sure that the council will listen to the representations made to it, and of course DEFRA will contribute to the consultation.

Tony Lloyd (Manchester, Central) (Lab): Whether we are talking about palm oil or the English apple in the context of monoculture, is not the role of the distribution system, and our supermarkets in particular, very damaging to biodiversity? Will the Minister take a serious look at the role of the supermarkets, talk to them and see whether he can persuade them to wean themselves off monoculture?

Mr. Morley: I can confirm that. DEFRA has commissioned work on food miles. On Monday I toured the north-west and looked at sustainability projects. I was very impressed by the work of the NHS and Arrowe Park Hospital NHS Trust, which had redesigned contracts to ensure that food came from local suppliers, thus reducing the number of suppliers and giving local businesses an opportunity to tender.

Mr. Peter Ainsworth (East Surrey) (Con): The Minister has already been a great deal more helpful today than the Prime Minister was yesterday on the subject of the proposed closures, but may I press him a little further?

"Given the level of funding reduction, the extent of the closures that have been proposed seem disproportionate. The proposed reduction in staff numbers ... must be expected to have a significant impact on scientific capability, and this will denude the UK science base of invaluable expertise".

Those are the words of the Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for South Dorset (Jim Knight). Given the concern that has been expressed, not only by non-governmental organisations but by his ministerial colleague, will the Minister not just contribute to the consultation on the closures but actively oppose them?

Mr. Morley: One of the centres is in the constituency of my hon. Friend the Under-Secretary, who has been making representations like the assiduous constituency Member that he is.

I repeat that the NERC needs to take account of the fact that the centres can provide scientific services of the quality that we have come to expect. It is involved in consultation. Members of Parliament and, indeed, other organisations are free to comment on the proposals and, as I have said, DEFRA will also be commenting.

Biofuels

3. **Mr. Graham Allen** (Nottingham, North) (Lab): What proportion of crops grown in the UK over the next five years she estimates will be for the manufacture of biofuels; and if she will make a statement. [47595]

The Minister for Climate Change and the Environment (Mr. Elliot Morley): In November 2005, the Government announced their intention to introduce a renewable transport fuels obligation. It will require 5 per cent. of transport fuel to be from renewable sources by 2010. At this stage, it is not possible to say what proportion of the obligation will be met from UK sources.

Mr. Allen: As we heard during the exchange about palm oil, none of the materials that we think are sustainable is without its own environmental consequences. We all want biofuels, but will the Minister make it clear that we will not denude our rainforests to create them, thus creating even more problems? When he examines the certification scheme on an international basis, will he ensure that it includes all the necessary safeguards, including safeguards for the producer—often an ordinary peasant farmer—who, on occasion, is the unwitting victim of our environmental policy?

Mr. Morley: I know that my hon. Friend takes a close interest in the issue and I agree with him entirely. There is a social dimension.

Ethanol imports do not necessarily originate in palm oil crops; they may come from wheat crops. Whatever the source of potential imports, however, Government policy must not add to unsustainable pressure in other countries. For that reason we are determined to establish the certification scheme. It is now well advanced, and I will bear in mind my hon. Friend's sensible remarks.

Mr. Philip Hollobone (Kettering) (Con): Given the importance of encouraging farmers in this country to grow biofuels as part of the battle against climate

change, will the Minister consider relaxing EU laws on, for instance, set-aside so that biofuels can be grown on land that would otherwise be unproductive?

Mr. Morley: I am very pleased to tell the hon. Gentleman that that facility already exists—farmers can grow crops on set-aside land if it is for industrial use.

Rob Marris (Wolverhampton, South-West) (Lab): May I caution my hon. Friend on the matter of safeguards? Some people are driving around this country using, for example, used chip fat, as a biofuel. Such materials do not get the 20 per cent. fuel discount, but they are incredibly polluting. We do not really know what is going into these vehicles—it could be just any old rubbish out of a chip pan. What steps are the Government taking, or proposing to take, to safeguard us from the worse air pollution that will result from the use of unauthorised, uncertified biofuels?

Mr. Morley: We very much welcome the use of used cooking oils—which are sustainable and recyclable—as fuel, but my hon. Friend is right to point to the importance of taking into account quality control and the carbon dioxide balance in the processing of biofuels. We have addressed this issue by making capital allowances available for the processing of biofuels, but they are payable only if the processes meet the established standards.

Mr. Stephen Crabb (Preseli Pembrokeshire) (Con): My question is the complete opposite of that asked by the hon. Member for Wolverhampton, South-West (Rob Marris), in that I urge the Minister to speak to the Financial Secretary to the Treasury about revising his interpretation of this rule. Numerous excellent biofuel microbusinesses, such as the Veg Oil Motoring company in my constituency, have researched the environmental benefits of their product. However, they are being put in jeopardy by the Financial Secretary's decision not to include them in the lower duty band.

Mr. Morley: As we heard from my hon. Friend the Member for Wolverhampton, South-West (Rob Marris), quality control is an issue. The whole House will agree that we want to support this industry, which is sustainable and deserves encouragement, but that we also want good standards. In applying capital allowances, which is a form of financial encouragement, it is not unreasonable to ask that the company concerned maintains minimum decent standards.

Mr. Brian Jenkins (Tamworth) (Lab): I do not want to pour water on my hon. Friend's troubled oils, but he must surely recognise that the technology that we are talking about supporting is not in fact sustainable. Will he ensure that we do not spend excessive sums on supporting it, and that we look instead for new technologies to drive our vehicles of the future?

Mr. Morley: We need a range of technologies and an energy mix, and such a mix is a feature of the current energy review, which is being led by my hon. Friend the Minister for Energy. However, the fact remains that used cooking oils exist, and processing them into fuel is a very good way of dealing with them. It is desirable to replace a proportion of the fossil fuels in our fuel mix with biofuels; indeed, we should encourage that.

Food Procurement (Animal Welfare)

4. **Adam Afriyie** (Windsor) (Con): What proportion of publicly procured food met British standards of production and animal welfare in 2004–05. [47596]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): All food produced in Britain should of course meet British standards for production and animal welfare. Records on procurement are not held centrally, but public bodies have to balance their support for local producers with a duty to provide value for money for taxpayers.

Adam Afriyie: I thank the Minister for that degree of reassurance. It is clear that we have some of the best, and highest standards of, animal welfare legislation in the world. However, if our public procurement involves the purchase of goods from overseas, where standards may be lower, we may be fuelling the continuation of a lesser standard of care for animals than exists in the UK. Is the Minister aware of any instances of the public procurement of food produced outside the UK containing animal products that are below UK standards?

Mr. Bradshaw: Yes. It is inevitable that products imported from parts of the world that do not meet the same welfare standards as this country has are produced to a lower welfare standard; indeed, in some cases that is true of other parts of the EU. Britain already has higher welfare standards in respect of pigs, for example. That is why I would always urge consumers to buy British meat, which is undoubtedly produced to higher welfare and other standards. However, as the hon. Gentleman knows, we are a major trading nation and we have doubled our meat exports, in both volume and value terms, since 2001. I urge him to be cautious in recommending protectionist measures, which could hit our own exporters.

Mr. Russell Brown (Dumfries and Galloway) (Lab): Will my hon. Friend comment on a report on "Farming Today" that contaminated pig feed had been used in the Netherlands, Belgium and Germany?

Mr. Bradshaw: I read a transcript of that report only about an hour and a half ago. I have asked the Food Standards Agency, which is responsible for food safety in this country, and my Department to give an urgent response. I repeat what I said a moment ago to the hon. Member for Windsor (Adam Afriyie): as always, I recommend that British consumers buy British pork, which is raised to higher welfare and other standards. The same is true of British bacon. We consume far too much imported bacon in this country, and British consumers should support British farmers.

Miss Julie Kirkbride (Bromsgrove) (Con): Significantly, the Minister has not mentioned the British egg industry, which is under severe threat from

competition from abroad, where lower standards apply. What is he doing, in terms of public procurement or any other strategy, to protect the British egg industry?

Mr. Bradshaw: I and my ministerial colleague in the House of Lords are responsible for this area of policy. We have regular meetings with the British Egg Industry Council and the British Poultry Council, and we have met those bodies more often recently to discuss the threat from avian flu. However, I hope that I can reassure the hon. Lady by saying that consumption in this country of British-produced eggs and poultry is growing—a trend that is not evident in other countries. Again, we have to strike a balance between abiding by international and EU trade laws, from which we benefit as exporters, and encouraging people to support the British egg and poultry industries. As a whole, our domestic production is of a higher standard than that in the rest of the world.

Mr. Lindsay Hoyle (Chorley) (Lab): I presume that my hon. Friend will be aware of the dangers of importing beef from Brazil, where slave labour is used to clear forests and produce very cheap beef at the expense of British farming. Will he ensure that our procurement policies take account of the people who are forced into slave labour and the conditions that they endure, as well as animal welfare standards?

Mr. Bradshaw: I am sure that my hon. Friend will know that our procurement policies are legally constrained by the World Trade Organisation rules, from which, as I just explained, we benefit as exporters. They are also constrained by EU rules, but I guess that my hon. Friend may be pleased to hear that the recent outbreaks of foot and mouth disease in Brazil have caused British imports of Brazilian beef to fall in the past few months. The lifting of our over-30-months scheme means that beef produced in this country that is over 30 years old—*[Interruption.]* I mean beef that is over 30 months old is now allowed to go on to the market, so the future for home-produced beef for domestic consumption and export is very rosy.

Dr. William McCrea (South Antrim) (DUP): Does the Minister accept that there is a sense of frustration among UK farmers? They incur high costs in producing food to the highest possible standard of quality and animal welfare, but have to compete with produce from other countries that is often of a lower standard.

Mr. Bradshaw: I have already implied that I accept that frustration, but there is another side to the equation. We can make something of the fact that our meat and other food is produced to a higher standard, and use that to persuade British and UK consumers to buy it. As I just said, our meat exports have more than doubled, in both value and volume, since 2001. That speaks volumes for the quality of what we produce.

Rural Payments Agency

5. **Mr. Geoffrey Clifton-Brown** (Cotswold) (Con): If she will make a statement on the effectiveness of the Rural Payments Agency. [47597]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): In 2004–05, the RPA met all its key performance targets against a background of considerable organisational change and the introduction of the single payment scheme. The Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for South Dorset (Jim Knight), announced on 31 January that the RPA would meet its 2005–06 commitment for starting SPS payments.

Mr. Clifton-Brown: I draw the House's attention to my entry in the Register of Members' Interests in respect of this matter. I thank the Secretary of State for her reply, but the Department is wallowing in a quagmire with the RPA, given the number and complexity of the schemes involved. This week, Lord Bach said that "the bulk" of single farm payments will be made in March, as opposed to earlier forecasts that 96 per cent. of such payments would be made then. That is a considerable climbdown, given that the Germans are able to pay their farmers on time. Farmers in Scotland, Northern Ireland and Wales have received 75 per cent. of their payments, so when will the Department stop introducing overly complex schemes? The Roman empire was killed by bureaucracy—how long does she think it will take her Department to kill off British agriculture?

Mr. Morley: I thought that Attila the Hun killed off the Roman empire.

Margaret Beckett: As my hon. Friend has just said, he rather thought that it was Attila the Hun who killed off the Roman empire, but we will not go into that. The hon. Gentleman is in error. He is right that it looks as though we shall not be able to make as much as 96 per cent. of the payments in March, which was the original goal, but we hope to make the majority of payments then. He described what was happening elsewhere. Scotland, Northern Ireland and Wales are paying on a different basis—that of previous entitlement. My understanding is that in Germany, where the circumstances are more similar to those here, the Government will issue entitlement notices to their farmers by mid-February, which is about the same time scale as ours.

David Taylor (North-West Leicestershire) (Lab/Co-op): As a DEFRA Select Committee rapporteur on this issue, I note that the software for the single farm payments is being supplied by Accenture, the Bermuda-based former Andersen Consulting. Does my right hon. Friend the Secretary of State agree that while we should pay sincere tribute to the Rural Payments Agency staff for their heroic efforts, the Government and, more important, long-suffering taxpayers are over a barrel on this project as the quoted revenue costs have already doubled to almost £40 million? When are we going to get an effective ICT strategy in DEFRA?

Margaret Beckett: I appreciate my hon. Friend's tribute to the RPA staff who have worked, and are continuing to work, enormously hard and long hours. He was perhaps a little unjust, however. He is right that both the cost and the time taken to put in the schemes are substantially more than originally envisaged.

I remind the House that the original costs and time scale were established before the 2003 reform negotiations, so they were on the basis of the old CAP scheme. It was inevitable that there would be a change in both the costs and time scale once the new reforms had to be accommodated.

Mr. Michael Jack (Fylde) (Con): Pursuant to the right hon. Lady's last answer, will she explain—bearing in mind that her Department was the author of the version of the single farm policy that is being introduced into the United Kingdom—why the additional volumes of work that have occasioned the extra costs to occur, as mentioned by the hon. Member for North-West Leicestershire (David Taylor), and the problems that the RPA has experienced have been a direct result of what appears to be an unanticipated volume of work from a policy that she and her hon. Friends agreed?

Margaret Beckett: It is indeed a policy that the Government decided to implement—and I think that at the time the House shared the Government's view that this was the best scheme to implement as it was the only one to operate on any basis other than simply paying people what they would have got on the basis of the farming that they were doing up to three or so years ago. We did not believe that that basis of payment would be sustainable or acceptable to English taxpayers for many years to come. For that reason, we thought that in the long term this scheme was better for the farming community.

The right hon. Gentleman is right to draw attention to the fact that there were a substantial number of changes. As a result of the new entitlements under the reformed scheme, about 50 per cent. more people are now making claims from the RPA than in the past, and there was a 1,000 per cent. increase in requests either for new land to be registered—land that people had not previously bothered to register—or for the boundaries of registered land to be amended. In the past four months alone, about 52,000 map changes had to be made. Some of those changes came from people who had made previous applications and had said that their land had been registered. There is a genuine problem and it is important to keep on top of it. We are doing so.

Mr. Dan Rogerson (North Cornwall) (LD): As hon. Members have said, there has been a series of problems with farmers who have contacted the RPA over mapping and inaccuracies in letters that they have received. A lot of the contact that farmers have had has been unnecessary and would have been dealt with if the agency had been more efficient and dealt with each issue as it arose. Call centre staff, for example, were not briefed on the issues that farmers were raising with them. Does the Secretary of State intend to apologise to farmers in England for the inefficient way in which they have been treated?

Margaret Beckett: Over the past year, we made it clear that we were concerned about some of the problems that became evident at the start of last year. It may not be within the hon. Gentleman's memory, but it will be within the memory of many other hon. Members, that it is now more than a year since we were forced to announce that we would not be able to begin payments until February. Those problems did arise some time ago and huge amounts of extra effort—including extra staff—have been put in. I remind the House that the IT programme is being monitored by the Office of Government Commerce in its gateway project, and it has said recently that it has been managed very professionally, with very visible ministerial and departmental support.

Mr. James Paice (South-East Cambridgeshire) (Con): Now that Lord Bach has cleared up the confusion that he created last week, when he referred to making partial payments, by saying that full payments will be made—as the Secretary of State has just confirmed—can she now tell us what is meant by the phrase "the bulk", which appeared in his press release? Her own just now referred to starting on time. How many farmers will not get their payments by the end of March? Can she confirm that probably tens of thousands will still be waiting well into April for their money, largely because of her determination to introduce that very complicated scheme at the earliest opportunity and to allow 50 per cent. more people to claim the subsidy than ever claimed it in the past?

Margaret Beckett: I would have thought that hon. Members welcomed that increase. I am not aware that there was any confusion. The hon. Gentleman will recall that we have been continually pressed to give assurances that if the RPA were not in a position to make full payments, partial payments would be made. It has always been the publicly stated position that some payments would begin to be made. We hoped that full payments would be made, but if that was not possible, partial payments would have to be made. However, nobody really wanted that, including the farming community, because of the complexities that it would cause.

The hon. Gentleman says that it is a complicated scheme, but that is misconceived. The transition from 11 different schemes with different rules, payment dates and procedures, to a single scheme is complicated, but the scheme itself—once it is fully in place—will be simpler and we envisage that it will reduce the bureaucracy that farmers face by some 15 per cent., as well as giving an estimated £400 million to £500 million a year in extra income to the farming community in the longer term.

Avian Influenza

6. **Mr. Nigel Waterson** (Eastbourne) (Con): If she will make a statement on recent development of her Department's contingency plans in the event of a national outbreak of avian influenza. [47598]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): We laid the latest version of our contingency plan before Parliament in December. Our response to avian flu is kept under constant review.

Mr. Waterson: I appreciate that a register has now been introduced for poultry farmers with more than 50 birds, but what is being done to keep smaller poultry

farmers in the loop as the situation develops? Does the Minister have a contingency plan to loosen the rules on free range animals if it becomes necessary to order farmers to bring their poultry indoors?

Mr. Bradshaw: On the hon. Gentleman's latter point, we are cognisant of the concerns, not only in the free range industry but across the industry, and if we wound up measures to prevent spread, in the event of an outbreak in this country, we would have a proper risk assessment and wind them down as soon as it was safe to do so afterwards, to avoid an unnecessary impact on those producers.

On the hon. Gentleman's first point, we put the threshold at 50 because all of our veterinary advice suggests that it is the larger flocks that are more likely to be infected and then create the size of viral load that is more likely to spread. There are more poultry keepers in this country than at any time since the second world war. Although we have not made it compulsory for people who keep fewer than 50 birds to register, we are advising them to do so to make the transmission of information easier.

Bob Spink (Castle Point) (Con): We must stop the virus mutating so that it can be transmitted from human to human, but it is likely to do so in those who are exposed to the virus—the workers in the industry. What discussions is the Minister holding with colleagues in other Departments to ensure that all workers in the poultry industry are vaccinated as soon as possible?

Mr. Bradshaw: We are working closely with the Department of Health on that. Recently, I met representatives of the poultry workers' trade unions. The hon. Gentleman is right to say that the main danger—indeed, the only danger—to human health is for those who live or work in close proximity to infected birds. We have far better biosecurity in this country than in parts of the world where the disease is endemic. For the most impact on trying to prevent mutation, or reassortment, we need to get a handle on the outbreaks in south-east Asia and other countries. In Turkey, as he will know, there are some small back-yard flocks where people actually sleep with their birds and have very intimate contact with them. As far as I am aware, that does not happen in this country.

Bill Wiggin (Leominster) (Con): The report of the independent review on avian quarantine recommends that reverse transcription polymerase chain reaction be used as a method to detect avian influenza. Will the Minister confirm that it is his intention to use that system to detect avian flu? Bearing in mind what he has just said to my hon. Friend the Member for Castle Point (Bob Spink) about small poultry-keepers—people such as me—surely it is worth having more than a voluntary register, which after all is still not open and will not be until 28 February, as people are more likely to bring their poultry into their own homes, thereby risking infection if information about the risk is not given to them.

Mr. Bradshaw: I am sure that the hon. Gentleman does not have the level of intimacy with his birds that I described as being commonly the case in other parts of the world.

It is interesting that the hon. Gentleman recommends that we take a less proportionate and more bureaucratic approach to the poultry register. I thought that his party favoured better regulation, but clearly not. We think that we have taken a sensible and proportionate approach, which is supported by all the farming unions and industry representatives, including those with small flocks and hobbyists. In answer to his question about the tests used for avian flu, we shall certainly investigate the usefulness of the test that he described but the best test is still a post mortem based on a sample from an infected bird.

Carbon Dioxide Emissions

7. **Mr. Stewart Jackson** (Peterborough) (Con): If she will make a statement on the measures the Government are taking to reduce carbon dioxide emissions. [47599]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): In 2000, we published a climate change programme, which set out the approach to tackling climate change. It was updated in December 2004 through the consultation document produced for the programme review and 2005 saw some new initiatives, including the renewable transport fuels obligation and the climate change communications initiative. The pre-Budget report also gave more funding for energy efficiency, carbon abatement technology, carbon capture and storage and biofuels. Additional measures will be announced in the new climate change programme.

Mr. Jackson: The fact is that carbon emissions have not been reduced, but have increased by 9 per cent. over the past six years. Even the Government's chief scientific adviser stated that it is unlikely that they will meet the 2010 target. Clearly, party politics is not working, so is not it time for the Government to join the cross-party consensus, with the Conservatives, Liberal Democrats and other Opposition Members? They should put party politics aside on such a vital issue of international and national importance.

Margaret Beckett: I have always thought that it was a peculiarly British trait to think that if something is really important it should be outside and above the political process. I am not quite sure what people think politics is about. Leaving that aside, I am delighted to welcome the cross-party consensus—all parties are signed up to the targets that the Government set, and were challenged for doing so, some time ago. That is a wholly welcome development. However, I am never one to sign a blank cheque, so until I see the policies that are backing up the consensus that targets are highly desirable, I shall be keeping a watching brief.

Norman Baker (Lewes) (LD): The right hon. Lady had a letter.

Margaret Beckett: Yes, and I have read it carefully. It says, "Let's set up an agency", which is not quite what I am looking for.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): Although I congratulate my right hon. Friend on some of the tough decisions that she and the Government have made on reducing carbon dioxide emissions, may I urge her to look at some of the work that Urban Mines—an environmental charity that I chair—has been doing in trying to bring home to people the impact of their carbon footprint on our planet? It is important to explain what the individual, the family and the corporation can do to lessen their carbon footprints. At every level, the carbon footprint is vital to our future. That means taking tough decisions, not those that the President of the United States alluded to a couple of days ago, because the fix will come not from technology but from curbing and changing human behaviour.

Margaret Beckett: My hon. Friend is right and I hope that he will know that, quite recently, the Government launched a new communications programme, with the strapline, "Tomorrow's Climate, Today's Challenge". The purpose of that campaign is to show that all our research evidence suggests that, to change people's behaviour, we must first increase their awareness of the problems and the contribution that they can make. We are very much geared to doing that and I hope that we will have the genuine, cross-party support of all hon. Members, because this is probably the greatest challenge facing humankind.

Mr. Nick Hurd (Ruislip-Northwood) (Con): About a quarter of emissions seep out of our own homes. Does the Secretary of State accept the widespread argument that, if we are to transform attitudes to energy efficiency in our own homes, we need more of the simple tax breaks pioneered by the Conservative council in Braintree? If so, does she understand the widespread frustration that the Chancellor appears to be doggedly deaf to the argument?

Margaret Beckett: I take the hon. Gentleman's basic point completely: we could do a great deal more, not least in this country, where, historically, we have neglected energy efficiency. I cannot immediately call to mind the initiative taken by Braintree council, but I am conscious of the fact that the energy efficiency commitment has driven a lot of this work and that is, of course, something that the Government instigated and resourced. With such measures and the Warm Front programme and so on, we are substantially stepping up what we do. He underestimates the figure—from memory, about 50 per cent. of our emissions come from our building stock—and it is important for all of us to address that, not least because it will cut people's fuel bills and making them warmer.

Edward Miliband (Doncaster, North) (Lab): Is my right hon. Friend aware that the climate change levy will contribute a 3.5 million tonne reduction in carbon emissions by 2010? Does she agree that, if we will the ends of reduced carbon emissions, we also need to will the means, such as the climate change levy, and that to do otherwise is complete hypocrisy?

Margaret Beckett: My hon. Friend is absolutely right that the climate change levy is, in fact, already making a bigger contribution than we had anticipated to reducing emissions, and we judge it to be a very successful policy. I take his point: we would like all parties in the House to sign up to that policy, but in fairness to other parties, people do not always have identical solutions. If it is still the case—I understand that it is—that the Conservative party is not willing to accept the viability of the climate change levy, it is incumbent on it to come up with equally successful alternatives.

Norman Baker: In the week that we are told that we might reach the point of no return on climate change, is it not a dereliction of duty by the Government that we are still waiting for the climate change review, which was promised in June, then October, then December, then January and now before the Easter recess? When will the review be published? Are the Government still committed to the 20 per cent. cut in carbon emissions by 2010, or is that being abandoned? Will she confirm whether, having caved in to the dinosaurs at the Department of Trade and Industry over nuclear power, she will at least stand firm on the EU emissions trading scheme, given the £800 million windfall that the power sector has benefited from in phase 1?

Margaret Beckett: So much for the cross-party consensus. However, the hon. Gentleman is right to say that, unfortunately, we have not been able to produce the climate change programme review as early as we had hoped, in no small part because it revealed further analysis that we wanted to do to ensure that the programme is as effective as we can make it. I tell him, perhaps somewhat gently, that there is no need for Labour Members to feel apologetic about saying yes about the 20 per cent. target, because every one of the major parties was challenged to include the target of a 20 per cent. reduction by 2010, not in some special little environmental leaflet but in our mainstream manifestos. One did so: the Labour party.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): My right hon. Friend was quoted earlier this week as saying that the latest research emphasises that even the target to reduce emissions by 60 per cent. by 2050 might not be enough—again, only the Labour party will sign up to that target. Will she explain how she intends to pursue the matter at European level to try to ensure that we get the right targets and policies throughout Europe and thus provide leadership to the world, as we did at Montreal?

Margaret Beckett: My hon. Friend is right to say that there are now questions. The book that we published this week, which builds on the scientific contribution that was made at the Exeter conference, which was part of our G8 presidency, identifies a growing number of questions about whether the goals that the international community has set itself will be adequate, even though they are taxing and difficult to reach. Everyone is re-examining the evidence and the concerns. I assure him that we are continuing, and will continue, to pursue the issue in the European Union. We hope that we can set medium and long-term targets for the European Union, but there are all kinds of discussions about how we should then make progress towards them.

May I use this opportunity to say something that I forgot to say in reply to the hon. Member for Lewes (Norman Baker)? Contrary to what he might have read recently in the media, every time that I am asked about nuclear power, I say exactly the same thing. It is clearly very boring because it is written up differently on every occasion.

Mr. Peter Ainsworth (East Surrey) (Con): I think that we are beginning to get to the bottom of why the Government are reluctant to sign up to the cross-party agreement on climate change: they cannot even agree among themselves. Last week, the Department confirmed that UK CO_2 emissions had risen again. Earlier this week, the Prime Minister put his name to yet another pamphlet that said that the science on climate change was even worse and more threatening than we thought. Today, we learn that the Secretary of State's Department and the DTI cannot agree on the future levels of CO_2 with which they expect industry to deal, although industry needs that uncertainty like a hole in the head. We also learned today that the Treasury has been forced by Friends of the Earth to rethink its policies and position on environmental reporting. May I put it to the Secretary of State that although I do not think that it is her fault, there is a real danger that the Government's approach to this most important issue of all is becoming a complete shambles?

Margaret Beckett: The hon. Gentleman is right that CO_2 emissions rose in the year for which we now have confirmed figures, but perhaps does not notice—he certainly has not mentioned it—that the rise was substantially less than the provisional estimates suggested. However, we still regret the fact that there was a rise.

I take the hon. Gentleman's point about industry completely. I hear constantly from industry how much it would like the Government to give the clearest possible guidance. That is one of the reasons, apart from the scientific evidence, why the Government set the long-term target of a reduction of at least 60 per cent. by 2050. However, he is in error because although the climate of discussion in the House tends to be to suggest that the Government are failing, all five of the major EU15 countries that reduced their greenhouse gas emissions since 1990 saw an increase in their emissions in the year in which this country's increased. In other words, even those that are most successful at getting their greenhouse gases down have experienced an increase in CO_2 emissions. The problem is widespread, rather than just in the UK.

I assure the hon. Gentleman that the Department is not falling out, or in dispute, with other Departments. We are engaged in a genuine and serious discussion about what is viable and what can be agreed. As for the progress of those discussions, it has never been my practice to conduct negotiations with colleagues through the pages of the news media, and I certainly do not intend to start that now.

Nuclear Waste

8. **Annette Brooke** (Mid-Dorset and North Poole) (LD): If she will make a statement on arrangements for dealing with nuclear waste. [47601]

The Minister for Climate Change and the Environment (Mr. Elliot Morley): The Government are committed to solving the radioactive waste problem. The independent Committee on Radioactive Waste Management—Corwm—is due to report in July this year.

Annette Brooke (Mid-Dorset and North Poole) (LD): A recent report by the Committee on Radioactive Waste Management predicts a fivefold increase in highly radioactive waste storage from the new generation of nuclear power stations. Will the hon. Gentleman discuss the full costs of proceeding with a nuclear power programme with his colleagues in the Department of Trade and Industry?

Mr. Morley: As I mentioned earlier, the DTI has embarked on an energy review. All forms of energy will be considered and there will be an opportunity for an open and transparent debate. The priority for Corwm is to deal with the legacy of nuclear waste in this country, which has not been addressed for decades. It is time that we had a proper strategy for dealing with that and I hope that that will be the outcome of the report published in July.

Mr. David Chaytor (Bury, North) (Lab): Does my hon. Friend know the latest estimate for the cost of dealing with legacy waste? Is it not the case that those costs rise annually and are calculated within a very wide margin of error? If we cannot achieve reliable costs for managing the current decommissioning and waste management problem, how can we be expected to trust the costs for the management of future waste generated by nuclear new build? If we do not have reliable costs for that, how can we assess objectively the economic case for nuclear new build against the alternatives?

Mr. Morley: Costings for decommissioning have been published by the Nuclear Decommissioning Authority. As for the legacy issue of nuclear waste, costings are not yet available, because a preferred solution has not been decided. I am quite sure that, when there is agreement on that solution, there will be substantial costs, which, of course, will be made public. When nuclear power was originally embarked on a long time ago, the very high costs of legacy, decommissioning and nuclear waste were not taken into account.

Tony Baldry (Banbury) (Con): When are we going to start to be honest with ourselves about this issue? Fifteen years ago, I had junior ministerial responsibility for nuclear power. We have not moved on at all, and we have not advanced one inch towards a solution for BNFL or Nirex. The position is still exactly the same as it was 20 years ago. The Minister, in talking about meetings in July, is in a fairy tale. We have not found a solution for the storage of low-level nuclear waste. Until we do so it is irresponsible to talk about a new generation of nuclear power stations. Moreover, the costs—

Mr. Speaker: Order. Perhaps the hon. Gentleman can drop a note to the Minister.

Mr. Morley: The hon. Gentleman clearly feels strongly about this issue, Mr. Speaker, but his concerns are premature. An energy review is under way, but there is a bit of an obsession with its nuclear energy component. It is right and proper that it should be part of the review, but issues such as costs and the energy mix will be taken into account and there will be an opportunity to comment. The hon. Gentleman said, perfectly reasonably, that there has not been a solution to the long-term storage of nuclear waste for decades. In the previous attempt, Nirex made a recommendation for deep storage, which was the subject of a public inquiry in 1996, but it was turned down for various reasons. Personally, I did not think that the process was as open and inclusive as it should have been. We do not intend to make that mistake with Corwm, which has considered all the options and narrowed them down to a number—

Mr. Speaker: Order. We must move on.

Rural Development (EU Budget)

9. **Mr. David Drew** (Stroud) (Lab/Co-op): What assessment she has made of the likely effect on rural development of the recent EU budget deal. [47602]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): I am pleased with the outcome of the EU budget deal. Member states now have greater freedom to transfer funds from pillar one to pillar two, which gives us the flexibility to deliver our ambitions on environmental stewardship and rural development. The deal also secured a review clause, which will lead to a full reassessment of common agricultural policy funding.

Mr. Drew: I have just returned from Brussels with the Select Committee on Environment, Food and Rural Affairs. It was depressing that the one area in the negotiations to be sacrificed was pillar two, which includes rural regeneration. We are not alone in our approach to those negotiations, but until we make a serious effort to move moneys out of production subsidies into support for rural areas, we will have a dysfunctional CAP and, dare I say, even worse. Will my right hon. Friend confirm whether that is the Government's intention?

Margaret Beckett: I rather share my hon. Friend's view. It is somewhat depressing that a substantial number of member states were wholly unwilling to make any change in production subsidies under pillar one. That had a knock-on effect on pillar two. That is why it was important to us to get the flexibility of further voluntary moves of moneys from production subsidy into other payments under this heading, because we believe that that is the right direction for farming not just in the UK, but right across the European Union. As a result of that additional flexibility, other member states, particularly the new members, may be willing to undertake such moves, whereas they were not willing to do so before because all the modulation was compulsorily co-funded, and that presented them with a budget difficulty. My hon. Friend is right about the direction in which we believe funding should move and we will continue to press for it, as the UK did during the negotiations, although this was a presidency deal.

Mr. Henry Bellingham (North-West Norfolk) (Con): As part of the recent EU budget deal, substantial changes were agreed to the beet regime. Will the EU compensation for beet growers, many of whom are in East Anglia, be directed at the growers themselves, or will it simply be absorbed into the single farm payment across the whole country?

Margaret Beckett: We have yet to get further guidance and further detailed information from the Commission about how exactly compensation for sugar producers will be handled, but I envisage that ultimately it probably will be integrated into the single payment scheme. We have to consider how that will be taken forward.

Climate Change Targets

10. **Mr. Shailesh Vara** (North-West Cambridgeshire) (Con): If she will make a statement on recent progress towards meeting the UK climate change targets. [47604]

The Minister for Climate Change and the Environment (Mr. Elliot Morley): Latest estimates of the UK's emissions show that greenhouse gases will be around 19 per cent. below base levels during the 2008 to 2012 Kyoto protocol period. We therefore remain on course to achieve comfortably the UK's Kyoto target. Domestic CO_2 targets are currently subject to the climate change review.

Mr. Vara: Last year, aviation CO_2 emissions increased by 12 per cent. The aviation White Paper envisages a trebling of airport capacity in the south-east. What specific measures is the Minister proposing to ensure that, despite the increased airport capacity, aviation CO_2 emissions will decrease, rather than continue to increase?

Mr. Morley: Our preferred option is to include aviation in cap and trade schemes. I am glad to say that, under the UK presidency, we reached political agreement that aviation will be included in the EU emissions trading scheme. There may well be a case for further measures, which should be considered on their merits.

Ed Balls (Normanton) (Lab): My right hon. Friend the Secretary of State made it clear in an earlier answer that, to achieve progress on meeting our climate change objectives, we need measures and action rather than press statements and warm words. The climate change levy is such a measure. May I urge Ministers not to wait for others to make proposals, but to lead an effort to build a cross-party consensus in support of the climate change levy, or do they think the position is hopeless?

Mr. Morley: I am surprised at the position of the Conservative party on the climate change levy. There have been independent assessments of its effectiveness, and we know that it has been effective. It has reduced

emissions by millions of tonnes in the UK. It is not an easy decision to put such a measure in place, but we must do so if we are serious about tackling climate change.

Gregory Barker (Bexhill and Battle) (Con): A far more ambitious and radical strategy for renewable microgeneration and decentralised energy is essential to help Britain meet its long-term climate change targets, so apart from welcome first steps in the Climate Change and Sustainable Energy Bill going through Committee, why are the Government not doing more actively to promote market conditions in which new British microgeneration technologies can break out of their niche and into the mass domestic consumer market?

Mr. Morley: We are taking action, and microgeneration could have a significant role to play in this country in contributing to renewable energy. A Department of Trade and Industry working group is considering potential barriers to the expansion of microtechnology, and it is not impossible that we might support microtechnology as part of our Warm Front programme, or the energy efficiency commitments, under which there is a pilot scheme to fit micro-wind generators, which are UK produced. I am sure that there are further measures that we could consider.

Warm Front Scheme

11. **Joan Ruddock** (Lewisham, Deptford) (Lab): What assessment she has made of the likely effect of the Warm Front scheme on climate change. [47605]

The Minister for Climate Change and the Environment (Mr. Elliot Morley): The Warm Front scheme offers a range of heating and insulation measures to vulnerable householders across England in receipt of certain benefits. As well as tackling fuel poverty, this will reduce emissions in the household sector. We estimate that Warm Front will save 0.3 MtC—million tonnes of carbon—by 2010, and that savings from similar programmes across the UK will be around 0.4 MtC by 2010.

Joan Ruddock: My hon. Friend will know that domestic energy demand has risen by 40 per cent. in the past 15 years. Will he ensure that people become much more aware of the savings that they can make, not just through these schemes, but through the variety of Government strategies that are available? Will he use his influence around Government to ensure that, during the energy and climate change reviews, domestic energy use, conservation, efficiency and microgeneration, to which he has alluded already, are given as much attention as the question of whether electricity generation should be nuclear or not?

Mr. Morley: Eaga, which delivers our Warm Front campaign, has constituency packs available for all Members of the House, which give details of the number of houses that have received benefits under Warm Front, and also ways of publicising it. The scheme is making an important contribution to climate change targets, although more can be done, but it is worth emphasising that it is designed to combat fuel poverty, and the total of 4 million people in England who were in fuel poverty in 1996 has been reduced to 1 million under this Government.

Business of the House

11.32 am

Mrs. Theresa May (Maidenhead) (Con): Will the Leader of the House give us the business for the coming week?

The Leader of the House of Commons (Mr. Geoffrey Hoon): The business for next week will be as follows:

MONDAY 6 FEBRUARY—Motions relating to the police grant and local government finance reports.

TUESDAY 7 FEBRUARY—Opposition Day [13th Allotted Day]. There will be a debate on the future of mental health services, followed by a debate on the reorganisation of primary care trusts, strategic health authorities and ambulance trusts.

WEDNESDAY 8 FEBRUARY—Business of the House motion, followed by motions relating to parliamentary allowances and financial assistance for the representative work of Sinn Fein.

THURSDAY 9 FEBRUARY—Second Reading of the Legislative and Regulatory Reform Bill.

FRIDAY 10 FEBRUARY—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 13 FEBRUARY—A motion to approve a money resolution on the International Development (Reporting and Transparency) Bill, followed by consideration of Lords amendments to the Identity Cards Bill.

TUESDAY 14 FEBRUARY—Remaining stages of the Health Bill.

WEDNESDAY 15 FEBRUARY—Motion to approve a Statutory Instrument relating to the Renewal of the Prevention of Terrorism Act 2005, followed by consideration of Lords amendments to the Terrorism Bill.

THURSDAY 16 FEBRUARY—Motions relating to the draft Social Security Benefits Up-Rating Order 2006 and the draft Guaranteed Minimum Pensions Increase Order 2006, followed by a debate on tackling health inequalities on a motion for the Adjournment of the House.

FRIDAY 17 FEBRUARY—The House will not be sitting.

Mrs. May: We are now two months away from the start of the Easter recess, and unless we are given the date of the Budget now, the advice of the Treasury Committee on giving good notice of the date of the Budget will have been ignored. Will the Leader of the House tell us when he will be giving us the date of the Budget?

I have asked the Leader of the House every week for a debate on the health service and that request has been ignored. I am pleased to say that hon. Members will indeed be able to raise their concerns about their local health services next week, but in Opposition time, because we think that it is an important subject that should be debated in this House. Can the right hon. Gentleman confirm that Labour Members will be entirely free to raise their concerns about the health service in that debate, although I am not sure whether the Labour Chief Whip is in a position to stop them?

Talking of the Chief Whip, I have regularly raised the issue of the forthcoming Cabinet reshuffle and the vacant post of Chancellor of the Duchy of Lancaster. Perhaps the right hon. Gentleman can answer that question this week, although it may not be the only post to be filled. Hon. Members may be interested to know that the right hon. Gentleman has been tipped as a future Chief Whip—no greater curse could man have than that.

Those who attend business questions regularly know that the right hon. Gentleman has kept us updated on the odds on the hon. Member for Somerton and Frome (Mr. Heath) in the Liberal Democrat leadership contest. I have been looking at some odds, too: the odds on the right hon. Gentleman becoming Chancellor of the Exchequer are 26:1; sadly, the odds on his becoming leader of the Labour party are somewhat longer at 799:1.

Mr. Speaker: Order. I am wondering what that has to do with the business for next week.

Mrs. May: I like to keep you in a state of anticipation, Mr. Speaker.

If I were the right hon. Gentleman, I would be worried, because the odds on the Chief Whip becoming leader of the Labour party are shorter than the odds on him. Can he confirm that the Chief Whip attacked the hon. Member for Bethnal Green and Bow (Mr. Galloway) for being in the Big Brother house and not voting in this House? The hon. Member for Bethnal Green and Bow voted with the Government on the Racial and Religious Hatred Bill, while the Chief Whip told the Prime Minister that he did not have to.

In order to ensure proper debate, can the right hon. Gentleman confirm that the education reform Bill will be published in good time for hon. Members to scrutinise it properly before Second Reading? Will the Government provide two days of debate on Second Reading, which would allow enough time to air all the issues and for Ministers to explain their position—and would also give the Chief Whip, whoever they may be, ample time to ensure that Government Members are present to vote?

The business for the week beginning 13 February is very heavy, with the Identity Cards Bill and the Terrorism Bill. However, that week is half-term week for many schools and for many hon. Members' families. The move to a half-term parliamentary recess was designed not only to give hon. Members an opportunity to be in their constituencies, but as a modernising, family-friendly move. Will the right hon. Gentleman explain why the half-term recess is in the following week? I am sure that the fact that the following week is half-term week in Derbyshire, where the right hon. Gentleman has his seat, has absolutely nothing to do with it.

David Taylor (North-West Leicestershire) (Lab/Co-op): Nottinghamshire.

Mrs. May: In that case, perhaps the timing has something to do with the fact that the Opposition deputy Chief Whip has his seat in Derbyshire. That week has been loaded with serious business, but many

[Mrs. May]

hon. Members were hoping to spend time with their families. Is that a sign that the Government are abandoning family-friendly policies, or is it just a Government ploy to ensure that Labour rebels are not here to vote?

Mr. Hoon: I am grateful to the right hon. Lady for her entertaining run through the current issues. I shall do my best to respond, although perhaps not in kind.

I have made it clear that the date of the Budget will be announced as soon as the Government are ready to announce it.

Although the health debate clearly gives informed, thoughtful, considerate Labour Members an opportunity to set out the excellent way in which the health service has been funded and reorganised in recent times, I am sure that we all look forward to discovering whatever is the latest policy from the Conservatives. It clearly will not be the policy on which hon. Members fought the last general election, since the Conservative party seems to be junking each and every piece of that policy not only week by week, but day by day. So perhaps it would be a good opportunity, although I remind the right hon. Lady that I announced a debate on health inequalities in Government time in direct response to the request that was made previously.

As for the appointment of the Chancellor of the Duchy of Lancaster, perhaps I should refer the right hon. Lady to the answer that I gave last week, and indeed the week before that. I am not aware of any impending change in that regard. I am sure that the Under-Secretary of State for the Cabinet Office, my hon. Friend the Member for East Renfrewshire (Mr. Murphy), who has assumed those responsibilities, will continue to do the excellent job that he has been doing for some time and may well be doing for some time to come.

On the education Bill, there are proper traditions about the time available to hon. Members for considering a Bill before Second Reading, and I see no reason why it should be necessary to depart from them.

I share the right hon. Lady's concern about the half-term recess dates, which I had a great deal of difficulty in trying to organise. Unfortunately, just over half the local authorities in the country have their half-term in the week commencing 20 February and just under half have it in the week commencing 13 February. It would clearly be helpful in the organisation of business if our local authorities could agree on a single period. I am sorry that the whipping for that week is likely to be high, but that reflects the Government's commitment to some rather important issues that have to be dealt with in that week. Notwithstanding determined efforts on all sides, it has not been possible to find a lighter work load for that period.

Ms Angela C. Smith (Sheffield, Hillsborough) (Lab): My right hon. Friend will be aware of the announcement made this morning that identity theft is costing the people of this country £1.7 billion a year. I hope he agrees that a debate on that problem would be useful, not only in highlighting the distress caused to our constituents by this crime but in focusing on what can be done to tackle it.

Mr. Hoon: My hon. Friend is absolutely right. What is disappointing about the attitude of many Conservative Members is that while they concentrate their criticisms on, for example, aspects of the use of identity cards in relation to the public sector, the private sector—particularly the banking and credit card industries—suffers very significant financial losses as a result of identity fraud. There is no doubt, as those organisations argue, that the availability of an identity card system will have an enormous impact on reducing the level of fraud. I am sorry that Conservative Members, who otherwise claim to represent the interests of business and the financial community, have failed to take account of that.

Mr. David Heath (Somerton and Frome) (LD): Last week, when I asked the Leader of the House about the Government's Arbuthnott report, an expression of utter vacuity crossed his face, so this week I shall try to ask about subjects that he has at least heard of.

Will the Leader of the House set aside two hours for statements—one from the Secretary of State for Environment, Food and Rural Affairs on why stringent carbon emission controls on industry are necessary, followed by another from the Secretary of State for Trade and Industry on why they are not? From that, we may be able to assess some form of coherent climate change strategy.

May we have a debate or a statement on the Child Support Agency? We were told eight years ago that it was in urgent need of reform, and two months ago the Prime Minister himself said that it was not fit for purpose. We are still waiting for an announcement on the fundamental reform of the CSA that is clearly necessary.

I understand the Leader of the House's difficulties with half-term coinciding with a week of business but does he believe that it is wise, given Tuesday's events, to schedule three controversial Bills for that week? Would it not be better to leave a little extra time for the Chief Whip to understand what is happening in the party and for the Prime Minister to plan his diary engagements?

Mr. Hoon: The Government remain committed to tackling climate change and we continue to review our climate change programme. We have made remarkable progress. If the hon. Gentleman examined the international negotiations that we have led and their results, he would praise the United Kingdom and our efforts to deal with the issue. We are one of only two EU15 countries that are on track for delivering the Kyoto targets. The hon. Gentleman should congratulate the Government on that rather than making carping observations. His party only talks about climate change and has no responsibility for doing something to achieve progress.

The same applies to the hon. Gentleman's observations about the CSA. Its organisation has faced problems over the years but it also provides significant help to some of the most vulnerable families in our community. Although it needs to improve its

organisation, and determined efforts are being made to achieve that, we should not overlook the considerable good that it does throughout the country.

I will not add much to my comments about the arrangements for half-term. I made the Government's difficulties clear. Several important items have to be tackled and I hope that the hon. Gentleman understands that such decisions are not taken lightly. They have to be taken to allow progress to be made on the Government's legislative programme. I hope that he understands that that is the position.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): This Sunday will be the second anniversary of the tragic deaths of 23 cockle pickers in Morecambe bay. My right hon. Friend knows that the House approved legislation to go some way towards preventing such disasters from happening again. Despite that, the Government have not yet implemented the Gangmasters (Licensing) Act 2004. If there is further delay, illegal gangmasters will have yet another year to operate in the twilight world. I have personally tried to find out where the blockage is, but it is like knitting fog. Will my right hon. Friend identify the blockage and use his influence to unblock that necessary legislation?

Mr. Hoon: I am grateful to my hon. Friend for raising an important issue. He rightly acknowledged that the Government took prompt action to deal with the matter through legislation. It is obviously important that it should be implemented. I shall ensure that my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs is made aware of my hon. Friend's observations.

Sir Michael Spicer (West Worcestershire) (Con): Will the Leader of the House confirm that, by order of the House, the Senior Salaries Review Body is automatically bound to review Members' salaries this year?

Mr. Hoon: The timing of the arrangements is subject to consultation but there is a regular process for reviewing salaries and arrangements and the SSRB is keen to get that under way in due course.

Kate Hoey (Vauxhall) (Lab): Will the Leader of the House arrange for the Secretary of State for Work and Pensions to make a statement as soon as possible on the future of the Post Office card account? He will have seen early-day motion 1531.

[That this House is gravely concerned by the Department of Work and Pensions' (DWP) decision to withdraw support for the Post Office Card Account when the existing contract expires in 2010 and in particular by the Department's attempt to kill off the Account in advance of 2010, through pilot schemes being introduced immediately when it will deny to new benefit claimants the option of opening a Post Office Card Account, inform 35,000 existing customers that they will have to use a bank or building society instead of the Post Office Card Account and require them to provide their account details, and pay benefits of 2,500 existing customers into a bank account rather than the Post Office Card Account, ignoring the preferences they made when their benefit books were stopped; condemns the fact that, in breach of all plans, these pilot schemes are being introduced without consultation; and calls on the Government to halt these pilot schemes immediately and to institute an immediate review of the DWP's proposal to abolish the Post Office Card Account by 2010.]

It has attracted more than 100 signatures in 24 hours. With few days' consultation, the Department for Work and Pensions is introducing pilots in February that will make it difficult for people who are beginning to receive pensions or benefits to use the Post Office card account. That constitutes an out-and-out attack on the Post Office card account. It was mentioned last week and everyone is concerned. We need a statement. Will my right hon. Friend speak to the Secretary of State for Work and Pensions?

Mr. Hoon: The matter can be raised on Monday when my right hon. Friend the Secretary of State for Work and Pensions comes to the House to answer questions. However, let me make it clear that the purpose of the arrangements is to allow those who use the existing Post Office card account system to use equally simple and straightforward Post Office accounts at their local post office. The purpose of the pilots is to provide that opportunity, thus allowing people to continue to use facilities in the post office. The arrangements for the card were designed to be interim arrangements to give people an opportunity of developing the use of other sorts of simple, straightforward bank accounts at their local post office. Our approach is entirely consistent and I hope that my hon. Friend and other hon. Members support it.

Peter Bottomley (Worthing, West) (Con): I hope that the Leader of the House will look again at his answer to the hon. Member for Vauxhall (Kate Hoey), because it can be very difficult for people to set up a bank account if they do not have a long residential record.

I want to ask the Leader of the House a question about audiology. The Government rightly assert that they are paying a lot of attention to cutting waiting times and waiting lists, but those involve consultant-led services. The length of time that it takes to get a hearing test in a hospital, and then to have a hearing aid fitted, ranges from about six months to four years, although I have been told that it can be as much as six years. I know that the Government are proposing to introduce changes that will result in an 18-week waiting time, but is that the waiting time for the hearing test or for the hearing aid?

Mr. Hoon: On the hon. Gentleman's first observation, those arrangements are clearly designed to allow the use of some very simple and straightforward Post Office accounts at a local post office for those people who, so far, have relied on the Post Office card account. The pilots to which I referred are designed to allow people to use that facility until 2010, so this is not an overnight change; it will be signposted well in advance. Many of the Post Office accounts are simple, straightforward and easy to use; they are no more complex than the card account. In the light of that, I hope that the hon. Gentleman will support this process.

On audiology, I will certainly ensure that my right hon. Friend the Secretary of State for Health is made aware of the hon. Gentleman's concern. I will ask her to

[Mr. Hoon]

write to him directly about it. It is obviously important to the Government to ensure that waiting lists come down right across the range of services and facilities offered by the national health service. The Government have had remarkable success in reducing those waiting lists, and we want to ensure that that affects every part of the health service.

Andrew Mackinlay (Thurrock) (Lab): We shall have a free vote on next Wednesday's business on allowances for Sinn Fein, so I shall have to think for myself. Will the Leader of the House kindly help me by clarifying one or two points? As I understand it, one of the resolutions before us will not only restore the allowances that were taken away but give a new, additional allowance exclusively to Sinn Fein, which will be better than the Short money that the Conservatives and the Liberals get. Resolution 45 uses the words

"in relation to the party's representative business."

That is much more widely drawn than the definition given to my hon. Friend the Member for Houghton and Washington, East (Mr. Kemp) in recent replies to questions about Short money. This will be Hain money—or Sinn Hain money, if you like. It will be a new allowance, and I am not persuaded that it can be justified by any of the criteria that have been laid down for the receipt of Short money.

Mr. Hoon: I have always defended my hon. Friend's right to think for himself, even if the consequences have sometimes been difficult for some of my right hon. Friends. I am not going to have the debate now that I have set for next Wednesday. The House will have the opportunity on that day to discuss the issues that my hon. Friend has raised, and then to decide, on a free vote—it is a House matter—whether the allowances should be restored or granted.

Mr. Peter Robinson (Belfast, East) (DUP): Continuing with the subject of Wednesday's business, is it true that the Leader of the House wants to curtail the time spent discussing the allowances to Sinn Fein because a Labour bash is being held somewhere else in the precincts of the House at the time? Will the right hon. Gentleman remove that business entirely from Wednesday's schedule, on the basis of the answer that he gave to my hon. Friend the Member for Belfast, North (Mr. Dodds) and me last week, which was that he could not justify such payments if the IRA was continuing with its criminality?

Mr. Hoon: Again, I shall not get into the substance of that debate now. I am not aware of any Labour bash taking place on Wednesday evening—*[Interruption.]*—although a photograph is to be taken at the end of business on that day. However, I can assure the hon. Gentleman that, in the normal timetable for Wednesdays, there will be plenty of time available to debate these issues. I look forward to all the parliamentary Labour party participating in the debate, because I am sure that they will want to be in the centenary photograph that will be taken that evening. As far as the debates are concerned, there will be ample time for the House to discuss these important issues.

Mr. Jim Devine (Livingston) (Lab): My right hon. Friend will be aware of my early-day motion 1421.

[That this House believes that the Scottish Parliament should follow the lead of the Welsh Assembly and introduce guidelines for all political parties that ensure that candidates for election cannot stand for both the list and the constituency.]

The motion now has the support of nearly 90 hon. Members and many other people. Will my right hon. Friend set aside some time for a debate on this issue? It was discussed in another place yesterday. Does my right hon. Friend agree that losers should not be winners, and that they certainly cannot be leaders?

Mr. Hoon: I know that this is an important issue north of the border and, if I can put it this way, west of the border. The matter has been debated in another place, and it is important that this House should have the opportunity to consider it. I am sure that that will be the case in due course.

Mr. Andrew Mackay (Bracknell) (Con): On reflection, does the Leader of the House think that he was entirely fair to the Liberal Democrat spokesman when he accused him of carping? Surely the hon. Member for Somerton and Frome (Mr. Heath) was right to point out the complete lack of joined-up government on the important issue of climate change, with two Departments using different statistics and coming to different conclusions. May I encourage the Leader of the House to add to his modernising and innovating credentials by arranging for a joint statement to be made by those two Departments, with two Ministers at the Dispatch Box to answer our questions; otherwise, we shall not get any answers on this subject?

Mr. Hoon: If it is now the position of the Conservatives to defend their poor, unfortunate colleagues on the Liberal Democrat Benches, I am sure that the country will welcome the close association between two such dissimilar parties. Nevertheless, I shall stand by my use of the word "carping". What characterises both Opposition parties in this regard is their complete failure to address the issues that are relevant to resolving the problems of climate change. The Government have addressed those issues with remarkable success, both domestically and internationally. I had the opportunity this morning to listen to one of the Conservative spokesmen on the radio, who seemed to have decided that the Conservatives would resolve those problems simply by handing them over to a group of scientists. That might be one way of avoiding responsibility, but I suspect that it would not be wholly welcomed by Britain's business community.

Jessica Morden (Newport, East) (Lab): Given the importance to the voluntary sector of the provisions in the Charities Bill, will my right hon. Friend tell us when we shall have the debate on its Second Reading?

Mr. Hoon: I cannot give my hon. Friend a specific date for that debate. This is an important matter for the Government, however, and I will ensure that the House is given early notice of the debate, as ever.

Mr. Edward Garnier (Harborough) (Con): May we please have a debate on the National Offender Management Service, urgently and in Government time? The Leader of the House will know that NOMS, as it is called, covers both the Prison Service and the probation service. I was alarmed to discover from the parliamentary written answer that I received this morning—and which will no doubt appear in today's *Hansard*—from the Under-Secretary of State for the Home Department, the hon. Member for Slough (Fiona Mactaggart), that only 3 per cent. of the Prison Service budget is spent on education. Is that not an alarmingly small amount, given that 67 per cent. of prisoners reoffend within two years of their release? Surely it is high time that the Government spent more of the Prison Service budget on educating prisoners, to reduce the rate of reoffending.

Mr. Hoon: I share the hon. and learned Gentleman's view of the importance of education, especially for young offenders, but also for the general prison population. One of the key challenges is to ensure that those who serve time in prison receive the training and education that will allow them to secure employment thereafter. The National Offender Management Service is looked at closely by my right hon. Friend the Home Secretary on a regular basis.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Following reports in some sections of the press last week about proposals for unwarranted and wholesale demolition in housing market renewal areas, will my right hon. Friend arrange for a debate about pathfinder schemes? Some of us could then give credit to organisations such as Transform South Yorkshire, which have responded well and consulted properly with our constituents about some radical but constructive proposals for regeneration in those areas. It would also be a good opportunity to allay the fears raised by some of those unwarranted and inaccurate press reports.

Mr. Hoon: I am grateful to my hon. Friend, who has considerable knowledge and experience of the way in which particular local authorities participate in partnership with the Government in improving housing stock. He is, of course, right that it is not simply a question of demolition—which has attracted a great deal of unreasonable press interest—but a question of considering our housing stock and determining what is the best way to improve it. In some cases, it is a matter of clearing land in order to allow for new build, while in others, it is a question of spending significant amounts of money on revitalising existing houses and making sure that they are fit for the 21st century.

Mr. Alan Reid (Argyll and Bute) (LD): To echo Members who have spoken previously, may we please have a statement on the disgraceful decision of the Department for Work and Pensions to abolish the Post Office card account? May we also have a debate and a vote on that? Surely, in view of the number of signatures on the early-day motion, the Government cannot abolish the card account without a vote in Parliament. May we also have a debate on the implications for small post offices? The Royal Mail's universal service obligation gives little protection to rural post offices. For example, within the PA postcode area, the Royal Mail could shut every post office on every island in my constituency and still conform to the terms of the USO. That is completely unacceptable, and surely it must be altered.

Mr. Hoon: I have made it clear to the House that this issue is still under discussion. The Post Office card account was always intended to be a transitional arrangement, and there are other ways of solving the problem. Part of the issue is ensuring that local rural post offices continue to be available to the communities that they serve so well, and that is at the forefront of the Government's mind. After all, that was why the card was introduced in the first place. We are not about to abandon the success of the card—we want to ensure that it continues, but in an appropriate way.

Mr. Brian Jenkins (Tamworth) (Lab): Will my right hon. Friend find some time, rather urgently, to allow the Department of Trade and Industry to explain to the House why it is spending money and resources on a cost-benefit analysis of the possible extension of Sunday trading? Such a move is not wanted by the majority of supermarkets, employees or the public, and, judging by my early-day motion, might not secure the support of the House. Would it not have been better for the DTI to secure the support of the House in principle before expending that money, which could have been better spent on combating the erosion of British manufacturing jobs?

Mr. Hoon: Without challenging in any way the assumptions underlying my hon. Friend's question, it is important that we identify whether there is a demand from the public, supermarkets or other shops for a different arrangement for Sunday trading. I would have thought, given the premise of his question, that he welcomed the expenditure in order to identify more accurately the position on Sunday trading.

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): The European Union will shortly embark on a review of the European wine industry. May we have a statement from the Secretary of State for Environment, Food and Rural Affairs to ensure that Britain's embryonic wine industry is well protected in that review?

Mr. Hoon: I shall treat that as an application to join in the test. Certainly, the review is important to this growing UK industry. Having had the opportunity of sampling English wine at a number of recent Foreign Office dinners, I recognise the great contribution that that industry is beginning to make.

Mr. Russell Brown (Dumfries and Galloway) (Lab): While I am pleased with the Leader of the House's response to my hon. Friend the Member for Livingston (Mr. Devine), I would be absolutely delighted if he could be a little more forthcoming about a debate on the Arbuthnott report. He will be aware, now that he is fully briefed, that the report raises many issues. It is worrying that, on something as simple as Scottish parliamentary and Westminster constituencies having coterminous boundaries, the commission does not appreciate the

[Mr. Russell Brown]

need for urgency. Surely the public deserve better than that. I am sure that the Leader of the House will understand that there is a more urgent need for a debate.

Mr. Hoon: I have reflected on several occasions that one of the joys of this job is that one learns ever more about the variety of issues affecting government right across the United Kingdom, if I can put it in that way. I recognise the concern, and I have already said that it has been discussed in another place. Having spent some considerable time studying the wide variety of forms of proportional representation, I understand some of the technicalities involved and recognise the concerns that arise.

Mr. Simon Burns (West Chelmsford) (Con): Will the Leader of the House have a word with his Cabinet colleagues to try to persuade them to stop the increasing trend for named day written questions to receive holding answers?

Mr. Hoon: I recognise that that is of grave concern to right hon. and hon. Members. It is important that answers are given as early as is possible, but I hope that the hon. Gentleman and other Members will accept that it is also important that Departments have the opportunity to produce accurate and detailed responses to such questions. From time to time, that necessitates the issuing of a holding answer. All Departments are made aware that the mechanism should be used only in specific and particular circumstances.

Mr. David Chaytor (Bury, North) (Lab): Last week, the Government published the terms of reference for the energy review, which is due to be published before the summer recess, by which time the report of the Committee on Radioactive Waste Management will also have been finalised and the climate change review should have been completed. The Stern report on the economic implications of climate change, however, will not be published until the autumn. Will the Leader of the House accept that it would be more sensible if the Stern report were available before final decisions are taken on the energy review? Can he find time for a debate on the subject in the near future so that all those issues can be discussed?

Mr. Hoon: I have had cause to reflect on previous occasions on my hon. Friend's expertise and knowledge in this area. I recognise that, consistent with the kinds of questions that I have been asked already today, climate change is not an issue on its own. It has significant implications across the board, not least economic ones, and the Government take those seriously in relation to often difficult decisions and judgments. Certainly, I recognise the importance of taking account of the economic consequences of climate change.

Annette Brooke (Mid-Dorset and North Poole) (LD): Given the mounting concerns expressed at Prime Minister's questions yesterday, DEFRA questions today and in an early-day motion about the proposed cuts relating to the Centre for Ecology and Hydrology, which has sites across the country including an important one in Dorset, does the Leader of the House share my concerns about the potential long-term implications for the United Kingdom's science assets and scientific base? Does he feel that there should be some parliamentary input into the consultation? There is a real danger that a decision could be taken without any democratic input.

Mr. Hoon: This issue has now been raised twice in two days. The hon. Lady cannot say that there has not been some democratic input, given the questions raised not only with me but with my right hon. Friend the Prime Minister. The Government are committed to improving the United Kingdom's science base, into which we have put a great deal of extra resources. We have encouraged the development of science in the UK because we recognise that that is important not only in terms of understanding the implications of policy for the future in areas such as climate change but as a vital contribution to our future economic fortunes.

David Taylor (North-West Leicestershire) (Lab/Co-op): Student debt is a persistent and growing problem, and nowhere is that more true than in nursing and midwifery, which has a high attrition rate of almost a quarter because of financial problems. Early-day motion 197, tabled by the hon. Member for Calder Valley (Chris McCafferty) following a campaign by the Royal College of Midwives, drew attention to that, and called for a non-means-tested £10,000 bursary.

[That this House recognises the vital role that midwives play in the NHS; notes that many student midwives face financial problems during their training and that according to the Royal College of Midwives' poll, around a fifth of midwives fail to complete their studies due to financial hardship; and therefore supports the RCM campaign to provide a £10,000 non-means tested bursary for all student midwives, ensuring more students are attracted to midwifery, are able to complete their course and go on to become practising midwives.]

My constituent Andrea Simpson of Donington le Heath has compiled a very large petition online, which I hope to present to the House next week. Will the Leader of the House try to find an opportunity in the coming weeks for us to discuss that important aspect of finance for vocational training? People such as my constituent are key to the provision of quality services in the NHS and elsewhere.

Mr. Hoon: My hon. Friend is right to raise that important issue. No one underestimates the importance of vocational training and of ensuring that students engaged in such courses have proper financial support. I hope that if my hon. Friend looks at the statistics relating to those who have undertaken such courses, and the increasing number available to the NHS in the context that he cited, he will accept that the position is not as bleak as his question implied; but obviously we keep it under review. We have a strong commitment to vocational training, which not only benefits parts of the NHS but makes a vital contribution to our wider economy.

Pete Wishart (Perth and North Perthshire) (SNP): May we have a debate about current trends in the Scottish economy, so that we can discuss the complacent

and arrogant attitude of the Chancellor and the Secretary of State for Defence? Last week 720 jobs were lost at Lexmark in west Fife, following the loss of 1,600 jobs at Rosyth dockyard, in the same constituency. As if that were not bad enough, 7,000 manufacturing jobs have been lost in Fife alone. Given that appalling record, it is any surprise that people are turning away from Labour in droves, forgoing their complicit Scottish Executive buddies in the Liberal party and turning to the Scottish National party?

Mr. Hoon: No doubt the raising of that issue here has saved the Scottish National party a certain amount of money for its campaign in Dunfermline, but I am confident that it will result in the election of another Labour Member of Parliament to continue the excellent work of the former Member, Rachel Squire. She was a friend of mine and a remarkable Member of Parliament, and I regret her loss.

The economy of the United Kingdom and that of Scotland have, in fact, never been stronger. I should be intrigued to know—I shall not give the hon. Gentleman the opportunity to tell me now, but perhaps he would like to write to me—exactly what prescriptions the Scottish National party would set out for the economy of Scotland. The economy of Scotland is doing extremely well under a Labour Government, and while obviously we regret job losses—particularly on the scale that we have seen recently—one of the remarkable features of the current economy is that those who are losing employment have an opportunity, for the first time in more than a generation, to secure alternative employment. The Government have invested an enormous amount of resources in ensuring that they are given appropriate training and education so that that can happen.

Mr. Bernard Jenkin (North Essex) (Con): Do the Leader of the House and the Government agree that the reporting of Iran to the United Nations Security Council is a very serious matter, reflecting a grave international crisis that is preoccupying every major power on this earth? I realise that we are to have a defence debate this afternoon, but a 12-minute limit on speeches has been imposed, and the debate is meant to be about procurement, not just about Iran. Would it not be sensible for the Government to hold a full day's debate on Iran, so that the House can be fully informed about where this development is leading our own Government?

Mr. Hoon: The Government have serious concerns about Iran's policies, and not least about such aspects as its nuclear and ballistic missile programme. That is why we have engaged with other members of the EU3, why we have taken up the issue internationally, and why we continue to regard developments in Iran with great concern. I share the hon. Gentleman's anxiety, and will consider the possibility of a debate in due course.

Prevention of Terrorism Act

12.14 pm

The Secretary of State for the Home Department (Mr. Charles Clarke): With permission, Mr Speaker, I should like to make a statement on the renewal of the Prevention of Terrorism Act 2005.

I have today laid before Parliament Lord Carlile of Berriew's report on the operation of the control order regime under the Prevention of Terrorism Act 2005, and an order to extend the life of that Act for a further 12 months. I am very grateful to Lord Carlile—as I am sure the whole House will be—for the customary diligence and care with which he approached his task.

Overall, I believe that the report endorses the current operation of the control order system. Paragraph 61 states:

> "As a last resort (only), in my view the control order system as operated currently in its non-derogating form is a justifiable and proportional safety valve for the proper protection of civil society."

Lord Carlile also states, in paragraph 38, that in the 18 cases in which control orders have been made,

> "I would have reached the same decision as the Secretary of State in each case in which a control order has been made."

Lord Carlile has made a number of recommendations to improve the operation of the control order regime, including the monitoring of each case to ensure that the restrictions imposed are the minimum necessary consistent with the safety of the public, and fuller information from the police about why they believe it would not be possible to mount a prosecution rather than relying on a control order. I have considered each of Lord Carlile's recommendations, and in principle I accept them. I am currently consulting, as required by the Act, the Intelligence Services Commissioner and the director general of the Security Service, and will take their views into account before making final decisions, on which I will report to the House during the debates on the renewal order. No recommendation made by Lord Carlile requires primary legislation, and it is on that basis that I have laid the renewal order today. It will be fully debated in both Houses, and all Members will have an opportunity to debate Lord Carlile's report and our response to it. Of course I hope that the order will be supported.

The last stage of the Prevention of Terrorism Act was a significant parliamentary occasion that all members of this House will remember well. During that debate, I made a commitment to timetable further counter-terrorism legislation for spring this year, so that Lord Carlile's report would be available to inform the House when it considered any amendments to the control order legislation. I gave that commitment in the context of an announcement I had already made that we would introduce legislation to give effect to new offences of terrorism. The House will know that the tragic events of 7 July changed the timetable for the introduction of that legislation. With the agreement of all parties, we decoupled that legislation from further parliamentary consideration of control orders and presented it in October, in the Terrorism Bill that is currently before Parliament. In July, I said that I would return to the issue of control orders in the spring.

[Mr. Charles Clarke]

On receiving Lord Carlile's report, I was left to consider the merits of introducing a Bill that would have little content, but would enable hon. Members to table amendments to the Prevention of Terrorism Act. In doing so, I noted the following points.

First, Lord Carlile's report emphasises that there has not yet been a complete cycle of control orders, in that legal challenges brought by those who have been the subject of control orders have not yet been completed and therefore tested in the courts. I think that final conclusions on the operation of the whole control order regime would therefore be premature.

Secondly, there are three very important pieces of work that are being done this year, which I want to be able to take into account before presenting legislation on counter-terrorism. The first is Lord Carlile's review of the legislative definition of terrorism, which was promised during the passage of the Terrorism Bill and has been a significant part of the debate in both Houses of Parliament. The second is his report on the operation of the current Terrorism Bill, once passed, and in particular the measure to lengthen the period of detention without charge to 28 days, which has been the subject of great debate in both Houses. The third is the work that the Government are undertaking to find, if possible, a legal model that would provide the necessary safeguards to allow intercept material to be used as evidence. That has been raised in many parts of the House. Each of those pieces of work has been of considerable importance to Members in all parts of this House during our debates, and in my view will demand attention before we decide the details of how to proceed on terrorism legislation.

I am conscious that our terrorism legislation is now split between several different Acts of Parliament, and that the principal Act, the Terrorism Act 2000, has been subject to multiple amendments. That, as Lord Carlile among others has noted, is confusing, and I am keen to ascertain whether a way could be found of consolidating all our counter-terrorism legislation in a single, permanent Act. When I expressed that hope on Third Reading of the Terrorism Bill on 10 November 2005, the Opposition parties were good enough to say that they might be prepared to co-operate in such an endeavour.

For all those reasons, I have decided not to introduce further legislation on terrorism now, but to plan for the development of a draft Bill that takes into account all the work that I have laid out, to be published in the first half of 2007 for pre-legislative scrutiny. Depending on the outcome of that scrutiny, we will seek to introduce the legislation later that year.

It is a matter of genuine regret to me that—despite very positive discussions between the parties at the beginning of last year, following the House of Lords judgment on Belmarsh, and during the summer of last year after 7 July—any consensus reached has never held during the passage of subsequent legislation. It is unarguable that it would be better by far if the next counter-terrorism Bill had the support of all parts of the House. The timetable that I have set out offers us that opportunity and, for my part, I am determined to take it, working with the whole House.

David Davis (Haltemprice and Howden) (Con): I begin by thanking the Home Secretary for making his statement to the House today, and for his courtesy in allowing me advance sight of the documents. My saying so is not just a formality—we were given serious advance sight of those documents.

The review and renewal procedure for control orders is the consequence of the enormous battle that took place in the House of Commons before the last general election. In my judgment, it demonstrates that that debate, in which we heard brave and passionate contributions in defence of British freedoms from all parts of the House, was worth while. The Home Secretary was right to say that Lord Carlile's report is largely supportive of the Government's operation of the system, and that Lord Carlile felt that the process appeared to work. Indeed, he concluded that it was extremely rigorous, and that the Home Secretary took his personal responsibilities extremely seriously. If I may say so without embarrassing the Home Secretary, it is a reflection of his stature that not a single Member of the House will be surprised to learn that he took them seriously.

That does not mean, of course, that the control order approach can replace proper judicial process, which is why it should be kept under review, minimised and in due course replaced. It is also why, in paragraph 37 of the report, Lord Carlile supports the use of intercept evidence—the Home Secretary referred to this—to bring criminal prosecutions in as many cases as possible. Lord Carlile points out that the Terrorism Bill, which is due to return to the House shortly, will allow us to try, and in due course to convict, terrorists more easily, and to reduce even further the need for control orders. Practical factors such as resources will, in time, also help with surveillance, for example.

The report tells us that 18 control orders were issued last year, and that only one of them applies to a British citizen. I am glad to observe that that particular control order does not involve tagging or curfew, and that it allows the person in question to continue with his work. During the original debate, we expressed the worry that control orders could be destructive of people's lives.

Nine of the men in question—they are all men—have been removed from the control order system and detained pending deportation, when and if the Government obtain memorandums of understanding with the relevant Governments. This raises two key questions that are not easy to answer, but which I shall put to the Home Secretary anyway. First, how will the Government deal with any legal challenge to deportations, made under the European convention on human rights, where a memorandum of understanding is achieved? Secondly, although the report does not say so in terms, it makes it clear that it is proving quite difficult to conclude those memorandums with certain countries, which is unsurprising. What do the Government intend to do if it proves impossible to conclude them?

In paragraphs 71 and 72 of the report, Lord Carlile highlights his concerns, and those of the Joint Committee on Human Rights, at the prospect of control orders being renewed time and again. He says:

"It would not be acceptable for significant restrictions on liberty to continue for years on end".

What are the Home Secretary's views on that matter?

Let me now turn to the wider issue of counter-terrorism legislation, which the Home Secretary referred to in his statement. He said that there is no requirement for primary legislation in Lord Carlile's review, but that is not quite right: paragraph 37 makes it clear that the law should be amended to allow limited use of intercept evidence. However, I accept that that will take some time to get right. I believe that the Government are right to legislate on terrorism in a more deliberate manner. Indeed, I should tell the House—I do not think that I am breaking any confidence in doing so—that the Home Secretary and I have discussed at length the use of intercept evidence. My party did not press the matter in the Lords, on the understanding that the Government would make a serious attempt to devise a robust legal model to allow the safe use of intercept material in court. I am very pleased that the Home Secretary has confirmed that intention to the House today.

I also welcome the Home Secretary's intention to rationalise terrorism legislation. This is not just a technical issue—Lord Carlile's report refers to confusion in this regard. Much anti-terrorism legislation was necessarily put together in haste and has proved unusable or unnecessary. Other such legislation appears to be being used for purposes beyond the original intention, or is being used far more than was intended. There were some 29,000 uses of the Terrorism Act 2000 last year, for example. So there is great scope for rationalisation, including some pruning of current law, and we will do what we can to facilitate that process on a consensual basis. This is an issue of enormous national interest that involves serious matters such as striking a balance between protecting the security and liberty of the subject, and protecting and preserving our values, so we will be very constructive on it.

However, let me offer a gentle comment—I will not say a rebuke—to the Home Secretary. He expressed disappointment at what he saw as a lack of consensus on the current legislation. There is a difference between a constructive, consensual approach and a supine acceptance of everything that the Prime Minister chooses to announce. We have defeated the Government on some major issues of principle, but they are just that: major issues of principle. As such, they have aroused the passionate concern of members of all the parties represented in this House, not just mine. That is as it should be, and in my judgment such concern has improved the legislation.

The result of the positive discussions that the Home Secretary alluded to has been fewer clashes—certainly fewer unnecessary clashes—than would otherwise have occurred. The Bill itself is better and more wide ranging than it would otherwise have been, and the Home Secretary will have key legislation earlier than would otherwise have been the case. After all, the timetable on which he is putting this legislation through was my suggestion, which was supported by the Liberal Democrats. So even though the outcome has not always been to his satisfaction—he is only human, so we cannot expect otherwise—it has in fact been good.

The issues arising from the proposed legislation—the definition of terrorism, the 28-day detention without trial procedure, the use of intercept evidence—are all vital and we need to get them right. I agree that we need to take a measured and thoughtful approach; that, ideally, we should proceed by way of consensus and not according to an unnecessarily hasty timetable; and that cross-party discussion would be useful. The Home Secretary will not expect me to give him a blank cheque, but I will make sure that my party does all in its power to ensure that the process that he described is effective and thorough and delivers anti-terrorism legislation that attracts the support of all parts of the House and, more importantly, really works to defend the lives and liberties of the British people.

Mr. Clarke: I appreciate the right hon. Gentleman's constructive and positive tone. I shall not talk today about the details of the control orders referred to in Lord Carlile's report; we will have a chance to debate them when the renewal order is in place. I should re-emphasise the Government's view that, as the right hon. Gentleman said, proper judicial process—going through courts, and for convictions—is the right way to address these matters wherever possible, rather than using measures such as control orders. He is also right to say that under the legislation currently before Parliament, the number of cases in which there is a prospect of securing a conviction through the courts will increase; I hope that it will have the impact that he describes. For the avoidance of doubt, I should confirm our approach throughout this process: we are introducing a regime that will apply only to a very narrow set of cases—we hope that it will become narrower—in which prosecution through the courts in the normal way cannot work.

The right hon. Gentleman asked how we will deal with deportation cases in the light of court judgments. I am not going to predict how we will deal with such situations, but we have been able to secure memorandums of understanding with a number of countries, and the Foreign Secretary and I continue actively to discuss with other countries the securing of such memorandums. I hope that the courts will regard those memorandums as serious agreements between sovereign Governments in such circumstances. But of course, the courts will have to judge the nature of the memorandum of understanding with a particular country, and its operation in relation to a particular case. Therefore, I am not going to speculate about how that will be dealt with.

On intercept, the right hon. Member for Haltemprice and Howden is right to say that hon. Members in his party and others, and many Labour Members, have wanted to explore whether we can do better than is currently the case. I can confirm what I have told him in private, which is that the Government are looking at that very actively and seriously, with a view to seeing how we can introduce an appropriate regime. A report on that will be produced later in the year. If progress is made in that regard, I can confirm that legislative change along the lines suggested by Lord Carlile would be appropriate.

Whether his remarks amount to a gentle comment or a rebuke, the very cordial and consensual relations that I have had with the right hon. Member for Haltemprice and Howden in discussing some of these matters have not always been evident in debates in the House. I blame my own conduct for that, of course, but he may care to look at his own approach in that regard. *[Laughter.]* However, I do appreciate his determination to play a constructive role in rationalising the legislation. As he

[Mr. Clarke]

says, it could certainly do with pruning and close examination. In that context, we would need to see whether the current legislation on terrorism in Northern Ireland could be brought within the framework. I repeat that I very much appreciate his constructive approach.

We are not looking for a blank cheque from the Opposition or any other Member of the House. We will not simply lay a proposal on the table and say, "Take it or leave it." We want a serious debate and a consensual approach to achieving a stable and permanent legislative regime that will tackle properly the appalling challenges that we face.

Mr. David Winnick (Walsall, North) (Lab): Does my right hon. Friend accept that, although certain differences arose in November, most hon. Members recognise the heavy responsibility that my right hon. Friend the Home Secretary bears in the face of the ongoing threat of terrorism carried out by murderous fanatics? No one should underestimate the terrorist danger that our country faces. I hope that a consensus will emerge on this matter, and that the Opposition parties will play a positive role, but there needs to be greater dialogue between the Government and Parliament as a whole. If that had happened previously, some of last year's difficulties might have been avoided. However, I have confidence in what my right hon. Friend has said, and that that dialogue will take place.

Mr. Clarke: I am very grateful to my hon. Friend for those remarks, given the leading role that he played in the debate last year. I pay tribute to his continued engagement in these matters and his total commitment to fighting terrorism by whatever means are appropriate. I very much agree with him: this is a matter for all of Parliament, both Government and Opposition parties. I mentioned the possibility of pre-legislative scrutiny of proposed legislation because I think that that might offer a vehicle for progress on a consolidated basis. In that way, hon. Members of all parties, whether they have a specific or a more general interest, will be able to make a contribution to creating the new legislation. I confirm that our approach is intended to achieve consensus across the House on these matters.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): May I also thank the Home Secretary for his very generous advance notice of the statement and of Lord Carlile's report? That has been of considerable assistance. I should also like to associate myself with his remarks about the composition of Lord Carlile's report. He has brought to it his customary intellectual rigour and a very sound practical approach to issues that can be complex and involved.

In respect of control orders, Lord Carlile concludes:

"In practical terms control orders have been an effective protection for national security."

That is significant, but he also observes:

"They fall not very far short of house arrest, and certainly inhibit normal life considerably",

and

"As a last resort (only), in my view, the control order system as operated currently in its non-derogating form is a justifiable and proportional safety valve for the greater protection of civil society."

In the light of that, what action will the Home Secretary take in relation to what Lord Carlile says about the use of deportation detention, as outlined in paragraphs 27 and 28? He states:

"However, I have a real concern about the detention under deportation procedures (even where bail has been granted) of persons who in practice cannot be deported at present and are unlikely to be capable of legally compliant deportation within a reasonable time."

That sounds like something dangerously close to an abuse of process.

Will the Home Secretary also ensure that Lord Carlile's conclusions in respect of letters issued by chief constables will be acted on? He observes:

"Little is given by way of reasons"

when chief constables certify that there is

"no realistic prospect of prosecution."

Finally, will the Home Secretary act on Lord Carlile's recommendation that there should be established

"a Home Office led procedure whereby officials and representatives of the control authorities meet regularly to monitor each case, with a view to advising on a continuing basis as to the necessity of the obligations imposed on each controlee"?

I welcome the Home Secretary's announcement about a new Bill that I hope will receive some pre-legislative scrutiny. I have told him already in private that I consider that to be a sensible way to proceed, although I hope that it will be possible to look again at the indicative timetable that he has proposed, as that would not allow anything to reach the statute book inside two years. Will he assure the House that the new Bill will not be used as an excuse for revisiting matters on which hon. Members have already expressed a very clear view?

Finally, I share the Home Secretary's frustration at the lack of consensus on these matters. It is clearly preferable to proceed with consensus, if that is at all possible. I fear that the fault is shared by all parties, and I hope that he will ensure that his words are heard in No. 10 Downing street.

Mr. Clarke: I thank the hon. Gentleman for his approach and the stance that he has adopted. As I said in my statement, in principle I accept each of Lord Carlile's recommendations to which he referred—on Home Office procedures, deportation processes and so on. I am required—and wish—to consult the Intelligence Services Commissioner and the director general of the Security Service, but I hope that not too many weeks pass before we debate the renewal order. I shall then set out to the House my detailed and final decision, following that consultation, on Lord Carlile's recommendations.

I very much welcome the constructive approach adopted by the hon. Member for Orkney and Shetland (Mr. Carmichael) in respect of the timetable for the new Bill. I can tell the House that his predecessor in the post took the same approach. I shall look at what the hon. Gentleman said about the indicative timetable, but I am determined that the new Bill takes full account of all the pieces of work to which I referred. The timetable will therefore not be based on indolence on the part of Parliament or the House, but on the fact that proper account must be taken of how the regime has worked, the comments that are made about it, and other specific pieces of work that must be developed.

The hon. Member for Orkney and Shetland mentioned revisiting issues. Parliament has a tradition of doing that in a variety of ways. I cannot guarantee that no issues will be revisited, by me or another Labour Member. I am not sure that I can ask him for a guarantee that his party will not revisit any issues—I am thinking about its opposition to the existence of control orders in the first place—but a commitment in that regard from him could very much aid consensual progress.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend said that he would consult the ISC and the director general of the Security Service. I know that these are difficult matters, but will he ask them also to prepare a report for Members of Parliament that could be placed in the Library? In addition, will he ask them to push the envelope in respect of the information that any such report can contain? In these circumstances, the more information that hon. Members have the better, especially when it comes from an independent and neutral source, although I recognise the difficulties that our security services encounter in making such information available.

Mr. Clarke: I very much appreciate the way in which my hon. Friend puts his very appropriate question. It is right that we need to share information as much as we can, with Parliament and with society more widely, although my hon. Friend clearly accepts that there are serious constraints on how we do that. There are various procedures that we can follow to make that information available—through the Intelligence and Security Committee, the Joint Committee on Human Rights and the Home Affairs and other Select Committees—but I will ensure that we talk to the security services in general about how we can share the information more widely without threatening the country's security in any direct way. I accept without qualification his fundamental point, which is that our security will be stronger if the information is more widely shared and understood. The question is how best to do it. I can assure the hon. Gentleman that I will set about the task with that in mind.

Mr. Andrew Mackay (Bracknell) (Con): While warmly welcoming the Home Secretary formally letting the House know today that work is being carried out on a legal model that we hope will allow for tapped evidence to be permissible in court, may I underline the fact that for many of us it is absolutely essential that we fall into line with our European allies and that this actually happens? We fully understand that it might take some time to find this legal model, but it must happen and it must be incorporated in the fresh legislation. I hope that it is a matter of when, not if.

Mr. Clarke: I understand the right hon. Gentleman's point and I reaffirm the commitment that I gave in the statement and in response to his right hon. Friend the right hon. Member for Haltemprice and Howden (David Davis) about our intentions in these matters. I should put two points for the consideration of the House. First, our legal systems are very different from the legal systems in other European countries. I notice some characteristic austere nods from his Back-Bench colleagues on that matter. We need to understand those differences, as I am sure the hon. Member for Stone (Mr. Cash) does better than any of us, when we think how to deal with this. I accept what the right hon. Gentleman is saying in principle, but we should accept the reality of how this is dealt with by very different legal systems.

The second issue that I always have to be aware of is the need to ensure that we do not jeopardise our ability to collect information and intelligence which is important in the national security struggle in which we are engaged. Those are my two qualifications. I again confirm that we are keen to find a solution if we can. We are working actively on this. I look forward to the House, at some point in the timetable that I have set out, considering how well or not we have achieved that.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): May I welcome my right hon. Friend's statement, particularly the idea of consolidated legislation, which seems entirely right and appropriate? I welcome the intention to produce the Bill in draft form for pre-legislative scrutiny. That seems entirely consistent with my right hon. Friend's approach to engage with and listen to the views of right hon. and hon. Members. I am sure that he will be able to give me the assurance that I seek, namely that that scrutiny will be informed by Lord Carlile's thoughts and views about the definition of terrorism. It is the current definition in relation to the glorification clause that has caused many of us real problems with the current Terrorism Bill.

Mr. Clarke: First, I am grateful to my hon. Friend for his general support. Secondly, I can certainly give him the assurance that he seeks. The reason why—it was in response to the debate in this House—we have given Lord Carlile this commission is precisely to inform the debate that we will have. We are expecting him to report towards the end of this year. These are difficult questions. Perhaps I should remind the House that the United Nations Security Council decided last year to pass a resolution on this matter, including—dare I say it—the word "glorification" as a matter that should be outlawed. That was according to the august body of world opinion, the UN, and not just some No. 10 Downing street occupant of the moment. One of the mandates from that Security Council resolution was that during this year the convention on terrorism should be developed and a new agreed international definition of terrorism achieved. I discussed that with the UN Secretary-General. There is serious work going on in this area and there are serious difficulties. I am not sanguine about the possibility of getting such an agreement, but obviously I would want us to take account of whatever happens in the UN context. I can happily and confidently give my hon. Friend the assurance that he seeks.

Mr. William Cash (Stone) (Con): May I welcome the Home Secretary's announcement with regard to the prospect of new legislation? I hope that when he refers to consolidation he uses that in the broad sense because it may well need to be a consolidation with amendments. May I suggest to him that the first priority is to protect the public from terrorism and that the question of whether or not we subscribe to the Human Rights Act 1998 is only

[Mr. William Cash]

secondary? Does he agree that the role of the judiciary under that Act sometimes appears to interfere with the first principle, the protection of the public, and that we in this Parliament should legislate on our own terms to guarantee fair trial, habeas corpus and due process for alleged terrorists, but not hand over those important decisions to the court in Strasbourg or, now that the charter of fundamental rights is coming in through the back door, to the court in Luxembourg?

Mr. Clarke: I was using the word "consolidation" in a broad sense and perhaps too loosely in my statement. I can confirm that my intention is in accordance with what the hon. Gentleman is saying—that is to look at the situation in the round and get a clear position on the statute book. I cannot agree with his attacks on the European convention on human rights and the Human Rights Act 1998. That has been an important development in many ways. Neither can I accept that the role of the judiciary somehow stands against the protection of the public. The rule of law in this country is dependent on the independence of the judiciary and how it operates in deciding how to protect individual liberties. That being so, there are serious issues about the interpretation of the ECHR and some of the court judgments. We have asked for certain issues to be reconsidered by the court—for example, the Chahal judgment in relation to these matters. We have joined various other actions in those regards. I am not saying that there is nothing in what the hon. Gentleman is saying, but it would be a grave mistake to set the judiciary as the opponent to the protection of the public because that is not true. It would be a grave mistake, too, to say that human rights should not be at the core of our approach. As the hon. Gentleman rightly says, the balancing issues are complicated and difficult and that is precisely what Parliament will have to assess when we look at the legislation.

Mr. Jim Cunningham (Coventry, South) (Lab): I echo what my hon. Friend the Member for Tamworth (Mr. Jenkins) said: what would really reassure the public if and when the new legislation goes through Parliament would be if we could have some sort of annual report. The public would then be reassured that Parliament had taken an interest. Finally, what happened to the proposal in the press report to tap Members' telephones? Does my right hon. Friend agree that there is a question of confidentiality between the public and their Member of Parliament?

Mr. Clarke: On my hon. Friend's final point, there are important issues at stake. The Intelligence Services Commissioner has made some recommendations and the Prime Minister is considering them and will make a statement in due course, as he has said. I understand exactly my hon. Friend's points and their importance. There is a whole series of reporting and accountability procedures in the current legislation, such as reports to the House and certain Select Committees and renewal legislation in various forms. I agree with my hon. Friend, first, that reporting procedure is important and needs to be part of this and, secondly, that it needs to be fairly consistent and straightforward to improve public understanding of the issues. When we look at the new legislation, I hope that we will get a clear system of reporting. That would be bound to include an annual report of some kind. The type of scrutiny given to that report is also relevant. It would be beneficial to get a coherent approach on all these reporting and accountability mechanisms.

Dr. Julian Lewis (New Forest, East) (Con): What proportion of people who are giving the Government cause for concern came to this country illegally? Of those, how many would be returned if memoranda of understanding could be reached? What will we do if the courts decide to strike down those memoranda of understanding?

Mr. Clarke: I do not have figures on the first question. The hon. Gentleman's third question contradicts his second, by which I mean that the role of the MOU and how it operates and how effective the MOU is in returning people to countries from which they have come depends entirely on the court judgment of the integrity of the MOU process. His two questions are related. I cannot require a court to agree with my decision purely because an MOU is in place. However, in a case that I make to a court, I can point to or conclude an MOU and try to operate in accordance with it. I cannot prejudge how a court will decide to interpret a particular MOU.

Mr. Dennis Skinner (Bolsover) (Lab): Does my right hon. Friend agree that experience shows, certainly over the past few years, that however much co-operation he seeks from the Opposition—even from the Liberal Democrats on a good day—the problem is that the writ does not extend to the House of Lords. On almost every single issue of this kind, that has been a stumbling block. I do not know what my right hon. Friend will do about that, but it is a problem. Finally, the biggest poser is the political question: someone's terrorist is another person's freedom fighter.

Mr. Clarke: I entirely agree with my hon. Friend's comments. His point about terrorist or freedom fighter is exactly the issue that the UN is addressing, and it is why some of our hon. Friends pressed the need for a new look at the definition of terrorism in the debates on the legislation last year. It is a difficult problem, because the question for freedom fighters is how their fight for freedom is undertaken and who is brought into the firing line. I accept my hon. Friend's point and it needs to be part of the process.

On my hon. Friend's first point, he is a far more experienced parliamentarian than I am, but I regret to say that it is not simply a question of what has happened in the other place. In this House, we have seen some sharp exchanges in some debates. I never make political comments about the Lib Dems or the Conservatives—I eschew that pleasure—but I hear what my hon. Friend says and there is much substance to it. All parties would do themselves credit in front of the public if they took the issues seriously, addressed them directly and could not be accused of political point scoring.

Mr. Philip Hollobone (Kettering) (Con): Terrorists cannot commit their atrocities unless they are funded to do so. Is the Home Secretary satisfied that the present

controls over the international financing of terrorism in this country are strong enough? Does he intend to bring forward further legislation in that area and is he satisfied that we receive sufficient co-operation from the EU in those matters?

Mr. Clarke: We have already made legal changes in relation to the financing of terrorism for the reason that the hon. Gentleman expresses. Of course, the question of whether those controls are adequate is something that we can address if new legislation is required. My right hon. Friend the Chancellor and I have worked closely together to try to achieve a regime that attacks the funding sources of terrorism. I am satisfied with the co-operation of the European Union on this matter. Indeed, one of the acts during the British presidency of the EU was a resolution at the Justice and Home Affairs Council just before Christmas, which was brokered and led by Britain, to reach agreement on several measures to counter terrorism, including measures on terrorist financing of the type that the hon. Gentleman describes. Of course, the question of turning all the intentions—the law, the action plans, the declarations—into a tight working relationship is always an area where more work needs to be done, and we are focusing very much on that.

Mr. Tobias Ellwood (Bournemouth, East) (Con): I am pleased that the word "pruning" was mentioned in regard to this statement, because while we need robust legislation on terrorism, it is possible to build the walls too high and over-legislate, which affects our civil liberties and our daily lives so that the terrorist wins long after the bomb has gone off. I welcome the fact that we will be able to review the legislation.

In comparison to the victims of the 7/7 bombings, who received good compensation, the Britons who were affected by the bombings in Egypt—carried out by the same terrorist group—received no financial support. Would the Home Secretary advise the House on the Government's intentions on that point and will it be addressed in the new legislation?

Mr. Clarke: Measures on compensation could be included in such legislation if that is what the House wishes. I know of the hon. Gentleman's own family losses to terrorism in relation to certain events. It is difficult to decide how far the international obligations run and what the relationship is between a compensation scheme, such as the criminal injuries compensation scheme, and the insurance principle. There has been much discussion in Government about that matter to see how we could make progress and we will set out any proposals that we have in due course. I do not think, however, that there is a simple equity between somebody who loses their life on the London underground and someone who loses their life in a terrorist atrocity in some other country, whether it be in Sharm el-Sheikh or Bali. It is a difficult issue.

On the overall approach, legislation certainly benefits from being clear, and that is one of the arguments for a codification, which would at least lead to a reduction in the quantity of words and—I hope—a gain in the clarity of the legal intent.

Points of Order

12.55 pm

Michael Fabricant (Lichfield) (Con): On a point of order, Mr. Deputy Speaker. I fear that I may have inadvertently misled the House on Monday. In Church Commissioners questions, I mentioned the funding of cathedrals and the fact that they are not funded by the state. I said:

> "At Lichfield cathedral, the charge is voluntary, although the majority of visitors pay the recommended amount."—[*Official Report*, 30 January 2006; Vol. 442, c. 14.]

I have now received a letter from the Venerable Chris Liley, the Archdeacon of Lichfield, saying that unfortunately that is not the case. Although the suggested payment is £4, the amount contributed by visitors is only 80p and is given by a little under half of those who come in. It would seem that people are loth to give donations, even when voluntary—

Mr. Deputy Speaker (Sir Michael Lord): Order. I would be grateful if the hon. Gentleman could tell me what the point of order is for the Chair.

Michael Fabricant: My point of order is that I wish to set the record straight. I did not wish to mislead the House and I hope that you agree, Mr. Deputy Speaker, that the people who visit Lichfield cathedral appear to be rather mean.

Mr. Deputy Speaker: It certainly is not for the Deputy Speaker to agree with the hon. Gentleman on such matters, but he has now put the record straight from his point of view.

Mr. Peter Bone (Wellingborough) (Con): On a point of order, Mr. Deputy Speaker. I seek some further advice on an important matter for my constituents. Both the Prime Minister and the Secretary of State for Health have stated that the maximum waiting time for NHS in-patient treatment is six months. My local hospital has just announced the cancellation of 579 operations and 2,849 out-patient appointments and has confirmed that in-patients will not be treated within six months. I tried, through parliamentary questions and letters, to clarify the situation. Can you give me any further advice?

Mr. Deputy Speaker: That is not a matter directly for the Chair. The hon. Gentleman must persist through the normal channels available to Members of Parliament. My suggestion would be that he apply for an Adjournment debate and make his point to the appropriate Minister in that way.

Defence Procurement

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watts.]*

12.58 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): As Minister for the armed forces I have the privilege of working with and meeting our servicemen and women on a day-to-day basis and know that they are the finest in the world. The nation is fortunate to have them. In an uncertain and difficult environment, they stand ready to respond to any challenge, whether in support of operations in Iraq, Afghanistan, the Balkans or elsewhere, or assisting in civil disaster relief, such as in the aftermath of the Pakistan earthquake or the 2004 Boxing day tsunami.

As the House will be aware, following the recent deaths of Lance Corpóral Allan Douglas from the 1st Battalion the Highlanders and Corporal Gordon Pritchard from the Royal Scots Dragoon Guards, 100 British personnel in Iraq have now lost their lives, 77 of them as a direct result of hostile action. Our thoughts go to their families, friends and loved ones at this difficult time.

As well as those who have tragically lost their lives, we should not forget those who have been injured. As my right hon. Friend the Secretary of State for Defence made clear on his visit to injured service personnel, some 230 UK personnel have been treated at UK medical facilities in theatre for wounds as a result of hostile action between March 2003 and December 2005. Over the same period, some 40 UK service personnel have been categorised as "very seriously injured" as a result of injury in Iraq, whatever the cause, meaning that their life was imminently endangered. Between February 2003 and December 2005, about 4,000 military and civilian personnel were medically evacuated from theatre, the majority of whom were not casualties of hostile action. Given the focus on that issue, I assure the House that the Ministry of Defence is taking steps to ensure the accuracy of our information on casualties, which we will publish in the next few weeks.

Our care for our personnel is world-class and it will continue to be so. I know that the whole House will join me in paying tribute to the men and women of the armed forces in Iraq and elsewhere who have done, and continue to do, a tremendous job serving their country.

Despite those tragedies, we cannot let ourselves be distracted from the job to be done in Iraq, where we are acting to assist the Iraqi people and their elected representatives. We must honour our commitment to the Iraqis and we will leave once our job in Iraq is done—once the conditions for the handover of security to the Iraqis have been met and we, the Iraqi Government and our coalition partners are confident that the Iraqi security forces can operate without our support.

The UK also remains committed to the emergence of a prosperous, democratic, secure and stable Afghanistan. We have already transformed the country from a pariah state that harboured international terrorists into a functioning democracy. For the first time in 36 years Afghanistan has both a democratically elected President and Parliament.

Life for ordinary Afghan people has changed and is continuing to change for the better. More than 6 million children are back in education, a third of them girls, and many thousands of children have been immunised against serious diseases. We are seeing the staged progression and development of the ISAF—international security assistance force—mission across the whole of Afghanistan.

The south is a less benign and more complex environment, where insurgents, the drugs trade and corruption pose a greater threat to security—

Mr. Deputy Speaker (Sir Michael Lord): Order. I take it that these are the Minister's preliminary remarks. Today's debate is specifically about procurement.

Mr. Ingram: Very much so, Mr. Deputy Speaker. But we have to have set our procurement strategy against the environment and theatres in which our people operate. I was setting the scene, but I shall come on to the specific issue.

Mr. Ben Wallace (Lancaster and Wyre) (Con): On a point of order, Mr. Deputy Speaker. You alluded to the subject of the Minister's opening remarks, so I am looking for your guidance. The Minister opened his remarks with casualty figures that have until now been unavailable to many of us who have tabled parliamentary questions about the actions in Iraq and Afghanistan. Is it in order for the Minister to release the figures in a debate on procurement?

Mr. Deputy Speaker: The Minister's remarks are a matter for him, but I repeat what I just said to him: this is not a general debate about Iraq or Afghanistan, but is specifically about procurement and it would be helpful to the whole House if he confined his remarks from now on to procurement.

Mr. Ingram: Of course I will, Mr. Deputy Speaker. At all times I try to keep within the rules of the House. The hon. Member for Lancaster and Wyre (Mr. Wallace) is wholly wrong, however. The figures have been made available; indeed, I understand that parliamentary questions have been answered today. I suggest that he read the Order Paper to keep abreast of current developments. The information I gave was given previously, but I thought it important that we also recorded it here—

Mr. Deputy Speaker: Order. I am sure that the Minister's response is a genuine response to the point of order, but it simply exhibits the problem that arises if we widen the debate too much. Again, I remind the Minister and the whole House that today's debate is about procurement.

Mr. Ingram: I accept all that, Mr. Deputy Speaker. I was of course coming to the conclusion of the context in which our people operate and I then intended to talk about the need to ensure that we have battle-winning equipment to ensure their success.

I was explaining that the environment into which our troops are going in the south of Afghanistan is less benign and more complex, where insurgents, the drugs

trade and corruption pose a greater threat to security. That is why we have committed to move to the south. By deploying there, we hope to create an environment where the Afghan Government can operate freely and securely to bring about the progress we have already seen elsewhere. The international conference held this week in London resulted in a renewed international commitment to Afghanistan and will make a major contribution to its rebuilding.

Our forces' proven ability to act as a force for good in the world—in Iraq, Afghanistan or elsewhere—is testament to them and the equipment they use. Contrary to some opinions, the armed forces are provided with world-class equipment to support them in their tasks. As a result of the Government's sustained investment, about £5 billion a year is spent on new equipment, with £6 billion being spent across the entire equipment plan, and that will continue to be the case. In doing so, we are supported by a strong and innovative national defence industrial base. We need to ensure that our armed forces continue to have such support so that they have the equipment they require, on time and at best value for money for the taxpayer.

Mr. Peter Bone (Wellingborough) (Con): Will the Minister give way?

Mr. Ingram: I want to make some progress. I have hardly started to talk about procurement yet and I am sure that the hon. Gentleman has some points to make about that. I have not yet mentioned any particular procurement streams, but if he is intervening on the general context in which our people operate I am prepared to give way.

Mr. Bone: I am grateful to the Minister. From a reply to a written question on a general point, a Member can establish the cost of a piece of equipment, but I cannot get from the Minister the estimated costs of the Eurofighter, for example. How does that general point tie in with what he was saying?

Mr. Ingram: We would need to look at the particular question. We constantly answer a range of questions. If I remember correctly, we said that some of the issues are held in commercial confidence, for very good reasons—we could enter the next phase of negotiations for tranche 3. I do not know how sophisticated the hon. Gentleman's understanding of procurement processes is, but he must know that we have to try to retain matters that are important to us as we negotiate to get best value for the taxpayer. Perhaps he would write to me if he thinks that we are not giving him best information—I do not know for what purpose, although I hope it is not to undermine what we are trying to do to get best value for the taxpayer—and I shall see what additional information I can give him.

Mr. Michael Jack (Fylde) (Con): In reply to my hon. Friend the Member for Wellingborough (Mr. Bone), the Minister used the word "could" in the context of the negotiations on tranche 3 of Eurofighter Typhoon. Is it still "could" or is it "will" enter? Will he clarify his language on that point?

Mr. Ingram: The right hon. Gentleman probably means would I tell him rather than could I tell him. As he knows, we are committed to tranche 3, and the negotiations will not proceed until 2007, or slightly before that. I used that phrase because things can change; but that is not what we are planning, and we are still intent on continuing the process.

I was saying that we need to ensure that our armed forces have the equipment that they require on time and at best value for money for the taxpayer. That is why, in December 2005, the Government published the defence industrial strategy, which had that requirement as its principal aim.

David Taylor (North-West Leicestershire) (Lab/Co-op): Is the Minister convinced that the privatisation agenda, which could lead to the loss of 20,000 MOD jobs, will not adversely affect the MOD's ability to be an intelligent customer and to acquire good-quality equipment at best prices in an immensely complex sector? Is he concerned that under the policy of collocation jobs will be lost in deprived areas such as south Wales, the west midlands and Cumbria, only to be transferred to prosperous areas where recruitment and retention are difficult, such as Abbey Wood, Bath and High Wycombe?

Mr. Ingram: I do not recognise the premise of the question. We are seeking not to privatise but to drive through very significant efficiencies. We have said repeatedly from the Dispatch Box that we are committed to achieving £2.8 billion, or thereabouts, in efficiencies over the next three years. We must therefore consider how we deliver our services—sometimes in partnership with industry and, sometimes, in-house, but at all times trying to maximise the efficiency of operation.

My hon. Friend the Member for North-West Leicestershire (David Taylor) mentions collocation. If he is arguing that we should keep two departments separate from each other, when we can make significant efficiencies in back-office staff by collocating, thereby releasing money for the front line, I could not disagree more.

David Taylor *indicated dissent.*

Mr. Ingram: We must ensure that all those who support the front line do their jobs as efficiently and effectively as they can. By driving through that agenda, we are ensuring—this is where I shall come to the procurement aspect, Mr. Deputy Speaker—that we will be able to sustain the major procurement programme.

I hear language that is part of a major campaign, but I suggest that my hon. Friend may want to ask one or two of the unions that are organising the campaign whether they have ever passed a resolution at their conferences calling for more money for defence—I suspect not—and if they want a growing defence base, they should join those of us who think that that is essential.

David Wright (Telford) (Lab): My right hon. Friend will be aware that staff at Sapphire House in Telford do an excellent procurement job. They have made a constructive alternative proposal to collocation, known

[David Wright]

as the straw man paper. Will he commit himself to taking another detailed look at that proposal before he makes any decision about the future of Sapphire House?

Mr. Ingram: My hon. Friend has been very active in respect of that and other decisions that might be deemed difficult that have landed on his area of the country and his constituency in particular. He will know that I am only too willing to meet the trade unions and local representatives, as well as him, to listen to the arguments and to put what we are doing under test. One of the projects that I inherited is a very good example, although people seem to have forgotten about it. The airfield support project was an amalgamation of a new, bigger review with what was originally defined as "Fire Study 2000". We spent a long time examining our airfield support. Ultimately, when it became clear that the private finance initiative proposal would not produce results, we abandoned that approach.

I give that example to show that, at all times, we put such things under intense scrutiny. My hon. Friend the Member for North-West Leicestershire mentioned the intelligent customer in the original question. We must test all our current projects by determining whether we would create a gap or a potential problem for ourselves in the future. If we cannot satisfy that test, we should not proceed. We undertake that examination at all times.

I think that the straw man paper has been withdrawn, but I will write to my hon. Friend the Member for Telford (David Wright), who has been very assiduous in pursuing the issue.

Mark Pritchard (The Wrekin) (Con): Does the Minister agree that it is absolutely wrong, at ministerial or official level, that a lease should be signed on a building in Bristol before the end of the consultation period after which people might be moved from Telford to Bristol? Is he aware that the Comptroller and Auditor General has been asked to investigate? How can the consultation process be open and transparent for Defence Logistics Organisation workers in Telford when the deal has been signed already down in Bristol?

Mr. Ingram: I ask the hon. Gentleman to calm down a bit. Knowing that a work stream is being undertaken that could result in the collocation of two major headquarters, we have considered whether we can benefit by procuring at this stage in the market. We have made the decision to take up that office space. Of course, if the collocation does not proceed, we will release that space back to the market. If we wait or do otherwise, the office space to meet our needs might not be available. The correct management and ministerial decision was taken to give us the opportunity of ensuring that we are in the best position. If that proves not to be the right decision, our judgment is that we will not suffer a loss. Indeed, we might well make a profit, but that is not what drives us. We are trying to get the best balance. We have not reached a conclusion on the consultation—far from it—and we hold rigidly to that position.

I suggest that the hon. Gentleman read the paper on which he campaigned at the last election—the James report—with all its initiatives to dispose of real estate, other assets and many of the existing working structures, without any attempt even to examine the territory. It simply said, "Let's privatise this; let's dispose of that; let's get rid of this." He campaigned on that in the last election; he is now asking me to be very careful with his constituency, saying "Do it to others, not to me." That is the principle that he applies.

I want to make some progress and to talk about the defence industrial strategy. The rationale for publishing the DIS is clear. Since the strategic defence review was undertaken, the environment has changed considerably. This nation no longer faces the dangerous but relatively predictable threat posed during the cold war. The threat now, however, is no less dangerous: those involved can strike at any time and they fight unconventionally.

The way in which our armed forces have taken on the new challenge presented by the war on global terrorism is testament to their proven adaptability and flexibility. Equally, we must ensure that the equipment capability requirements of the armed forces can be met now and in the future. We need to identify the core skills and industrial capabilities that are required onshore to sustain the armed forces' ability to operate with an appropriate level of sovereignty—indeed, we have done so with the DIS.

The DIS provides industry with the certainty to plan ahead and invest for the long term. We want to attract skilled and enthusiastic people to the industry. As a result, we intend to work with the industry on how we do that and on schemes to develop our people. The DIS involves a studied assessment of each individual industrial sector. Where our requirements have been set, they are measured against our procurement activity, and where there are mismatches they are set against the sustainment work required.

In certain sectors, industry has to move now, to ensure that the industrial base is appropriately structured for the future. Now is the right time to do that, while many of our companies are busy delivering the series of new platforms that the Government are procuring. Whatever the rate of new production, we need to ensure that the technologies that give our equipment its cutting edge, which are often provided by smaller enterprises in the supply chain, are nurtured and developed.

The discipline of systems engineering will continue to be vital in seamlessly integrating new technology to our current infrastructure. The outcome of all that will be that, for the first time, industry will have a much clearer idea of our priorities, enabling both industry and investors to plan for the future in confidence.

At present, we are in the middle of a substantial investment programme in new equipment for the armed forces: not least, with the components of carrier strike, the CVF—carrier vessel future—and the joint combat aircraft, Astute attack submarines, the A400M transport aircraft, Typhoon and complex weapons, such as Storm Shadow, and forecast spending of more than £2 billion a year over the next decade on our drive towards network enabled capability.

Yesterday, HMS Daring, the first-in-class of our Type 45 destroyer fleet, was launched. I regret that I was unable to attend, but my right hon. Friend the Secretary of State for Defence was there and it was a fantastic experience, not just for those who had helped to plan and build the ship, but for the tens of thousands of

people in Glasgow who watched that unique dynamic launch. It was inspiring and it sends the right message to taxpayers about what they are getting for their money.

Daring's launch was a great advertisement for the skills and commitment of the thousands of people involved in the programme. It will be the most powerful destroyer that the UK has ever built and all those involved in the programme can be extremely proud of what has been achieved. Daring's on-board living standards, which have generated much positive press interest, also help to demonstrate the priority that we are giving to improving the quality of life of members of our armed forces. The equipment will take the armed forces into the 21st century with the kit that is needed to meet a varied and dangerous threat with certainty.

Dr. Julian Lewis (New Forest, East) (Con): I also had the great privilege of attending the launch yesterday and am grateful to BAE Systems for making that possible. I entirely endorse everything that the Minister said about the great efforts of the work force and design team, and I am sure that none of us will ever forget yesterday's experience. Bearing in mind the fact that we are now operating with a fleet with considerably fewer frigates and destroyers than the strategic defence review predicted would be necessary in 1998, even though our commitments have increased, is the Minister in a position to let the House know what the final total of Type 45 destroyers to be constructed will be?

Mr. Ingram: I am sure that the hon. Gentleman had a good day in Glasgow yesterday—I just wish that I had been there to see it. He is always welcome to go back to Glasgow and I am sure that he will be well received by the people of that great city.

The original plan was for 12 vessels in the class. After the re-examination of our needs and the budget, the number was recalculated as eight. We have ordered six, but the Secretary of State has said that he would like to see eight. The hon. Gentleman will know that we will have to consider appropriately the possible benefits in the future to ensure that we can get the best price, but we are not at that stage at the moment because we do not have the sums in the defence budget. We need to address the priorities in all the other areas.

I remind the hon. Gentleman that we are spending £6 billion through the equipment plan. That considerable sum must be shared among all our needs for land, air and sea. Scrutiny and examination of the situation will continue. The chiefs themselves—the military planners—will have to consider the capabilities that each service requires and make their case, taking account of the known priorities. There must be balance across the breadth of defence. The equation is not new; it has probably been there since time immemorial and will continue for decades, if not centuries, to come.

Mr. Edward Vaizey (Wantage) (Con): I echo the comments of the Minister and my hon. Friend the Member for New Forest, East (Dr. Lewis) about the Type 45 destroyer, with which the Navy is absolutely delighted. We are also delighted, especially because it fills the Americans with a huge amount of envy. Will the Minister take his remarks further because although the Royal Navy is delighted with the destroyer, it is aware that a balance must be struck between capability and presence? For example, I understand that we have only one ship in the Atlantic, with its duties divided between the Caribbean and the Falklands, whereas we used to have two. I know that it is extremely difficult to resolve the equation, but would be interested to hear the Minister's further remarks.

Mr. Ingram: Such tasking has been in place for a considerable number of years and seems to work extremely well. I had the privilege of visiting HMS Richmond a year and a bit ago when it was on the allied patrol task (north) deployment. It did a tremendous job when it was involved in the post-hurricane relief effort and also contributed to our counter-narcotics activities in the area. HMS Cumberland has just come back from the deployment and it carried out tremendous work, too. The evidence shows that successful missions are being carried out. We must strike a balance by targeting where we can give best effect. Clearly, the Navy would like to have more boats, but the Army and Air Force would like to have more of other things, too, so the priorities must be balanced. The Conservative party had to balance priorities when it was in government. I will not make the political point about the legacy problems from which we are suffering due to overrun, costs and projects running well behind time. Those problems are still creating huge difficulties for present-day and even future procurement programmes. When the hon. Gentleman makes points of criticism—

Mr. Vaizey: It was not a critical point.

Mr. Ingram: The hon. Gentleman may not want to go there, but we must bear in mind the situation that is being imposed on the present-day Government because of the decisions—poor decisions in some cases—taken by Governments past.

The Government are overseeing a substantial modernisation of our armed forces' equipment, which is supported by the longest period of sustained real growth in defence spending for more than 20 years. I believe that there can be a tendency to put too much focus on the shortcomings of legacy programmes to the detriment of the many successes that we have achieved. For example, we had the early delivery of the strategic sealift service some 20 months ahead of its target date. The mobile artillery monitoring battlefield radar was delivered six months early. The C-17 was in service three months early and only a year after selection, and the successor identification friend or foe project is five months ahead of schedule. Those are just some examples of the successes.

With industry, we need to ensure that all our equipment continues to remain cutting-edge throughout what are likely to be very long service lives. For example, the Tornado GR4 upgrade programme that was completed in 2003 and the introduction of Harrier GR9 in September this year will ensure that the capability and combat effectiveness of both those platforms will be maintained for many years to come. Furthermore, we expect Typhoon, which is now coming into service as the bedrock of the RAF's military capability, to be in service well into the 2030s and perhaps beyond.

That demands a different approach from both the Ministry of Defence and industry. The approach must shift from the up-front procurement of new generations

[Mr. Ingram]

of platforms and equipment to the ability to support them throughout their lives, which is known as through-life capability management. We require industry to be able to upgrade our equipment with new technologies and capabilities, often rapidly, in response to either operational demand, or the emergence of potentially disruptive technology. While this will need, in some cases, industrial restructuring and rationalisation, it actually represents a significant long-term business opportunity for industry and establishes careers for the highly skilled people on whom industry relies for delivery. It will also require, where we develop long-term relationships with industry, continued innovation and the use of a range of commercial tools to secure value for money.

John Smith (Vale of Glamorgan) (Lab): Does my right hon. Friend share my worry that the three platforms to which he referred, which will play such an important role in our future defence capability, will all be supported by a single monopoly supplier—one company? Does that raise any concerns with him when he thinks about the future needs of British defence?

Mr. Ingram: It does not raise concerns, but shows that we need to think about what we are doing, which is the whole purpose of the defence industrial strategy. My hon. Friend has got it wrong. The company to which he refers is already the monopoly prime supplier and the design authority. It has now moved its people on to the main operating bases so that they can work alongside RAF personnel with greater synergy so that we can turn round the aircraft as effectively as possible. Importantly, we retain the key skills of the design authority company so that we ensure that we have the capacity to maintain the through-life of aircraft.

My hon. Friend and I have tussled over this time and again. I have no doubt in my mind about the validity of the decision that has been taken because it was based on evidence, whether for fast jet or helicopter support systems. We have not taken a one-size-fits-all approach. In one case we have gone on to a main operating base, but in the case of Defence Aviation Repair Agency Fleetlands, we have moved towards a civilian base on which military personnel work. We must balance the best way in which we can get value for money for the taxpayer and, more importantly, the way in which we can get the best guarantee that the greatest number of aircraft is available at any one time. The evidence already shows that that is happening.

Mr. Philip Hollobone (Kettering) (Con) *rose—*

Mr. Ingram: I will move on, if the hon. Gentleman does not mind.

I want to turn to the maritime sector. We are undertaking the largest naval shipbuilding programme for two generations. Both the Astute submarine and Type 45 destroyer programmes are in their manufacturing phase and we announced details last year of the industrial alliance to take forward the future carrier programme, which will deliver a step change in the power projection capability of our forces. The two new future carriers will be the two biggest warships ever to be built in the United Kingdom, and the associated work could sustain and create some 10,000 jobs across the UK during its design and manufacture period. We also announced last week our intention to work with the French Government on the demonstration phase of that project. That makes clear sense, as it allows both countries to benefit from savings on shared procurements without slowing the tempo of the project. France, as we know, will make a financial contribution to share in the investment that we have made. We have significant investment planned to develop the Royal Fleet Auxiliary as part of the military afloat reach and sustainability—MARS—programme.

New warship platforms such as HMS Daring are important, but we must be able to support them as part of our overall capability to deploy worldwide. MARS vessels will make a significant contribution to providing sea-based support for amphibious, land and air forces. While that shipbuilding capacity gives us an opportunity to invest in important skills and capabilities, there will be reduced demand in future. We therefore need to plan now with industry to ensure that the right capabilities are invested in, developed and sustained in times of reduced capacity. The maritime industry is fragmented, with high overheads and a skills base that is spread across too many different companies. The DIS analysis has challenged our previous policy, which required all warship hulls to be built onshore, the rationale being better to manage a consistent "drum beat" of shipbuilding for industry to sustain critical capabilities.

The analysis focused on what those capabilities actually are. In that context, "hulls" is too simplistic a term. We need to sustain high-end skills to design and integrate complex warships and maintain them through-life. We need to retain, too, the ability to design, manufacture and support all aspects of submarine capability. We will develop that work with industry through a maritime industrial strategy team. Our priority is to develop a stable and healthy programme to build complex warships—the "drum beat" to which I referred. It should maintain the critical capabilities, whatever the capacity of industry.

Regarding submarines, we are working to control cost growth and to identify opportunities for rationalisation in the various onshore monopolies. Submarines are a core capability for retention, but the industry is made up of a series of monopoly suppliers. With only one customer, the need to control costs in the supply chain is paramount. We are addressing that by developing a consistent work load for the sector to help industry to sustain capability and drive down costs. We are looking at new ways of doing business for surface ship support, where a longer-term relationship with industry is more likely to safeguard capabilities at value for the taxpayer. The result of that strategy will provide workers with the security to develop their skills in long-term structured and secure employment.

Turning to land systems, the armoured fighting vehicle industry provides our land forces with significant military capability. We are currently developing our plans to deliver the complex system that will make up a new family of medium-weight vehicles known as the future rapid effect system—FRES. At the same time, we need to plan ahead for the support arrangements of our existing fleet of some 5,000 vehicles, which will remain

in-service for some years. That is why we announced alongside the DIS last year our plans to partner BAE Systems, which supplies 95 per cent. of our existing AFV fleet, better to manage fleet support.

Mr. Kevan Jones (North Durham) (Lab): I support the progress on land systems, but is there any scope to partner the Swedish Government, who are developing SEP as their equivalent to FRES? Could we try to work with the Swedes, who are collaborating with BAE Systems, to secure a joint venture?

Mr. Ingram: The DIS is innovative, so it must look at new ways of working. However, it must also retain core capabilities in this country. BAE Systems is good at identifying market opportunities, but no doubt we will hear more about the matter that my hon. Friend has raised. We need that equipment, however, and we must look at how best we can secure it.

Mr. Vaizey: Will the Minister give way?

Mr. Ingram: I should like to make some progress, and I have already given way to the hon. Gentleman.

The partnering arrangement signals our long-term commitment to industry in this sector. It envisages a different way of doing business, as BAE Systems will be contracted to provide AFV capability when and where we need it. It provides for retained access to innovative subsystems and technologies in the supply chain. That will require effort on both sides, but the benefit is mutual, as it safeguards critical capability and at the same time achieves better value for money.

It is an exciting time for the aerospace industry, with the development of two highly capable aircraft—Typhoon and the joint combat aircraft. Looking further ahead, we will develop potentially transformational uninhabited combat aerial vehicle—UCAV—technology.

Mr. Brian Jenkins (Tamworth) (Lab): I am listening with great interest to my right hon. Friend, who is setting out strategy for the defence industry, but I am concerned about the restructuring of the industry. Who will undertake that restructuring—the Ministry of Defence or industry itself? Will we ask firms to fall on their sword because they are longer needed? How can we guarantee that the best remain rather than undertaking different work such as offshore platforms? Who will drive the restructuring forward over the next 10 years?

Mr. Ingram: The principle of the DIS is to find out what our needs are. Industry requires that assessment if it is to plan for the future retention and growth of skills, the recruitment of new personnel, and investment in new technology and plant. It can no longer do so with hunger and burst, which has not served it to best effect or advantage. We now have a framework on which we can build. As for the question of who will restructure industry, the answer is industry itself. If it wants the opportunity for which it has been asking—and we are delivering that opportunity—it must face up to reality and restructure. If it thinks that something is no longer coming downstream, it should ask itself why it should invest in it. If it thinks that something is a major opportunity, it should invest in it, because it is certain that it will happen. There is no guarantee of success, but if restructuring does not take place we will certainly not achieve success, and we would have to continue, as we have in the past, with hunger and burst, which would mean that industries would operate under threat of closure. Restructuring for best advantage is better than the pattern of closure that we have had in past decades, and the strategy gives us the best opportunity to achieve that.

As for the platforms themselves, Typhoon is a multi-role platform that will take over roles currently filled by the Tornado F3 and Jaguar aircraft. It will be supplemented by the arrival of the joint combat aircraft to succeed the Harrier and Sea Harrier and perform a variety of multi-role operations. We want to retain and develop engineering and design capability to ensure that Typhoon and the JCA are supported, operated and upgraded throughout their service life. That means harnessing and inserting new technologies, so that the aircraft remain leading-edge while investigating the military potential of UCAVs.

The industry must adapt to meet that change in emphasis from the design and build of new aircraft to supporting them through-life. BAE Systems, Rolls-Royce and Selex, among others, will play a critical role, and there are significant business opportunities available in the long-term support of our future aircraft. We will work with industry throughout the year on the business rationalisation and transformation needed to sustain the skills and capabilities that we require in a cost-effective manner.

As for rotary wing, the helicopter sector shares many of the characteristics of the AFV industry, and we would wish to retain the abilities to maintain and upgrade our existing helicopter fleet with a large onshore supplier. To that end, we are developing a partnering arrangement with AgustaWestland, whose Future Lynx product remains our preferred solution to meet a variety of our future helicopter capability requirements. The outcome of that work will sustain the necessary systems engineering capabilities. We need to indicate the way forward on developing efficient support solutions for our existing fleet. Most importantly, that work will provide the Armed Forces with the military capabilities that they require. We expect to finalise the partnering arrangement with AgustaWestland this spring. We will, however, continue to look to the vibrant and competitive global market to satisfy our future requirements.

Mr. Tobias Ellwood (Bournemouth, East) (Con): The Minister has glossed over one of the most important aspects of the procurement debate, which we should discuss—the F35. Has he had any discussions with Henry Hyde, the Congressman—*[Laughter.]* Hon. Gentlemen may laugh, but it is a serious matter—he is the chairman in charge of organising the relationship between Britain and America. We are close to losing the deal, which means we will have two aircraft carriers without any aeroplanes on them, unless we get a deal giving us the technology to repair and maintain those aircraft.

Mr. Ingram: In a sense, that view is shared across the House. The hon. Gentleman asked whether I had met Congressman Hyde. I have not. The last time I went

[Mr. Ingram]

through Washington he was not available, but I met other key players. Meetings such as the hon. Gentleman suggests are the role of the Minister for Defence Procurement and of my right hon. Friend the Secretary of State. All hon. Members who pass through Washington should be briefed on the issue and should raise it. If they do not, they are not doing this country justice. We must make clear to our American friends and allies the importance of the issue, and we continue to do so. We are making some progress, and I will comment on it later.

Mr. Lindsay Hoyle (Chorley) (Lab): My right hon. Friend rightly mentioned fast jets and heavy lift capability, but will he describe the benefit of the A400M and how many jobs that could bring to Rolls-Royce, BAE Systems and the rest of the supply chain?

Mr. Ingram: That is an important aircraft, which is taking a long time to arrive. That is the reason for the C-17s. Given that the A400M will be leading edge and will have very good technologies on board, it will be able to do a great deal of strategic airlift and strategic activity, which will make it a forerunner in its field. That is why we are excited about the project and waiting for it to be delivered. I hope to be at the Dispatch Box when that happens.

Mr. Mark Hendrick (Preston) (Lab/Co-op): How confident is my right hon. Friend that a stronger version of the JSF will be developed? If that version is not developed, is a carrier version of the Eurofighter being considered? *[Interruption.]*

Mr. Ingram: I hear that described as plan B. As I have said before, we do not plan for failure. We plan for success and put all our efforts into achieving it. What we are planning is the best aircraft of its type, for various technical reasons. The question of marinising Typhoon has been mooted. People are talking about it, but we are not planning that. There are technical issues concerning the stress on such an aircraft landing in the way that it would land. There are major technical issues involved, so hon. Members should not just read the headline and think there is a simple solution. *[Interruption]* I said earlier that I hope I am at the Dispatch Box when the A400M arrives. With the length of time I am taking, I may well be.

Dr. Gavin Strang (Edinburgh, East) (Lab): The House is grateful to my right hon. Friend for what he has said. The issue is hugely important, as he understands, and a decision will have to be taken. Is not this the year that it will have to be taken? Either we go down the road that I assume is still the Government's preferred option—my right hon. Friend might describe it as plan A—the JSF, using the big new carriers, or we recognise that it must be the Eurofighter tranche 3, navalised, as plan A.

Mr. Ingram: I thought I had answered the question, but let me try again. We are confident that we will succeed in what we have set out to achieve. That must be the main thrust of our argument and we must impress it upon our US allies. We are the main contributor to the project—a level 1 contributor, up to $2 billion. That is a significant commitment. We think we will succeed. We are determined to succeed. Beginning to debate alternatives only allows others in the US to say that we are not really interested. The project remains our preferred option and we are confident that we can achieve it.

Mr. Robert Walter (North Dorset) (Con) *rose—*

Mr. Ingram: I have taken a substantial number of questions on that topic, and there are others that I want to address.

Within the complex weapons sector we have invested considerably over the past decade in new programmes such as StormShadow and Brimstone. These weapons provide the armed forces with the ability to deliver precise effects, which are able to achieve military advantage at a reduced level of usage. Our analysis has consequently highlighted a series of vital capabilities for retention in this field, with particular emphasis on the design of new weapons and upgrades, integrating them into the wider military network and support through life. But we need to be realistic. Our recent investment cannot continue, and on current assumptions will decrease by 40 per cent. over the next five years, creating overcapacity and a need for rationalisation.

We will work with all elements of the onshore industry, including overseas companies that have established a UK presence in the sector, on how best to tackle that. This may require us to temper international competition in the short term and to consider whether there are solutions that we might develop with our allies to maintain critical skills. We intend to work on the necessary solutions this year and to implement them in 2007. That will not be easy, but it is essential that we do so in this critical field.

We also need to ensure that our armed forces can have continued and long-term assured access to less complex munitions, while maintaining the option to go for the best in the wider global market, where security considerations permit. Currently 80 per cent. of our existing munitions requirements are met by BAE Systems via an agreement that commits us to find ways more to effectively provide munitions across the supply base. At present we are engaged with the company to enhance this agreement through a new long-term planning agreement. This will mean changes, but we are confident that we can ensure security of supply.

I make it clear that we will continue to operate the most open defence market in the world, encouraging others to follow our example. As an example of this, we have recently developed with the European Defence Agency a code of conduct regarding the procurement of warlike goods. We expect this to lead to a more open European defence equipment market, giving UK industry a greater chance to win business abroad.

The UK industry has also been successful in developing its presence in the sizeable US market and is a major contributor of equipment to the American Department of Defense. UK defence sales to the US have increased by about £500 million to a total of nearly £1.5 billion over the past five years. Over the same period, there has been a corresponding increase in the UK's share of total US defence investment spending

from about 1.5 per cent. to 2 per cent.. The UK accounts for about 50 per cent. of total US defence procurement spending overseas.

Despite our close industrial, political and military ties, however, we continue to experience difficulties in securing the necessary technology transfer from the US to guarantee our sovereign operational independence. Such technology transfer is vital if we are to continue to co-operate with the US on major equipment programmes. As the hon. Member for Bournemouth, East (Mr. Ellwood) suggested in his question, this is an important issue for us and one that we continue to raise at the very highest levels.

Mr. Hollobone: Will the right hon. Gentleman give way?

Mr. Ingram: No, I must make progress.

The defence industrial strategy also makes clear our commitment to developing research and technology, acknowledging the vital role that that plays in designing emerging concepts and technologies, and also enabling the Department to scan the horizon for new, potentially disruptive, technologies. The MOD invests around £2.5 billion annually in research and development covering the breadth of technical and innovative endeavours, and our immediate priorities are laid out in the DIS.

My right hon. Friend the Secretary of State for Defence announced earlier this month our intention to float Qinetiq on the London Stock Exchange. This is a further step in our plans to develop a public private partnership for defence research. It is also the way forward for Qinetiq to continue to supply battle-winning technology for the armed forces, as well as providing opportunities to exploit leading UK technology abroad.

The step-changes in capability that we are introducing as a result of our continued investment put the armed forces on the footing that they require for the 21st century.

The drive towards network enabled capability, greater interoperability and the use of precision effects means that we can now do more with less following the enhancements to our platforms and weapons. We must continue our efforts so that that remains the case, which means addressing the business and process of defence procurement. We have work to do in this area, but we have made considerable efforts to improve our performance. That has been reflected in the last three NAO major project reports, which noted year-on-year decreasing costs and time delays on the programmes reviewed. However, we need to do more, and must strive for continuous improvement. The DIS has introduced an ambitious package of change, led by my noble Friend Lord Drayson, and builds on our smart acquisition experience.

As I am coming to the end, I will give way to the hon. Member for Kettering (Mr. Hollobone).

Mr. Hollobone: I am most grateful to the Minister for giving way. He was talking about technology transfer and disruptive technologies and the threat that they pose. Does not drone technology offer a terrific opportunity for our armed forces? Will the Minister assure the House of the importance that he attaches to drone technology and say whether the necessary technology transfer is taking place, and will the necessary command and control of drones be across our armed forces, or remain with one specific arm of the services?

Mr. Ingram: I wish that I had not given way now; that is another debate in itself. It may be better if I write to the hon. Gentleman on that. The whole concept of DIS is looking forwards to the new technologies—what is coming along, what is important, what we need, how we define the need, whether there is a key capability and core skill base within this country that we want to preserve, and that also matches our need, and how we deliver all that. I will write to the hon. Gentleman on the specific questions that he raises.

Our success will be largely dependent on the changes that industry will also need to make, to plan better for the long-term, growing system engineering capability, stimulating innovation across the supply chain and developing the right behaviours. It is ultimately how industry responds to the challenge, and how we demonstrate the DIS in our future investment decisions, that will demonstrate the strategy's success.

The change programme is a top priority for the Department and the Government. The defence industry will likewise need to move quickly to put both the MOD and industry in the best possible position to achieve the aims of the DIS. We are determined to achieve this and to deliver to the armed forces the equipment that they need for the demands of today and tomorrow. Our people deserve nothing less.

1.52 pm

Mr. Gerald Howarth (Aldershot) (Con): I associate the official Opposition with the remarks made by the Minister and the condolences that he has expressed on the deaths of the two servicemen, Lance Corporal Allan Douglas and Corporal Gordon Pritchard, the most recent casualties in Iraq, and a salutary reminder to all of us and to the nation of the proud part that is played not only by our armed forces but by their families in supporting them. I join him in paying tribute to the families who give this unstinting support, as I know, representing as I do a garrison town. The Minister is entirely right to remind the House and the nation that around the country there are many injured servicemen and women who did not lose their lives, but who every day will bear the scars of the contribution and the sacrifice that they have made on behalf of us all. The House will be grateful to the Minister for that.

The fact that so many right hon. and hon. Members on both sides of the House wish to participate in the debate is an indication of the importance of defence procurement at the present time. Furthermore, the fact that the Minister's contribution lasted for virtually an hour—although, if I may say so, it was a bit wayward at the beginning—was an indication that he too regards this as an important issue, and that there are a number of very specific factors that we need to address. I am conscious that my right hon. and hon. Friends wish to contribute, and if I miss out something, it is not because I do not regard it as important, but I wish to preserve some time for my colleagues, and no doubt my omissions will be taken up by them.

[Mr. Gerald Howarth]

I almost begin where the Minister left off, because he referred to the various reports that have been published recently, not least the NAO's major project reports. Since we last debated defence procurement 15 months ago in November 2004, there have been a number of those reports, so the backdrop of this debate is a series of Select Committee and NAO reports highly critical of the Government's management of defence procurement. Once again, Ministers have presented a strategy designed to meet our procurement requirements for the coming decades and to make up for the deficiencies that the previous strategy failed to resolve.

The 2005 NAO major project report was greeted by the MOD as an improvement on the previous two years, which was hardly difficult given that the 2003 report was described as the worst in the history of the report. As is now customary under the Government, the report still highlighted significant cost overruns and delays, and the MOD's latest projects are now £2.7 billion above the originally approved costs. But that specifically excludes—I understand on grounds of commercial sensitivity—the Typhoon project, which in previous years had accounted for over £2.3 billion in cost overruns. The MOD's major procurement projects also continue to fall behind, with delays increasing by 45 months over the past year. But once again, that figure is affected by the exclusion of the joint combat aircraft, which has had its in-service date mysteriously dropped.

In a rather underhand attempt to pre-empt the third disappointing major project report in a row, the noble Lord Drayson held a press briefing days before the embargoed report came out, to spin the positive points in that report. The Minister claimed a £699 million improvement in the cost of the 20 largest defence projects. However, as the NAO concluded, those savings came not from efficiency, but from cuts to future capabilities and cuts in the number of platforms.

Let us not forget that the 2005 report follows hard on the 2004 MPR, which cited cost overruns of £1.9 billion and delays of 144 months. That report followed the disastrous 2003 report that I have just mentioned and its £3.1 billion cost overruns and an average delay of 18 months across the 20 largest projects.

Mr. Ingram: Will the hon. Gentleman give way?

Mr. Howarth: Of course I give way to the Minister. He has had a pretty fair share of time already, but I will of course, out of courtesy, give way to him.

Mr. Ingram: I just want to get the record straight. We recognise the issues on procurement, but perhaps the hon. Gentleman would like to comment on the fact that in 1997, when the Conservative party left office, the NAO found that the Conservative Government's top 25 defence procurement projects were likely to cost over £3 billion more than they originally forecast, and would on average enter service over three years later than originally planned. In 1997, the NAO exposed the fact that only three of their top 25 projects were expected to enter service at the dates originally planned, and six of them were due to enter service at least five years later than they should have. When the hon. Gentleman makes these assertions and accusations, he should reflect on the past and tell us where they got it wrong, and why they think that we are now getting it wrong with the defence industrial strategy.

Mr. Howarth: The Minister has got a bit of a nerve referring to events of eight years ago. The Government have been in office for eight years, and first they introduced smart procurement, then smart acquisition. There has been new idea after new idea to try to deal with the problem, but the Government have failed, and the NAO reports indicate that. I am sorry to say to the Minister that I will not give way again if he simply tries to blame the last Conservative Government eight years ago. The public are fed up with that. The Government are in charge. They are responsible and accountable, and what is more, we will hold them to account until the day comes, very shortly, when we take over.

It is not just a matter of the NAO reports. The Defence Committee, chaired so ably by my right hon. Friend and neighbour the Member for North-East Hampshire (Mr. Arbuthnot), Labour members of which are present, has been equally critical, charging in its 2004 report that

> "Our Armed Forces have been let down by the organisation tasked with equipping them".

That is hardly a tribute to the Minister. More recently, the Committee in its report on two of the MOD's largest and most important projects, the carriers and the joint combat aircraft, concluded that it may be "falling seriously behind schedule" and thereby creating a potentially dangerous capability gap for the Royal Navy. The Committee has also warned that if costs are not brought under control, the project may become "unaffordable". The members of the cross-party Committee are knowledgeable, and they have criticised the Government's performance. After more than eight years in power, the Government have failed to deliver promised improvements on the delivery of equipment to our armed forces. The cost of major projects has continued to rise, and in-service dates have continued to slip—there is no money left in the budget, so allowing programmes to slip is the only way to manage the position. Over the past year, the MOD's unfunded commitments rose by £5 billion to almost £19.5 billion.

Sarah McCarthy-Fry (Portsmouth, North) (Lab): Does the hon. Gentleman agree with yesterday's comments by Sir Peter Spencer to the Public Accounts Committee on the MOD major projects report? He said that procurement difficulties are due in large part to the "toxic legacy" of previous Governments and that he expects such difficulties to continue for some years to come.

Mr. Howarth: I have not seen Sir Peter's remarks, and I shall read them with great care. Sir Peter is in charge now; the delays are occurring now; and the in-service dates are slipping now. It is no good blaming the Government of eight years ago for something for which this Government have taken responsibility for the past eight years. Sir Peter has been in office for the past two or three years, so he should be careful when it comes to casting beams out of others' eyes.

Since the Government came to power, spending on defence has fallen both in real terms and as a share of GDP. Defence spending in 2004–05 was almost

£1 billion less in real terms than in 1995–96. In 1995–96, defence expenditure was 3 per cent. of GDP, but this year it is set to fall to 2.3 per cent. of GDP. However, our military commitments are far greater today than was envisaged even in the strategic defence review, and they are expected to remain at the current high tempo.

The Minister has mentioned the defence industrial strategy, which is an attempt to identify the key military-industrial capabilities that we need to retain in the United Kingdom. The document is a move in the right direction, not least because the Government have taken on board what we have been saying for the past three years. In the procurement debate 15 months ago, I called for

"a mature partnership with industry, with both sides working together from a project's inception through to the completion of its service life."—[*Official Report*, 4 November 2004; Vol. 426, c. 488.]

We welcome the Government's conversion to our view.

If we are to retain certain key capabilities in the UK, it will involve placing some non-competitive contracts. However, we must be wary, because the cost-plus approach has failed to deliver value for the taxpayer in the past. When the MOD seeks a particular solution through a non-competitive contract, we propose that the MOD and its industrial partners should run an open-book accounting system policed by the National Audit Office to ensure value for money for taxpayers. I have discussed the matter with the Comptroller and Auditor General, Sir John Bourn, who confirmed that the NAO could assist in such a scheme. I have mentioned that idea in the past and offer it as a genuine and constructive suggestion to the Minister as a means by which we can retain key industrial capabilities in the UK, where we have only one supplier. I am offering the Minister a mechanism by which we could try to protect the taxpayer interest and retain that defence industrial capability.

The defence industrial strategy will be judged on how it works in practice. The hon. Member for Tamworth (Mr. Jenkins), who is not in his place, described it as a "MOD wish list" in the Defence Committee on Tuesday, and he was largely right. Furthermore, some serious unanswered questions have been left hanging, and I shall raise a couple of them. On fixed-wing aircraft, the Government appear to accept our strategy of maintaining Britain's aerospace industry by involving it throughout an aircraft's service life. I have always believed that we should provide an income stream to industry to ensure the certainty of which the Minister has spoken. However, the bald statement that current plans do not envisage the UK needing to design and build a future generation of manned fast jet aircraft beyond Typhoon and the joint strike fighter effectively heralds the end of a century of capability in which the United Kingdom has been a world leader.

Given the uncertainty surrounding the joint combat aircraft programme, I question whether abandoning the ability to make combat aircraft would be foolhardy in the short term and echo the infamous Duncan Sandys 1955 White Paper, which confidently predicted the end of manned flight. I accept that the era of the unmanned air vehicle and the unmanned combat air vehicle has dawned. The United Kingdom must be fully involved in the development of that technology, and I understand that it is. However, it is not in our national interest so lightly to abandon the capability of building manned fast-jet combat aircraft.

The Minister has referred to "complex weapons"—missiles. The strategy states:

"Complex weapons provide our armed forces with battle winning precision effects".

In other words, missiles are critical to modern military operations—the soft speak is for the benefit of groups such as the Campaign Against Arms Trade, which does not like some of our manufacturing industry's products. A few lines later, however, the document states:

"There is, apart from the Meteor programme, little significant design and development work beyond the next two years. This will present a substantial challenge to the industry."

The Minister has discussed that point, but what about the challenge to Government? If missile technology is vital, we must establish the means to ensure that we have access to secure supplies. I note that the Minister has said that negotiations are under way, and I hope that he will keep the House informed, because if the DIS statement is right that those weapons are critical to modern warfare, we must retain that capability in the United Kingdom.

That brings me to the fundamental issue that underpins the DIS. As the Minister has said, the Government accept that

"to maintain our national security and keep the sovereign ability to use our armed forces in the way we choose we need to retain those key capabilities in the UK."

The force of that argument cannot be understated. Let us not forget that during the first Gulf war the Belgians refused even to sell us ammunition.

On ammunition, the DIS states:

"it is essential we retain onshore the design authority role and its underpinning capability for munitions manufacture",

but the Government accepted the closure of the BAE facility at Bridgwater, which means that the source of supply will be overseas. In answer to my questions, Ministers tell the House that they are content to rely on BAE for security of supply, knowing that that supply comes from overseas. BAE cannot give that guarantee, because it will be subject to the whim of the overseas manufacturer's Government. The Minister is not entitled to accept a guarantee from BAE.

Mr. Hoyle: The hon. Gentleman has mentioned Bridgwater. Is he aware that that strategic review also covers Chorley? Without Chorley, nothing goes bang, because initiator and boxer caps are produced nowhere else in the UK.

Mr. Howarth: I understand the point made by the hon. Gentleman, who has repeatedly raised his constituents' concerns about explosives in this House.

Mark Pritchard: Is my hon. Friend aware that those explosives relate directly to the UK's nuclear deterrent? We will no longer have the necessary explosives for that nuclear deterrent in the UK, and we will have to rely on foreign suppliers, which undermines national security.

Mr. Howarth: My hon. Friend is right to raise the matter. The Government owe it to the House to be frank

[Mr. Howarth]

and honest. I recognise that they are having to make hard decisions across a wide range of procurement issues, but the only way in which we can address the matter on behalf of the nation is by being honest and frank. If we allow the supply of critical materials to come from overseas, the inevitable consequence will be that our national sovereignty is impaired.

John Smith: Will the hon. Gentleman give way?

Mr. Howarth: If the hon. Gentleman will forgive me, I want to press on with a few other important issues, one of which is defence research.

The report says that there is

"a strong correlation between equipment capability and R&D investment in the last 5–30 years."

That means that the battle-winning capabilities that we have seen in Iraq and Afghanistan in recent years are the result of investment in defence research in previous decades—principally under Conservative Governments, I should like to remind the Minister. It is quite simple. If we want to be able to continue to play a global role and to give our armed forces the best equipment available into the future, we have to invest in research today. At the last election we called for an increase in the proportion of the MOD budget available for R and D. In the DIS, the Ministry appears to share our fears about the danger arising from a failure to make that investment, for it states that

"in the coming decades the UK could fall behind both our key allies and emerging economies in our ability to support sophisticated and competitive technology-based industries."

That strikes at the heart of the defence industrial strategy. By their own admission the Government are failing our armed forces. Government spending on defence research has fallen from £840 million in 1997 to about £450 million today. If the Government are to deliver on the DIS they need to commit proper funding for defence research.

I asked the Secretary of State what proportion of the sales receipts from the Qinetiq flotation will be made available for defence research. The answer that I received from him earlier this week said that a substantial proportion of the receipts would be retained by the MOD, but just what does "substantial" mean? Does it mean that the MOD will retain a majority of the funds? If the Minister cannot put a figure on it until after the sale, perhaps he can give us details of what percentage of the funds he estimates will go to the Treasury and what percentage will be retained by the MOD. Even more importantly, how much of this windfall will be reinvested in R and D, not just swallowed up in the overall defence budget? I hope that the Minister will be able to answer those questions when he winds up.

That brings me to the questions surrounding the sale of Qinetiq. The Government stand accused of selling off a major British national asset far too cheaply. That has been confirmed by the admission of the Minister's former colleague, who used to sit next to him—Lord Moonie, the Minister responsible for the sale of one third of Qinetiq to Carlyle—that he opposed the timing of the sale. We made our concerns clear at the time of the sale that Qinetiq had been sold off too cheaply and that the sale could have been delayed until market conditions had improved. In January 2003, in the Defence Committee, I asked, "Can you explain to us laymen why Carlyle is paying £42 million for a one third stake in a company with a value capital net of debt of £312 million?" The value of the physical assets alone suggests that it was seriously undervalued at the time. It is now clear that the sale was not motivated by a desire on the part of the MOD to enhance defence research but by the Treasury in a crude move to screw more money out of the MOD to help to plug the Chancellor's black hole.

There remain unanswered questions over the future of Qinetiq. We need to know precisely how the relationship between the company and the MOD will operate following the flotation, not least in respect of urgent operational requirements for military operations. We also need assurances that intellectual property generated in the UK will remain in the UK and not be siphoned off to the United States or elsewhere. As Qinetiq moves much of its focus to the United States, what consideration has the Ministry given to the possibility of intellectual property transfer to the US then becoming subject to the stringent US export controls mentioned by my hon. Friend the Member for Bournemouth, East (Mr. Ellwood)? What safeguards has the MOD put in place to prevent asset-stripping?

Are Ministers comfortable that they have engineered an incentive scheme correctly given that a few employees of the company stand to make small fortunes that make lottery winners look like village paupers? I have to confess that some of them are very good friends of mine—*[Interruption.]* Well, I am looking forward to a very large dinner from Sir John Chisholm, and I have already told him so. *[Interruption.]* I hope that it will be so good that it is required to be entered in the Register of Members' Interests, and I have made that clear to him as well. However, there is public unease. That points to Ministers' failure to have undertaken a proper assessment of the value of the state asset that they were selling.

Bob Russell (Colchester) (LD): I am interested by the hon. Gentleman's dismay that a public asset is being flogged off at a knock-down price, as I thought that that was the whole object of all the privatisations that we have had.

On a specific point, does the hon. Gentleman's criticism of the Government about the lack of research and development include military clothing and textile?

Mr. Howarth: I know of the hon. Gentleman's interest in textile issues, which is shared by other hon. Members. Those of us who are a bit more familiar with the armed forces than others understand the importance of good-quality kit, in clothing terms, to our armed forces, particularly those out in the field. When I went up to Arbroath with the armed forces parliamentary scheme, we visited 45 Commando. I was told by one of my more subtle hon. Friends, who shall remain nameless, that if I banged on about the kit, I would get my head banged. When I arrived, 45 Commando, who are some of the toughest guys in the business, had the kit laid out on the floor. They showed us the trousers that were split and the boots that did not work. Clothing is important.

Returning to Qinetiq, it is now clear that that privatisation has been carried out on a timetable designed to suit the Treasury rather than to enhance Britain's defence research base. The DIS is clearly good news for the prime contractors, not least BAE Systems, which has its headquarters in my constituency, but unfortunately it gives little consideration to small and medium-sized enterprises, whose concerns will need to be addressed. The key is implementation; we will need to see how it is going to work in practice. The strategic defence review was an impressive document, but its implementation has been hindered through lack of proper funding. We will therefore wait to see whether the DIS is to be funded properly.

Let me turn briefly to some individual projects. On carriers, Lord Drayson's admission to the Defence Committee last year that the MOD was no longer able to commit to bringing the first new carrier into service in 2012 has come as a bitter blow to the Royal Navy. In November 2004, when he appeared before the Defence Committee, the First Sea Lord stated in no uncertain terms:

"I am still adamant that I want it in 2012".

That was just 15 months ago. This project has been needlessly delayed. We need assurances that the new assessment phase, which was announced just before Christmas, will be completed within the year. HMS Invincible, already in mothballs, will be withdrawn from the fleet in 2010; HMS Illustrious is to be decommissioned in 2012; and HMS Ark Royal is to be decommissioned in 2015. We need to know what progress is being made on the extension of service of the ships referred to in the statement that the Secretary of State made before Christmas. Have any costings yet emerged from that process?

The House and the Royal Navy need to be kept closely informed regarding the exact nature of French involvement in this programme. We know that they are going to buy into the design. It is imperative that their involvement should not be allowed to delay construction of the UK's two carriers. Has agreement been reached with France over the charge for the design plans—we understand that it has now been confirmed at £100 million—and is their involvement in the direction of the project more extensive than simply buying the plans?

Mr. Hendrick: Is the hon. Gentleman willing to tell the House whether his party is in favour of collaboration with the French on this project?

Mr. Howarth: We collaborated with the French on several projects throughout our time in government. There is certainly no reason why we should not share our design experience with the French. However, I know from talking to very senior people in the Royal Navy that they are absolutely petrified that the involvement of the French may delay this programme. [HON. MEMBERS: "Who?"] Very senior people; I am happy to share their names with the Minister privately. We have to ensure that the programme is not delayed. If we have spent all this time and money on it, and we can make it available to the French at the right price, that is good news, but I do not want them telling us how to adjust our programme in order to be able to accommodate theirs.

I turn to the joint strike fighter, or the joint combat aircraft, as it has come to be known. The carrier strike capability would not be complete without this second element, yet, like the carriers, the project gives Members cause for concern. That was most recently articulated by the Defence Committee when it reported:

"We would consider it unacceptable for the UK to get substantially into the JSF programme and then find out that it was not going to get all the technology and information transfer it required to ensure 'sovereign capability'. This needs to be sorted out before further contracts are signed and we expect MoD to set a deadline by which the assurances need to be obtained".

We understand that talks are now under way with the United States to secure access to the technology over the lifetime of the project. What time scales has the Ministry of Defence set itself? If the United States says no, are we prepared to withdraw from the programme and consider plan B?

I do not know whether the Minister has read "DefenseNews.com", which refers to talks that are under way between officials, presumably from the Ministry, and officials from the State Department. I would be interested to know whether the report is correct and whether the Minister can update us. The report states that some in the United States Government

"fear that Britain wants to use its alliance with the United States to get its hands on critical technologies underwritten by billions of U.S. tax dollars, without charge, to prop up its increasingly uncompetitive industry that is starved of domestic technology investment."

We can agree that there is a problem with defence research investment. We can also all agree that the idea that we put £1 billion into the joint strike fighter programme—

Mr. Ingram: Two billion dollars.

Mr. Howarth: I was converting the sum at a rough exchange rate. If, after investing that amount of money, we do not get access to the source codes, that is a betrayal of the alliance. It is not a matter of United States taxpayers' being cheated but of our being cheated as strong alliance partners of the United States. There is common ground between the Government and us on the matter and we stand ready to assist the Government with representations in Washington.

Mr. James Arbuthnot (North-East Hampshire) (Con): Does my hon. Friend agree that the point of having a plan B is that it should not be kept secret? It is a little like "Dr. Strangelove"—there is no point in having a deterrent if one does not tell people that one has it. Will he please encourage the Minister to tell us that there is a plan B and what it is?

Mr. Howarth: My right hon. Friend perceptively pre-empted my next point. He is right. I was about to quote Lord Drayson, who told the *Financial Times* on 12 January:

"I have no sense we need an alternative plan today, and I am not saying that we need to pull any levers on plan B today, absolutely not. But we need to make sure we have done the work necessary to ensure we have an option."

My right hon. Friend has posed the question, which the Minister has heard. I believe that all hon. Members would like an answer. We would like to know what plan B is. As my right hon. Friend says, if plan B is not public, there is no point in having it.

[Mr. Howarth]

As the Minister said, there has been some tangible progress on Type 45s this week, with the launch of the first ship yesterday in Glasgow, which was attended by my hon. Friend the Member for New Forest, East (Dr. Lewis)—I am delighted that he was able to be there. However, as we discussed earlier, all is not well with the programme. The strategic defence review was predicated on 12 vessels, yet, as the Minister confirmed, that number is down to six, with only the possibility of a further two. That is a serious matter.

As my hon. Friend the Member for Wantage (Mr. Vaizey) said, HMS Southampton is currently patrolling 2 million square miles of water in the Atlantic ocean. We do not subscribe to the Government's doctrine that platform numbers no longer matter; we believe that they are important. As the First Sea Lord said, one ship cannot be in two places at the same time. Numbers count. We know why the Government have reduced the number to six and are unable to give a commitment for eight, let alone 12. Once again, the Treasury is the reason. The Royal Navy will have its capability reduced because the defence budget has not been properly funded.

Vic Emery, managing director of BAE Naval Systems told *The Sunday Telegraph* on 29 January 2002:

"I believe it's really an affordability issue. There is no doubt the end-user wants eight."

Reducing the number of Type 45s has implications for our maritime industrial strategy, as set out in the defence industrial strategy. The Type 45 is supposed to provide work for our shipyards until work on the carriers begins. However, Paul Lester, managing director of Vosper Thorneycroft, was quoted in the same article. He said that

"it is vitally important that ships seven and eight are ordered so that we do not suffer any break in production through to the aircraft carriers and therefore avoid the risk of losing those skills".

I do not argue that on simply an industrial ground but on the ground that we need the ships. However, I stress that there is an industrial aspect, too.

One of the Government's most scandalous programmes, which the Minister signally failed to mention, is the landing ships dock auxiliary programme. Although it is by no means the most significant procurement project, it is now, pound for pound, the Ministry of Defence's worst managed project, with 100 per cent. cost overrun. Unbelievably, Swan Hunter—the culprit—has indicated that it expects yet more increases. We have learned that the ships will put to sea incomplete and be promptly sent to repair yards to be finished off under potentially expensive so-called "get well" packages, the cost of which will not appear in the accounts relating to the ships' construction.

The contract is a public scandal and evidence that Ministers have failed in their attempts to get to grips with the procurement process. Those ships were ordered by the Minister, not a Conservative Government. In view of its performance on the contract, it is earnestly to be hoped that Swan Hunter is not allowed anywhere near the carrier programme.

Let us consider the future rapid effect system—FRES. Again, the Chief of the General Staff, General Sir Mike Jackson, made it crystal clear that FRES is the most important project for the Army, yet its original in-service date of 2009 has been abandoned.

Mr. Vaizey: Does my hon. Friend agree that the Army has been starved of the necessary equipment because so many capital projects are under way with the Air Force and the Navy, and that FRES is the highlight of that starvation? The Army is crying out for the project, which is a decade overdue when we consider the service life of current armoured vehicles.

Mr. Howarth: My hon. Friend makes a good point, but we are considering three services, all of which have a crucial role to play. I am not here to pit one service against another. Clearly, there is competition in the three services for the limited budget. It is always limited, whoever happens to be in power. However, if one wants to play the sort of role in the world that the Government wish to play—I do not disagree with the view that the United Kingdom has a significant contribution to make—one has to divvy up the subscription in order to fulfil the role. My hon. Friend is right that some of the armoured vehicles are 30 years old and, as the Minister knows, they are knackered. I am happy to help try to persuade his fellow Scot that he needs to do much more to help the armed forces.

I intended to refer to Trident, but I shall leave that to my hon. Friend the Member for Forest of Dean (Mr. Harper) in his winding-up speech. I simply want to put it on record that I have not forgotten ballistic missile defence. The House should turn its attention to that at some point because the United States is developing ballistic missile defence and is convinced that that is critical for the defence of the United States and its allies. The United States is willing to make its facilities and technology available to its allies, yet the Government appear to have no interest in discussing those matters with the United States. As all of us have benefited from the umbrella of the American nuclear deterrent and the American presence on the continent of Europe during the past half century, we ought to look carefully at the offer that the United States is making to help us in that regard.

Mr. Walter: Does my hon. Friend agree that the French appear to be developing their replacement nuclear deterrent, and that it would be unacceptable for France to be the only nuclear power on the continent of Europe?

Mr. Howarth: I strongly agree with my hon. Friend. I could not have expressed that point better. Indeed, the only person who might have done so is my hon. Friend the Member for New Forest, East, who is the master in these matters.

The defence industrial strategy states:

"We welcome the progress made in establishing understandings on security of supply and the decision to introduce an EU Code of Conduct on Defence Procurement which aims to create an effective European Defence Equipment Market."

Indeed, the Minister referred to that. The fact is, however, that our European partners have been far less welcoming than the United Kingdom. Spain has already

rejected the code of conduct outright, and France appears to be doing little more than paying lip service to opening up her markets. Perhaps the Minister could ask the French whether, instead of buying the plans, they might like to commission an aircraft carrier from a British shipyard. We could build three: one for them and two for us. Somehow, I do not think that that suggestion would go down too well on the Quai d'Orsay, but it might be worth a try.

For two decades, Britain has led the way in opening up our defence markets, but the time has come for us to let our partners catch up with us before we proceed any further. The European Defence Agency and initiatives such as the code of conduct will have the effect of opening up European defence markets, giving UK companies the kind of access to European markets that European companies have to our markets. If that will also increase European capabilities so that the Europeans can pull their weight more effectively in NATO, well and good. However, if the intention of the EDA is to act as a vehicle for the advancement of the EU defence project, doing little to open up markets or increase capabilities, we will oppose it. It is for similar reasons that we have opposed a military application for Galileo, which, despite protestations from UK Ministers, is clearly under consideration on the continent.

While we support the Government's reconfiguration of our armed forces along expeditionary lines, and realise that we have neither the funds nor the resources necessary to plan for every eventuality, some thought must be given to tomorrow's threats, at least on a conceptual level. I will not be the first to point to China's growing military and economic prowess. China is already increasing its military spending, with a double-digit increase over the past 15 years, and will undoubtedly want to increase the reach of its military forces. I understand that it is even planning to build its own indigenous aircraft carrier; it will probably not look to us to supply it.

On the principle that we prepare against capabilities, not intentions, Ministers must recognise the need to consider a conventional threat developing at some point. That is another reason why we need to maintain the industrial capability to respond to any such threat.

Mr. Wallace: Given that China is assisting the Iranian Government with missile guidance technology, is my hon. Friend concerned that the Government might at some stage allow the European Union to lift the arms embargo that prevents industries—in France, for example—from selling arms to China? If the embargo were to be lifted, there would be serious consequences for Anglo-American industry relations.

Mr. Howarth: As ever, my hon. Friend is absolutely right. Indeed, I had a meeting with John Bolton last year, and he explicitly stated that the United States would view the lifting of the EU arms embargo on China as little short of a declaration of war—*[Interruption.]* That was a metaphor, Minister. The fact is, the Americans have attached great importance to this issue. I would say to our American friends that I hope they stick to that policy. I hope that there will be no question of their wanting to lift the embargo on China before the EU does. I am sure that that will not be the case, however. As I have said, we need to be very wary about China, and to be cognisant of the need to preserve our capabilities. Intentions can change overnight; capabilities cannot.

While we acknowledge that some excellent new military capabilities are coming through, the fact remains that smart procurement has failed to deliver the promised improvements in the process, and the Government are failing to provide our armed forces with the quantity of equipment commensurate with the military obligations that they have entered into. Without a flourishing defence industrial base that continues to deliver state-of-the-art equipment for our armed forces, we shall surrender our own national sovereignty. As some of my hon. Friends have argued, it may be cheaper in the short term to buy off the shelf from the United States, but such a policy would soon change the relationship from one of partners to one of customer and supplier. Nor do I believe that we should simply throw in our lot with our EU partners, some of whom have proved extremely unreliable.

I believe that we have no alternative but to continue to muddle through, while accepting that there is a price to pay for sovereign command of our armed forces. Much of that is implicit in the defence industrial strategy. I hope that we will all be prepared to pay the price to enable us to prove to the people of Britain that we regard the defence of these islands and the freedom of our peoples as the first duty of Government.

Madam Deputy Speaker (Sylvia Heal): Order. I remind all right hon. and hon. Members that Mr. Speaker has imposed a 12-minute limit on Back-Bench speeches.

2.34 pm

Dr. Gavin Strang (Edinburgh, East) (Lab): I am grateful for the opportunity to speak in this debate.

As an Edinburgh Member of Parliament, I want to put on record the fact that it is a matter of great regret on both sides of the House that the Member of Parliament for Dunfermline and West Fife is no longer with us. I am grateful for the nodding from the Opposition Front Bench. As we know, she developed a great interest in defence matters as a result of the constituency she represented, not least because of the Rosyth dockyard. She specialised in the subject, took part in the graduate, postgraduate and later stages of the armed forces parliamentary scheme and eventually got on to the Select Committee on Defence, although I know that she would have liked to get on to it earlier. Members of that Committee on both sides of the House will confirm that she was a real specialist on defence and made a tremendous contribution on behalf of the British people.

I want to move straight on to the procurement issue, which is hugely important. I congratulate the Government on their defence industrial strategy. It was important that they published it last December, and I also congratulate the Secretary of State on his statement. The strategy was a step forward in many important respects. Perhaps it did not establish a framework—that is too strong a word—but it was a statement to use for the future. Certain issues are not addressed in the document, while others are perhaps

[Dr. Gavin Strang]

addressed in a way that we would not like. It is important, however, that we have such a substantial document on the defence industrial strategy, which points up some of the key issues that have been discussed, not least that of the United States, on which, given the current situation, the hon. Member for Aldershot (Mr. Howarth) rightly spent some time.

It is vital that we protect and nourish our defence industrial base. We cannot produce everything, which I think is what the hon. Member for Aldershot meant when he referred to muddling through, although I do not like the word "muddle". We must recognise that we cannot develop expertise in every aspect, particularly of the forward and expensive technologies. We do, however, have something remarkable in this country. In the context of our manufacturing industry, the British aerospace industry is still tremendously successful, but it is at a potential turning-point. If we do not sustain and support that industry, an important part of which is military, we will probably look back in 10 years' time and regret that we did not make the key decisions to help to maintain it and all the jobs that depend on it.

Time is limited, and I want to move on quickly to the Eurofighter, to which Members on both sides of the House have no doubt heard me refer in the past. I have been concerned about the issue, and I accept fully that my interest is partly due to the importance of the jewel in Britain's industrial crown, as Arnold Weinstock called it—the skills that we have in relation to radar, lasers and so on, predominantly but not just in Edinburgh, in part of what is now called SELEX.

It is tremendous that the Eurofighter is performing so well. Air force people in America and the other three countries involved, Germany, Spain and Italy, speak highly of the plane. Those of our pilots who have been up in it cannot speak too highly of it. We have got tranche 1 and 2, and we are grateful to the Government for sustaining that programme. Perhaps we would have liked the tranche 2 announcement a bit earlier, but we will not make an issue of that today—it is behind us. The issue, of course is, tranche 3.

I do not want to inject a partisan note, but the hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) will be aware of concern, to put it mildly, about his party's policy. I am not sure if it has changed its policy, but it emerged before the last general election that the Liberals were committing themselves to no tranche 3 for Eurofighter. If there has since been a change in that policy, I should be pleased to be informed about it. No doubt the hon. Gentleman will say something on the subject. I hope he will say that a tranche 3 may well be needed, because there may well be a need for a Eurofighter that is different from the tranche 2 version, which has ground attack capability but could be improved. We have to think about the future position of the Eurofighter, and also that of the joint strike fighter. I do not know what plan B is, but it will almost certainly have to involve a role for a Eurofighter. A Typhoon could operate from the big new aircraft carriers, but it would need to have short take-off and vertical landing capability.

If the Government can achieve what we want from the JSF, that is fine. We can make progress. A waiver in respect of the US international traffic in arms regulations will be necessary, and it is not in the gift of the United States Administration or the President. We must get Congress to recognise that we need it, and give us it. There has already been a huge setback, in that we were promised it five years ago and have not been given it so far. We must face up to the position, and I think that we should think in terms of a decision this year.

SELEX has made a huge contribution to development of the Typhoon, and with its lasers and sensors Edinburgh has won the head-to-head competition for the JSF contract in the United States. That was a tremendous achievement and we welcome it, but we need the technology transfer. We want to ensure that SELEX in Edinburgh can generate the profits that will pay for research and development. We need Government help if we are to maintain our cutting edge in technology. We cannot possibly sustain it if we have to enter into an arrangement whereby, in future, all the traffic is one way. The United States can go it alone, because its R and D expenditure is so colossal and its market is so large. We need that waiver. The position is complex, but it was promised to the United Kingdom and, I believe, to Australia five years ago.

In a sense, I have no problem with the strategy. It recognises that BAE Systems is a British champion, although most of the equity is now owned in the United States. It sold a number of its Edinburgh assets to Finmeccanica, and it called the new company SELEX. We have Finmeccanica and we have Thales: two very big players in the British defence market. We must bear in mind what we do not want to happen to Finmeccanica, or to SELEX in Edinburgh, in the long term. The Minister rightly spoke of the importance of the upgrading, servicing and maintaining of the planes, which have huge long-term prospects. We should consider how long the Tornado has been operating, and the amount of money that has been generated by its maintenance and upgrading. The same applies to the Eurofighter. The SELEX people in Edinburgh have the expertise and equipment, and if they are the best at making the avionics for such planes they will obviously be the best for maintenance, development and upgrade purposes. We do not want BAE Systems—the British champion—to think that in the long term, it can come back in or squeeze us out. The reality is that Finmeccanica, along with other companies, is there, and the British Government took a very important strategic decision in allowing it to buy those assets.

We have reached a very important stage in the future of our industry. There is no doubt that we have great strength in avionics and in aerospace generally. I hope that we will not allow the situation to drift. Crucial decisions have to be taken, and if plan B has to become plan A—as it may well have to do—we will probably need to take them within the next 12 months. Reference has been made to a memorandum of understanding being agreed between the two countries' officials. A memorandum of understanding does not sound that strong to me. We will need to examine the situation as it develops, but it is not looking good at the moment. I hope that we can make progress in our talks with the US and find a way to achieve effective and meaningful collaboration and a transfer of technology, so that my constituents can keep their jobs, continue to provide superb equipment—such technology is the best in the

world—supply the US market, and help to build the JSF in this country on terms that are mutually acceptable to the US and the UK.

2.47 pm

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): I begin by echoing the tribute that the right hon. Member for Edinburgh, East (Dr. Strang) paid to the late Rachel Squire, who is sadly missed in all parts of the House not simply because she was an acknowledged defence expert and someone whom the House listened to on the subject, but because she worked unfailingly on a range of activities on her constituents' behalf for many years. She is sadly missed indeed.

I echo the tributes that both Front-Bench spokesmen paid to the bravery of our armed forces, and I repeat the condolences expressed to the families of those who recently lost their lives. I endorse the observations made about the care of, and needs of, those who have fought on this country's behalf and been seriously injured. We owe them a great duty of care.

This is an extremely important debate for many different reasons. Defence procurement remains one of the largest areas of Government spending, and we are at a crucial moment in the development of some major projects. Tributes have already been paid to the fact that the Typhoon is now in service, and I hope to deal with that issue and with some of the observations made by the right hon. Member for Edinburgh, East. Yesterday saw the launch of HMS Daring at Glasgow's Scotstoun shipyard. Unlike some other Members, I was unable to be present. The closest I got was a very impressive website broadcast, which showed much of what was going on. But whether one was there or one saw it in virtual reality, it is a fantastic achievement and a great sign of the manner in which we are gearing up our capability.

As others have said, we have entered a very important phase in the development of the next generation of armoured fighting vehicles. We hope that some indication of the decisions taken on carriers, and on the replacement of the nuclear deterrent, will be given sooner rather than later, but the most important issue in the context of this debate is the defence industrial strategy, which was published just before Christmas. It has been introduced at an extremely challenging time for our armed forces and the industries that support them. In every debate on these matters, the House acknowledges the new world security environment and the huge demands placed on our armed forces, to whom we consistently and properly pay tribute. The changes and challenges facing the country and our service personnel have a major impact on the defence industry, which also faces its own challenges as globalisation and financial pressures keep shareholders and management teams focused.

Certain key principles need to be remembered in the debate. The requirements of national security are paramount, and we must ensure that our armed forces have the most appropriate equipment and support so that they can do all that we ask of them. In addition, that equipment and support must be supplied on time and at best value for money for the taxpayer. Recent experience in Iraq showed the perils of mistakes in the latter respect, and the hon. Member for Aldershot (Mr. Howarth) has already gone into detail about how NAO reports have regularly documented longer-term failings in procurement.

The defence industrial strategy is ambitious, and is clearly an attempt to tackle some of the legacies of certain projects and the process of defence procurement. Symbolically, it has got off to a good start, being delivered on time and to a demanding time scale, and it has been well received by industry and many commentators. We support the principle of identifying the key industrial capabilities necessary to underpin national security, and recognise that the transformation of the industrial base is a consequence of that approach. However, we also acknowledge that serious issues will be thrown up as a result. Some questions remain unresolved in the strategy paper, and we hope that we can return to the subject as more detail is fleshed out in the course of the year.

I shall focus on some of the key themes in the strategy document, and national sovereignty may be one of the most fundamental principles at stake. There is already significant use of non-British suppliers, and there will be more in the future. Even nominally British suppliers are increasingly global and answer to shareholders and stakeholders beyond these shores.

The UK is at the heart of the north Atlantic and European industries. That is an ideal position that should be exploited, and we therefore join others in welcoming the recent EU code of conduct on defence procurement. We hope that it will help in many of the ways already identified by the hon. Member for Aldershot.

National sovereignty will arise as an issue on many occasions but, as has already been noted in the debate, the most pressing context at the moment is the joint combat aircraft. Quite properly, the Government have made robust public statements about the need for access to the intellectual property underpinning the JAC, and that approach has been repeated today.

Britain is a senior partner in the project, so we must have the capability to service and upgrade the planes throughout their lifetimes. Budgetary pressures in the US, and that country's quadrennial defence review, may be squeezing the options just now, but they cannot override that fundamental principle. The Government's determination and the apparent intransigence of the Americans mean that it is important that all parties in this House unite in support of Government efforts to sort out the problem. However, we need assurances that credible alternatives are being planned, as the right hon. Member for North-East Hampshire (Mr. Arbuthnot), the Chairman of the Defence Committee, suggested in an intervention. Moreover, the Americans must appreciate that those alternatives will be implemented if we cannot resolve the present difficulties satisfactorily.

The Defence Committee has already highlighted the dangers of a capability gap if the JCA were not available to us on the right terms. That would be a massive blow to the defence strategy, and to this country's ability to deliver its defence objectives.

Cost and value for money are also real issues on this programme and across all other procurement projects. The new strategy is a serious attempt to tackle the well-documented problems. It seems more focused on key capabilities, and transformation of the industrial base is

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welcome and substantially changes the equation on value for money considerations. Sustaining capability in key sectors will mean consolidation and a reduction in competition, as set out in the defence industrial strategy. In BAE Systems we have clearly created what used to be known, not always flatteringly, as a national champion. It has welcomed the strategy and the clarity that it brings. Coupled with the series of recent announcements about carriers and armoured fighting vehicles it can begin to see how the strategy makes sense for the company. As a world class company of vital importance in both industrial and defence terms, that is a welcome reaction.

Surely, though, the key to these new arrangements, specifically the partnering arrangements, will be their transparency and openness. There has not always been the easiest of relationships between the Ministry of Defence and BAE, so no doubt both sides will welcome the intent to achieve greater transparency and openness in their dealings. For taxpayers it is vital that the MOD has the access it needs to BAE to ensure value for money. Parliament, too, must have confidence that at the very least our key Committees, whether on defence or public accounts, backed up by the National Audit Office will share in that new openness and transparency. Of course, somewhere in the background the Treasury will have something to say.

In all these dealings we have to take account of commercial confidentiality. That will become an increasingly important issue where competition is not a driver in the market, so who determines what is commercially confident will be crucial. We must make sure that we have some independent mechanism for scrutinising projects when they go under that heading. We have already seen, in relation to Typhoon, the cloak of confidentiality coming down over the latest cost performance on the project and the arrangement to sell aircraft to the Saudis. We all understand the realities, but we must have confidence that people independent of the main parties involved in the contracts can scrutinise and pass judgment on what is now a fundamental starting point for the new strategy. There is talk of demanding partnered relationships in the document, and we must hope that that will prove to be true.

The transformation of industry's relationship with Government is only one aspect of the new strategy. A key driver is to shift from a focus on the creation of platforms to one on systems. The complexity of network-enabled capability was demonstrated by the launch of HMS Daring yesterday, which was a helpful illustration. If the carriers go ahead, they will take this to a whole new level. For the next decade there will be good times on the Clyde, the Forth and in many other places. The principle of creating one national shipbuilder may be the inevitable outcome of procurement demands, but as yet there is not much detail to go on. Like others, we want to see that fleshed out. What scale of consolidation is envisaged in creating the new ShipCo and what diversification is anticipated for areas where the next decade may be a feast, but beyond which may be a famine, is not yet clear and we would appreciate understanding how the Government's thinking is developing on that.

The switch to greater emphasis on systems and their integration offers great challenges and opportunities to British industry, as does the welcome shift to looking at through-life costs, rather than the initial substantial outlay on ships and aircraft. Similarly, stressing the importance of lifetime capability management—a phrase the Minister used earlier—through ongoing support and upgrades is absolutely crucial if many of the mistakes and cost overruns of the past are to be avoided. In that respect, the comments made by the right hon. Member for Edinburgh, East about the skills in Edinburgh are very important for Typhoon.

We must hope that, whatever industrial structure emerges, it will give plenty of scope for ongoing innovation, much of which comes, in this country, from small and medium-sized enterprises, which need to be encouraged and not put off by the consolidation that goes on around them. SMEs have an important role to play in strategy, which is one of the areas where the biggest concerns have been expressed. Further work is promised on the technology priorities, but as the flotation of Qinetiq is under way, it is a strange omission from the strategy. We must hope that the further work that is spelt out will be completed quickly and we will have a further opportunity to consider it.

When we debated defence in the UK back in November, I raised with the Minister the flotation of Qinetiq. I stressed that we supported it as an excellent company with world class achievements and that we did not oppose the privatisation. However, it is fair to say that the manner of the privatisation has raised some serious issues. I appreciate that the Minister wrote to me after that debate, although much of what he could say was constrained by the inevitable secrecy ahead of the flotation.

We still do not have very many answers on the original part sell-off to Carlyle, not least regarding the tax arrangements and the controls on asset-stripping. We also need further details about the relationship with the most important customer—the Ministry of Defence—and about who may be allowed to own the company in future.

We welcome the decision of the National Audit Office to investigate the sale. The website makes it clear that it will be a wide-ranging investigation, covering everything from the choice of privatisation strategy to whether the deal is likely to meet its requirements. The flotation goes to the heart of the debate on the key principles of national security and value for money for the taxpayer, and we will examine the NAO's report very carefully when it is published.

Other hon. Members have pointed out that the NAO has its work cut out keeping track of the current procurement programme. Many of the main problems have already been aired and I will not repeat them, but I echo the dismay about past performance and lack of progress on key developments such as the carriers. I hope that at some point we will get some clarification about Typhoon and some more insight into the arrangements that have been made to sell some to the Saudis.

The right hon. Member for Edinburgh, East said that during the election we made it clear that we did not support the development of the project to tranche 3. We took that decision at the time, based on the information

that was available to us and the uncertainty about the future development of other options. That seemed sensible to us, given the way in which the joint combat aircraft was developing. The Minister said today that doubt remains about the next tranche and about the joint combat aircraft. We want to watch those developments carefully and it is incumbent on all of us to reconsider our position if the realities change around us.

Dr. Strang: I am glad to hear that the Liberals are likely to reconsider their position, especially if we need a short take-off and vertical landing plane and we cannot get the joint strike fighter for the future carriers.

Mr. Moore: I agree. If the JSF is not available to us and we need a massive rethink of what will happen on the carriers, options with Typhoon will have to be considered very seriously.

Mr. Jack: The Government claim that they are committed to 232 Eurofighter Typhoons. The hon. Gentleman, in defining his party's position, says in effect that the project should be kept on the boil just in case there is a problem with the joint strike fighter. Is it correct that he does not believe that 232 would be the operational capability for Eurofighter Typhoon?

Mr. Moore: My understanding is that there would be 232 under tranches 1 and 2.

Mr. Jack: And tranche 3.

Mr. Moore: I apologise if I gave the wrong figure earlier, but, as I said to the right hon. Member for Edinburgh, East, we must keep a close eye on phase 3, especially as the joint strike fighter programme seems to be in difficulty. Clearly, if the JSF were ruled out, Typhoon is the most obvious alternative, notwithstanding the serious technical issues that would need to be overcome.

Mr. Hoyle: Is the hon. Gentleman aware that the Government invested a lot of money, including in computer designs, to ensure the capability to build a variant that can operate from carriers? The money has already been spent.

Mr. Moore: I appreciate the hon. Gentleman's insight, but there is wide debate of the issue and doubts have been expressed publicly and privately. None the less, if the JSF is not possible we shall have to look seriously at what Typhoon can offer us.

As the hon. Member for Aldershot said, the test of the Government's bold new strategy will be its implementation. Beyond the bare bones of the document much detail has still to be provided, but if the ambitions of the strategy are achieved the defence sector and the armed forces will be transformed. The country needs that, and our armed forces deserve it. There is much to do.

3.6 pm

Mr. David Crausby (Bolton, North-East) (Lab): I add my congratulations to all those concerned with the launch of the Type 45 destroyer on the Clyde yesterday. It marked an important milestone on the march to a new type of warfare involving the introduction of a series of complicated weapons that will integrate land, sea and air in a way previously not envisaged. The vessel will be a credit to the defence manufacturers, engineers, those who serve in her and the Government for having the foresight and the courage to fund such excellent warships. Once again, it gives the lie to those who say that Labour Governments are not committed to Britain's defence.

This is an exciting beginning to an era of procurement that will completely modernise the British armed forces. Coupled with the publication of the defence industrial strategy, we are presented with an opportunity to deliver an impressive and profitable future for our defence industrial base. There is of course much to do to ensure the effective implementation of the defence industrial strategy, especially further down the supply chain, because small and medium enterprises will guarantee our future. We must ensure that the policy does not merely protect our major contractors.

The document should be welcomed as a helpful start, although I am disappointed that the decision to close the Royal Ordnance factories at Bridgwater and Chorley was made before the White Paper. Being wholly dependent on foreign suppliers for the manufacture of our military explosives appears inadvisable, to say the least, but I am sure that my hon. Friend the Member for Chorley (Mr. Hoyle) will have more to say about that if he has an opportunity to contribute to the debate.

Research and technology are critical to the future of our defence industrial base. I very much look forward to the development of the MOD's future research and technology strategy, because we are undoubtedly in danger of failing significantly behind the Americans if we are not prepared to make greater efforts in that field of expertise. It is vital that we retain the technology independence that has served us so well through the generations.

With many of our European partners keen to retain a state interest in their defence industrial bases and the Americans increasingly obsessed with the buy American campaign, we should watch our backs. The decision taken by the Americans to deny the UK the international traffic in arms regulations waiver is, quite frankly, an absolute disgrace. It is an indication of how protective and, indeed, selfish our Atlantic allies are when defending their own living standards.

The US House of Representatives Committee on International Relations warned in 2004 that exempting Britain from the international traffic in arms regulations would increase the risk of sophisticated weapons, perhaps indirectly, being passed to terrorists or unfriendly nations. We are entitled to be offended by those remarks, because this country, with the support of the Government and the major Opposition party, has stuck its neck out in support of American foreign policy further than many of us believe that we should have done.

ITAR is obviously dead. It may well be that it is not all that important—that is what we are now told, although it was important not too long ago—but we should be appalled by the Americans' decision to distrust us in such a way when dealing with technology transfer. If all that we receive in return for our efforts in

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supporting George Bush and his regime is condemnation from the rest of the world, topped up with distrust from the Americans, we will simply be driven to think very carefully about our commitments in the future.

Of course the acid test will be the joint strike fighter, because even though I completely accept that the purchase of the JSF from the Americans represents extremely good value for money, it will be of little use if we are unable to utilise it effectively and to upgrade it, as and when we choose, without having to call on American industry every time that we want to develop something—not to mention the interference of American politicians. We must have access to the software and systems used on the JSF if we are to operate in a network-centric way, if we choose to defend ourselves without the Americans.

The United States must understand that, if Britain is able to utilise only the weapons that we pay for to their full potential with American permission and agreement, we may as well just leave them to do it themselves, thus saving money and the lives of British soldiers on the way.

I strongly suspect—I am optimistic—that we will persevere with the JSF, largely because we are so committed to the project, not least given the design of our new aircraft carriers, but we have been betrayed by the denial of ITAR, and we must learn some lessons from the behaviour of Congress. Of course questions about the availability of the short take-off and vertical landing version must be asked and answered urgently, because the impact on the design and cost of our future aircraft carriers, which are the cornerstone of our plans, will be crucial. Most importantly, we must apply the lessons learned from that sorry episode to the transfer of technology and independence when we decide to replace our nuclear deterrent. I urge the Government to ensure that we have a full and extensive debate on the replacement of our Vanguard submarines and Trident missiles.

I have no doubt that in a world on the edge of major nuclear weapons proliferation, we have no alternative but to retain a British independent nuclear deterrent. While India and Pakistan have a deterrent, with Israel and North Korea almost certainly in possession of one, Iran desperately wanting one, and Taiwan, Saudi Arabia, South Korea, Egypt and other countries waiting in the wings, we have little choice but to retain our nuclear defensive position. We find ourselves within 15 years of the end of the 25-year hull life of the first submarine, HMS Vanguard, although I understand and accept that its service life has been extended to 2024–25. The detail of its replacement clearly must be up for debate. We must decide not only whether to replace it, but the purpose and shape of our future delivery system.

Given the limited size of Britain's nuclear stockpile, it makes obvious sense to use submarine delivery because air or ground-launched missiles cannot possibly offer us the same security as a submarine. I am encouraged by the determination expressed in the defence industrial strategy to maintain key capabilities in the UK, but I urge an early published resolution to what we intend to replace the Vanguard class with, alongside firm decisions on the acquisition of the proposed Astute class nuclear-powered submarines so that we can ensure, most importantly, that we retain necessary skills and design capabilities onshore.

The defence industrial strategy is a fine start to what will be an exciting period in our defence history. However, we must ensure that we miss no opportunities to pass the benefits right down the food chain and defend our ability to protect independently our own security.

3.17 pm

Mr. James Arbuthnot (North-East Hampshire) (Con): That was a real cracker of a speech, if I may put it like that, from the Vice-Chairman of the Defence Committee, the hon. Member for Bolton, North-East (Mr. Crausby), who is extremely assiduous and effective in that role. I hope that his powerful speech will be listened to in the United States, where it deserves to be heard.

Last year, we spent £5.5 billion on defence procurement in this country, which is really quite a lot of money. The overall defence procurement programme going forward is some £75 billion, which is all to provide good and effective equipment for men and women who risk their lives on our behalf. We must do that in a way that gets best value for money, but we must give them that good and effective equipment.

The Defence Committee, of which I feel increasingly lucky to be the Chairman, has produced several reports on such matters. We produced a report in December on the carriers and the joint strike fighter, which hon. Members have mentioned. The Committee raised the risk that the two carriers would not enter into service in 2012 and 2015 as originally planned. We also discussed our concerns about the joint strike fighter, and we expect the Government's response to the report later this month.

We also produced the report "Delivering Front Line Capability to the RAF", which came out last month. It reflected our interest in whether equipment in service is supported and maintained in a through-life way, as the Ministry of Defence has suggested that it needs to be. We will produce a report on the major projects later this year that will draw on the most recent major projects report, and we may look at smaller procurement issues just to be different. We are in the middle of an inquiry into the Afghanistan deployment to discover exactly how the Government's procurement decisions work on the ground, and how the Government support the men and women who risk their lives for us on a daily basis.

Last Thursday, the Committee visited the Defence Procurement Agency. In 2004, the previous Defence Committee said in its procurement report:

> "Six years ago, the Ministry of Defence introduced smart acquisition."

I hesitate to disagree with my extremely illustrious predecessor as Chairman of the Defence Committee, but that is not quite right. Smart procurement began in the 1990s, when I was Minister for procurement. What began six years ago was clever branding. The aim of smart procurement is to procure equipment faster, cheaper and better. In 2004, the Defence Committee said:

> "On almost all counts it has failed to deliver".

Why on earth, therefore, do I claim the credit for smart procurement? One reason is that it is beginning to deliver. When the new chief of defence procurement took up his post he commissioned a stock-take of smart acquisition which found that most of its principles had not been implemented fully. When we went to the DPA last week, we were pleased to see many signs that performance has improved. In 2004–05, the agency met five of its six key targets. In its major projects report last year, the National Audit Office reported

"a net overall decrease in costs of £699 million".

It said that that decrease was

"primarily due to reductions in the numbers or capability of the equipment driven by changed budgetary priorities and changed customer requirements".

It said that some projects

"compare favourably with our gold standard".

We were impressed in a number of ways when we visited the DPA last week. It has made a realistic appraisal of performance, which has tended to take precedence in a trade-off with the cost of equipment. Should equipment do 100 per cent. of the work that is needed, or is 80 per cent. satisfactory if performance can be improved later?

Turning to the structure of the defence industry, I am convinced that a thriving defence industry is vital to our economy. More importantly, it is vital to the defence of this country. On Tuesday, Lord Levene appeared before the Committee, and he said that there is genuine value in competition. He was talking about British industry's relationship with the Ministry of Defence, and he pointed out that there is a danger of countries giving work to their own indigenous industry and failing to receive good value for money. I found that very convincing. The UK is better at avoiding that danger than most countries. My hope for many years has been that, for the best way to get round this, we should have transnational companies that could be regarded as resident in the UK, and in the United States, and in France, and in Germany. If we had two such companies competing with each other inside the UK, we could avoid the skewing of procurement decisions for national political purposes. That means that we would get much better value for money.

On a critical note, the Government had the chance to consider that possibility when British Aerospace wanted to merge with GEC. The Government should have said no to that merger and told both companies to find other, overseas companies with which to merge. If they had done that, there would have been UK competition, which would have been in the interests of the Ministry of Defence and in the interests of the armed forces, who depend on us to make good decisions. It would also have been good for UK industry.

So why did the Government not do it? I believe that at the time they were frightened of the markets and of what the markets would say about the Government preventing a merger that two companies wanted. That was a serious failure of courage, from which the UK will suffer. Is there any chance of retrieving the situation? I do not know, but we now see the defence industrial strategy and some of the consequences. Competition is lower down the agenda, partnership is higher up the agenda. There is nothing wrong with partnering. The trouble is that the Government's failure to act in relation to that merger has left us with no alternative.

The defence industrial strategy has the huge advantage that it was promised for December last year and, for the first time ever in any procurement project that I can remember, it was produced on time—in December last year. As a Committee we are still taking evidence on the DIS, so I shall not say too much. We have some concerns that have come out during questions, particularly about the treatment of small and medium enterprises. We might end up being worried that scant attention is being paid to the key area of research, as there appears to have been a long-term decline in defence research. The essential question, as my hon. Friend the Member for Aldershot (Mr. Howarth) said, in relation to the defence industrial strategy relates to its implementation. If that is done well, we can be pretty optimistic.

In ending, I shall say a few words about Lord Drayson, the new Minister for Defence Procurement. I wish, if I may, to ruin his career by saying that he has made a favourable impression. Not only did he produce the defence industrial strategy when he said he would, but he has given a strong impression of knowing industry, being prepared to listen to industry and being prepared to buck the political wisdom that too many of his predecessors, probably including me, were not prepared to buck. He has been among industry and has listened to it in relation to drawing up the defence industrial strategy. It is important that he and it should succeed, and we wish him well in that process.

3.28 pm

Mr. Dai Havard (Merthyr Tydfil and Rhymney) (Lab): I shall keep my remarks short, as those on the Front Benches have again taken up over half the time available for the debate.

On efficiency, with the amount available for defence expenditure, the problem is how we spend it. As I told the Minister last night, I envisage him going to the Treasury and saying to the Chancellor, "Gordon, I'd like some more money", and Gordon saying, "Well, when you can spend what I give you properly, come back and ask for some more." That has been the problem right through the term not only of the present Government, but of all Governments. It is a huge problem. In that sense, a defence industrial strategy to develop and deploy the industrial policy that the Government have had for some time is a good idea, and I welcome it because it helps to address exactly that problem and has made strides in doing so. However, the role of Government agencies is important, and the Select Committee Chairman referred to the Defence Procurement Agency. That has been a dysfunctional organisation in many respects for some time; it has not had the necessary emphasis in terms of process. The strategy places pressure on that organisation to reform itself so that it becomes an appropriate vehicle within the overall strategy. That is long overdue, but if it happens it will be a good thing. I will welcome it and we will try to help the process work.

My right hon. Friend the Minister talked about support for fast jets and the Committee's recent report on the matter. He said that the reason for doing what was done was to retain design skills within BAE Systems, but that was not the only reason. That was not the argument that was made at the time for that change taking place. There was also talk of the need for skills to

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be retained within the RAF being a reason for the change. I am sceptical about that, but we will doubtless address the matter at another time and in another place.

The question of the C-17s is important. I visited 16th Air Assault Brigade last week, and it is going to Afghanistan. It will test in anger—I hope not too much in anger, but certainly test in practice—the Apache helicopters. It will also test air manoeuvre and support ground manoeuvre. To do all those things, it needs lift, and that is a constant problem. The C-17s have been supremely helpful in dealing with that over a period of time. They did not go through the classic acquisition processes of the time, but they have proved to have been very necessary and very successful, and we could do with a couple more because they are plugging gaps in the process.

In order to carry out manoeuvre capability, support is necessary. There has been a lot of talk about big toys, fast jets and carriers, but to give that manoeuvre capability to people on the ground requires a strategy. To do all this we will have to collaborate in different ways and there will be different types of collaborators, both industrial and political. The strategy looks at particular types of equipment that are needed in relation to particular sectors of industry. There is an imbalance in the provision within the UK. Wales does not really get sufficient defence expenditure. Hon. Members may disagree, but that is the truth. At the moment south Wales is experiencing difficulties with fast jets. However, we also see opportunities, such as those in the defence training review.

I want to use this opportunity, not to plead that everything should end up in south Wales—although that would probably be a good idea—but to make a point that goes to the heart of something that was said earlier, and that concerns transparency in process. When deciding where that project should go, transparency is the key, as it is to a number of other matters.

Mark Pritchard *rose—*

Mr. Havard: I shall not take interventions because I want to give others the time to speak.

The other collaborators are political collaborators. I do not have time to support some of the remarks of my hon. Friends about the situation between the UK and the United States. Sometimes I ask myself why we are having this aeroplane anyway. Perhaps we should say that we do not want it. Let us have a plan B, C or D. Frankly, the situation is unacceptable. I really resent people who are involved in pork barrel politics in America who pretend to be the great free traders lecturing us on this issue.

BAE Systems has huge interests in the United States. However, its interests in the USA try to pretend that they are not British and that they are magically part of the USA. The reality is that American companies are the largest investors in the Welsh economy, which has been the situation for years. The interrelationships are not as the prejudiced describe them, and it is about time that those in the USA who peddle such prejudice woke up, conducted an accurate analysis and reached a proper understanding of technology transfer and the relationship between the two countries.

In conclusion—

Mr. Vaizey: More!

Mr. Havard: I am glad that the hon. Member for Wantage (Mr. Vaizey) is enjoying it.

The Minister has mentioned the key word, "sustainability", and the policy and strategy must together result in correct, sustainable decisions, which is the key to the whole process. Sustainability requires money, so perhaps the question is not who replaces Tony Blair, but who replaces Gordon Brown.

3.36 pm

Mr. Michael Jack (Fylde) (Con): We have heard some interesting and robust speeches, but I want to pick up a point raised by my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot), the Chairman of the Defence Committee, about Lord Drayson. I want to express my appreciation for the time that Lord Drayson spent with me explaining the thinking behind the defence industrial strategy, and I also pay tribute to his predecessor, Lord Bach, who worked on the issue as a precursor to this exercise.

I welcome the DIS from the standpoint of a constituency where employment is dominated by BAE Systems, which has argued for so long for a recognition by the MOD of the economic and industrial problems that it faces in meeting the exacting requirements of its principal customer. If, for example, the recognition in the DIS that companies need to make a proper rate of return translates into reality, I hope that it will finally remove the element of suspicion that seems to have dominated the MOD's dealings with business. The MOD has acted as though business might not tell it the truth or that BAE systems might have been overly favoured because of the size and strength of its position in the defence industry. If that openness means genuine partnership and the removal of suspicion, then I, for one, welcome the strategy.

There is an element of sadness to the strategy, because, as has been said, it signals the end of the UK's ability to build complete military aircraft, something at which we have been singularly good for a long period of time. My concern is that if we need to buy a whole aircraft at some point in the next 30 years, we have signalled that we are not capable of providing an alternative. If those who seek to gain our business are not in partnership with us, they will therefore know, in the nicest sense, that they have got us over a barrel. I would not like to see Lockheed Martin become the Microsoft of military aviation supply, so that whatever is done has to be done with it.

John Smith: We will not necessarily lose that capacity. The skills retained by upgrading and improving existing platforms will allow us to retain the capacity to build, because of the level of systems integration.

Mr. Jack: As I shall say about the joint combat aircraft, the hon. Gentleman's observation is true, if we retain the ability to alter the basic structure. In fairness, the DIS states that the unmanned air vehicle scenario is another way of keeping those technologies alive. At the moment, we have an advantage, because we have some

of the most modern equipment in the pipeline, but what will happen if the technical advantage degrades over time? There is an awful lot of money in this world, and we have heard that a lot of states could afford to acquire nuclear weapons. Furthermore, Russia has the ability to build advanced fighter aircraft, which it could supply to others.

I do not know what will happen in the next 30 years. I just want to make certain that my concept of technological deterrence is maintained at a high level to put off other people, and that if we do have to return to building a fast jet, we truly have the capability to do so.

I want to explore a little further the present situation as regards the Eurofighter Typhoon. The defence industrial strategy is silent as regards the third tranche of that aircraft. I guess that a discussion must be going on in the Ministry of Defence about how many of these aircraft we will want to have an operational capability at any one time, because that will determine the number of aircraft that we buy. If we wanted, say, 40 aircraft, we could do away with tranche 3; if we wanted 80, we would have to keep it. Can the Minister enlighten us on how the thinking is going on that?

I congratulate all those involved in winning the order from Saudi Arabia for up to 72 Eurofighter Typhoons; that is welcome. However, this is a Government-to-Government arrangement, and at a certain moment in time the aircraft that are going from the second tranche to fulfil the order for the first 24 will be technically owned by the UK Government. Can the Minister therefore assure me that we are not about to be subjected to an example of smoke and mirrors whereby the Government magically acquire 72 of these aircraft, which is more or less tranche 3, sell them to Saudi Arabia, and then put their hands up and say, "Right, we've bought 232 of these, we've done what we said", when in fact they have not answered the question of the RAF's actual requirement. We need clarity on that.

The defence industrial strategy is also silent on the successor to Hawk. The Government are buying the advanced jet trainer, and I am glad about that. However, at some stage in the next decade there may be a world demand for a successor, and the DIS says nothing on that subject.

The hon. Member for Bolton, North-East (Mr. Crausby) said everything that needs to be said on the joint combat aircraft. He said it with passion and elegance and I agree with him. However, I draw the House's attention to paragraph A2.12 of the strategy, which says:

> "We welcome the progress made in establishing understandings on Security of Supply (the US/UK Declaration of Principles and the Letter of Intent Framework Agreement)."

We all welcome it, but the Minister did not give us a clear and detailed explanation of exactly where he thinks Ministers stand in a Government-to-Government sense. I hope that he will be able to comment on that in more detail. Paragraph B4.42 of the strategy says, in reference to the joint combat aircraft,

> "As part of this performance based arrangement, the UK also intends to establish sovereign support capabilities which would provide, inter alia, in-country facilities to maintain, repair and upgrade the UK fleet and an integrated Pilot and Maintenance Training Centre."

None of that will happen unless the points made by the hon. Member for Bolton, North-East are fully addressed.

Another part of the latter paragraph deals with the question of whether it is necessary for the United Kingdom, in addition to maintaining and upgrading the aircraft—which is essential for the reasons given by the hon. Member for Vale of Glamorgan (John Smith)—to have a final assembly and checkout unit. I think that it is necessary in order to maintain our skills base. More importantly, as the Minister will know, the success of Case White, the method by which the Eurofighter Typhoons were initially inducted into RAF service, with the RAF squadron based at BAE Warton, demonstrates that a final assembly and checkout unit is a prerequisite of the good introduction into service of this vital aircraft.

On a slightly discordant note, it is disappointing that while we are arguing about BAE's further involvement in this project, we have seen the silent exit, apart from parts of the STOVL—short take-off and vertical landing—version of the aircraft, of Rolls-Royce as a second engine supplier. If there was any communication—I gather that there was—between our Prime Minister and President Bush, it seems to have been one way. Again, I agree with the hon. Member for Bolton, North-East. It is vital that we say to our American counterparts, "If you really think that partnership means something, you have to come to the party and trust your closest ally with these technologies." There is no point in having the aircraft in service if one cannot look after it, and the best way to understand it is to make it.

I want to consider some of the inconsistencies in the strategy that appear under the heading, "Sustainment strategy". Although I appreciate that the strategy is designed to sustain and maintain our capabilities, one or two paragraphs require further explanation. Paragraph B4.39 states:

> "Our need to retain a minimum level of onshore capability does not necessarily mean that we will need to support all aspects of our aircraft in the UK."

What do the Government mean by that? On the one hand, they want to sustain companies such as BAE Systems, but on the other, they appear to suggest that, if they get a good offer for doing some of the sustaining, maintenance and upgrade work from somewhere else, they might accept it. One cannot have one's cake and eat it if one wants an up-to-date military aircraft industry in this country that maintains its capabilities.

Paragraph B4.40 states:

> "For any particular aircraft type there may also be a middle ground where, to secure value for money for example, we may rely on off-shore suppliers for major upgrade".

Does that mean that the Eurofighter could go to Italy for upgrading? I should be grateful if the Minister enlightened us further.

Paragraph B4.41 states:

> "However, major changes must be made in the management and operation of the supply chain to incentivise continued improvements in the support arrangements for this aircraft, ensuring that we retain onshore our ability".

On the one hand, the document specifies "offshore", and on the other, "onshore". The Government must be clearer, especially given their comments on the joint combat aircraft.

[Mr. Jack]

Paragraph A1.21 states:

"We must maintain the appropriate degree of sovereignty over industrial skills, capacities, capabilities and technology to ensure operational independence against the range of operations that we wish to be able to conduct."

That is vital, especially in the light of the Minister's comments at the beginning of the debate that operations occur in which we need to act quickly. Unless we have 100 per cent. capability, we cannot fulfil that requirement.

There are further inconsistencies. Paragraph B4.23, which covers aerospace systems and enabling skills and technologies, states:

"Whilst the UK will have an enduring need for access to world leading technology across the range of aerospace systems, it is neither practical nor affordable to retain all the relevant skills and technologies onshore."

It continues by referring to the underpinning skills and what the Government want to achieve.

When considering key ingredients in the systems that we currently operate—described as "mission systems"—the strategy states:

"There is a strong UK based capability in the Mission Systems area, which has enabled the UK to deploy world-class capability without undue dependence on other nations".

The paragraph concludes:

"However, this capability is now threatened by an intermittent flow of new programmes."

Again, one cannot have one's cake and eat it. The capabilities must be maintained.

I am worried that the time scale of up to 10 or 15 years for further developments of unmanned air vehicles is too long. The use of autonomous air vehicles will be a vital part of future strategy and I hope that the Under-Secretary can tell hon. Members that the time scale will be shortened. I congratulate BAE Systems on its investment in the prototypes and on its achievements.

When will the decision on Nimrod be made? Is it likely that 12 aircraft will be organised? I welcome the strategy but I hope that the Under-Secretary will acknowledge that we cannot simply pick and choose or have our cake and eat it. We must invest in the best of British technology.

3.49 pm

John Smith (Vale of Glamorgan) (Lab): I welcome this opportunity to speak in this very important debate. I should like to start by congratulating the Government on the publication of the defence industrial strategy. It was published on time, and due credit has already been paid to the noble Lord Drayson for the role that he played in that. We have had an excellent debate so far on the implications of the strategy, and I want to focus on one important area.

I believe that the strategy represents a welcome dose of realism. The British defence market is one of the most open markets in the world. We have had a policy of opening our markets for more than a decade, and that is quite right. Unfortunately, our major competitor countries have not reciprocated. The French Government control their key assets and dominate their market through state-owned, nationalised companies, or through national companies in which the Government have a golden share and a direct state interest. They also retain the traditional arsenals, and control all the armaments and ammunitions through Government Departments; they are not even companies. France has a traditional, state-regulated system.

The United States, on the other hand, claims to have an open and competitive system—indeed, it has federal laws that demand competition. The problem is that that competition is limited to taking place between domestic suppliers. As we know from bitter experience, it is incredibly difficult to break into that market other than through acquisition, as BAE Systems succeeded in doing.

The defence industrial strategy seems to offer an alternative route. However, I am not convinced that the strategy will deliver what we need. Gaps have already been referred to, and I shall not repeat those points other than to lay down the marker that there is no coverage in the document of the role of small and medium-sized companies. There is also very little coverage of second-tier competition in the supply chain. It is clear that we are going to move further and further towards longer-term partnering agreements, but what role will the smaller companies play in the line of supply to the prime contractors? The danger is that they will move out of the industry as there is nothing in it for them, and they will take their innovation and enterprise with them. I do not think that that problem has been addressed. We wait with interest to see what the Government's position is on research and development, because that subject is also missing from the defence industrial strategy.

My concern is to compare the strategy, for which we have waited for more than three years, with the original remit of the defence industrial policy. There has been a clear shift in Government thinking in that regard. We have met the challenge in regard to recognising strategic capabilities and defending them, just as the French and the Americans and just about everyone else have done. That is important because we need those capabilities for economic reasons and for defence reasons.

More importantly, through this document we have told the industry what our expectations are to be over the next 20 to 30 years, which gives it the opportunity to restructure. In answer to the question, "Who will do the restructuring?", the industry will have to do it to meet the challenges presented by the change in the market that is clearly declared in the document. Those are good things.

My concern is that, in the original document, emphasis was placed on obtaining long-term value for money, encouraging competition wherever possible, and avoiding the creation of monopolies. Those objectives are in the policy—read it. I am not sure that this strategy will achieve those objectives. The policy states that we will require

"More transparency and inclusiveness within the procurement decision making process",

and that we demand

"open and fair competition".

Some of the partnership arrangements will last up to 25 years with a single company, and there is a danger that we will not be able to meet those criteria.

Clearly, the strategy contains a shift away from encouraging competition wherever possible, but I happen to think that such competition is good for our defence industries, rather than dependence on a small number of prime companies. I know that this might be unpopular in the Chamber, but I feel that I should relay my fear to the rest of the House about the danger of encouraging one sole monopoly supplier. That is the inherent risk in the strategy. It could be argued that the defence industrial strategy was written by BAE Systems for BAE Systems.

I am not here to knock BAE Systems. I think that it is a great country—*[Interruption]* That was a natural Freudian slip. It is a great company, and we should do everything to encourage its success. Removing the pressures of commercial competition, however, will not protect it. We should consider recent history and past defence procurement policies, which did not do BAE Systems any favours. My fear is that this defence industrial policy will not do it any favour either.

Members might be surprised to hear that it is estimated that more than 50 per cent. of the MOD's large projects last year, measured by value of the contracts, went to one company—BAE Systems. It now has a sole monopoly on support for our main aircraft platforms, as I mentioned earlier in an intervention. What I mean by that is not that we have one supplier, which is not unusual in a contracted industry—it cannot be avoided—but that we have no alternative capability, which is dangerous.

Mr. Hendrick: Is it not the case that BAE Systems is, as it describes itself, a systems integrator, and that work goes to thousands of companies, even though BAE Systems gets the contract? Is my hon. Friend suggesting that there should be another national champion, or that the work should go to a foreign company?

John Smith: I think that the Chairman of the Defence Committee addressed one of the possible solutions—to encourage more transnational competition within the domestic market. I do not think that we should replace BAE Systems as a national champion, but we have a duty to ensure that it is an efficient, effective company that can deliver what we want to time and to price. My worry is that over a long period, we might not be able to achieve that.

I have a little experience of running a partnership, which was very interesting and an important learning curve. We learned three main lessons. There was a lot of discussion about working together, trust and shared objectives. In our organisation, however, we drew three conclusions. First, it is virtually impossible to incentivise a sole monopoly supplier. A contractual system must be developed that keeps that supplier on its feet—competitive, hungry and able to deliver. Secondly, there is only one thing worse than a large, bureaucratic, inefficient, public monopoly—a large, bureaucratic, inefficient, private monopoly. The Government should be wary of that lesson. Thirdly, if one wants a partnership really to succeed, one must find a formula that allows the private sector to do what it does best—to compete, innovate and be efficient, without interference—and the public partners to do what they can do best, equally without interference. I feel that the proposals are too much of a fudge.

The Conservative and Liberal Democrat Front-Bench spokesmen both referred to some of the recommendations on addressing that matter. We need more transparency—there is no doubt of that—and we need more supervision of long-term partnering contracts. BAE Systems has air support and land support—indeed, an almost complete monopoly on land systems. It is now moving into other areas. We want to stimulate competition, and if we cannot do that we want to monitor the position very carefully. We must have more transparency, and more public scrutiny.

A major defence procurement project is on the stocks now, probably the largest defence project of all in terms of value. Someone once said to me that it was the biggest public-sector project since the pharaohs build the pyramids. We shall wait and see. I am talking about the bid for the defence training rationalisation programme. The Government must ensure that the evaluation process for the 25-year partnership is conducted robustly, fairly, openly and on a level playing field.

We should not be asking for special favours. This is a huge project, and we want the right team to implement it. The way to ensure that we get the right bid is to ensure that there is proper scrutiny of the evaluation process now. There should be only one consideration in the choice of bidder: which will provide the best product for the future training needs of our military, which is the best price for the future training of our military, and which provides the best location?

The Ministry of Defence wants a training facility that is second to none in the world and, for the first time ever, offers tri-service training—training for Army, Navy and Air Force—in an environment that can offer modern training techniques, a modern, adaptive training culture, and the flexibility to be able to change the training requirements of the three services over the next 25 years. I believe that the bid by Metrix Ltd. at St. Athan meets those requirements, but I am not making a special plea. I am asking the Government, when considering contracts that are so important for the future needs of our military for the best possible training, to do so robustly, fairly, openly and on a level playing field.

4.2 pm

Mr. Robert Walter (North Dorset) (Con): I welcome the opportunity to speak. I shall be unashamedly parochial, because the defence industrial strategy is key to the future employment of many hundreds, if not thousands, of my constituents. The parliamentary guidebooks describe my constituency as rolling hills, market towns, agriculture and so on, but it also contains the headquarters of two large, or medium-sized, defence and aerospace contractors, Meggitt and Cobham. Blandford contains the headquarters of the Royal Corps of Signals, and for many years has been the home of the Royal School of Signals. It has been intimately involved in the development of the Bowman project, and is now the home of the Defence College of Communications and Information Systems, to which I shall return shortly.

Across the western border of my constituency is Thales Underwater Systems in Templecombe. I was very pleased to be there a few months ago when the First Sea Lord opened its new factory extension, which can

[Mr. Robert Walter]

produce in a single operation the 1 km trails that go behind warships for sonar reconnaissance. It is developing a number of unmanned underwater vehicles as well. A few miles down the road, in Yeovil, is AgustaWestland. All those companies employ a number of people who live in my constituency.

I want to discuss two big defence procurement projects, both of which are vital to my constituency. The first—the defence training contract, to which the hon. Member for Vale of Glamorgan (John Smith) just referred—is worth £19 billion, and the second is worth £13 billion. Both bring the private sector into defence provision in a way that we have not previously seen, and both raise key questions, a number of which have yet to be resolved. I hope that the Minister can provide answers to them when he winds up.

The privatisation of the six defence colleges involves a public-private partnership and the spending of £19 billion over 25 years. The Defence College of Communications and Information Systems, at Blandford, is very much a key part of that. Such a partnership is an example of the Government procuring their training needs for the military from private companies. It is very easy to say that it is simply technical training, but much of it is essential military training. The DCCIS provides training in battlefield communications, electronic warfare and a number of other such activities. The Royal School of Signals, which has been at Blandford for many years, is a military establishment, but it has a tradition of employing civilian contractors—individuals and companies—and employees, many of whom are ex-servicemen with the skills needed to train the soldiers of tomorrow. However, they have always been under military control, and there is certainly scepticism among the senior officers involved in the DCCIS about the future under this public-private partnership.

Such scepticism is based on financial grounds, if no other. A training day at the DCCIS costs about a quarter of the equivalent private-sector training in communications or information technology. So one of my questions to the Minister is, will this contract be viable in the long run? As one senior officer put it to me, what will happen if such training fails? If we are in the midst of a battle and we discover that our soldiers have not had the right training, we cannot send them back for re-training. We have a battle to win and we have to get on and make do. Military commanders are part of a chain, and they feel that if they were in charge, they would have greater control over such matters.

I have four questions for the Minister about this contract, the first of which concerns its military integrity. Can this essential military training be provided effectively by a private organisation that is detached from the military commanders in the field? I almost intervened earlier on the hon. Member for Vale of Glamorgan in respect of my second question, which is about the financial transparency of this deal. My constituents are very worried that the Welsh Development Agency will dangle sums of money in front of contractors in an effort to move the defence college from my constituency across the Bristol channel to St. Athan. Reference has been made to giving the successful contractor a sweetener of up to £100 million.

John Smith: Will the hon. Gentleman give way?

Mr. Walter: I will happily give way to the hon. Gentleman for some reassurance.

John Smith: I can see why the hon. Gentleman did not intervene on me. There is no question whatsoever of the Welsh Development Agency dangling financial carrots to make such deals, because doing so would be unlawful.

Mr. Walter: I am not necessarily reassured by that, and would prefer to hear it from the Minister. I am not sure that it is unlawful for a development agency to be involved in bringing jobs to its area, but I know that the RDA in the south-west does not have the money to be able to match the offer.

My real question to the Minister is: can he guarantee the future of a military presence at Blandford camp, and especially of the defence college? The college is a very important part of the local infrastructure and directly or indirectly employs some 5,000 people in my constituency.

My second key constituency point about defence procurement has to do with the future strategic tanker aircraft. The selection by AirTanker of the new Airbus A330 200 provides the best value for money and will maximise the UK's industrial potential in the project. It is a truly British solution. The Ministry of Defence has estimated the programme to be worth £13 billion, possibly over 27 rather than 25 years. It would involve the manufacture and supply of a fleet of new Airbus aircraft and their conversion to tanker configuration, the fitting and certification of military avionics, the development of Brize Norton with extensive construction work for ground and air support equipment, and the provision of long-term operational support, including crewing, training and maintenance.

The A330 tanker has significant export potential, and its launch will have the added benefit of increasing the opportunity for UK suppliers to meet that demand. There is already talk of the French, who have a similar requirement, buying into the same configuration.

Another question involves what the US will do, given that Boeing was knocked out in the first round of bidding for that country's requirement. I understand that the US could need as many as 300 or 400 tanker aircraft, and there is a real possibility that AirTanker could participate in that. In any event, the project will bring the maximum amount of high-value work to this country, and generate new investment and employment throughout the UK aerospace industry.

I am particularly concerned about the "probe and drogue" aerial refuelling system that was developed and built at Wimborne in my constituency. It has been used by the RAF for a number of years, and is based on an invention by Sir Alan Cobham, who in the 1930s founded a subsidiary company called Flight Refuelling at Tarrant Rushton airfield in the heart of my constituency. He developed a system that allowed the pilot of a receiving aircraft to catch the fuel hose—the drogue—as it trailed from the refuelling aircraft. The receiving pilot could then draw the drogue in, using a type of harpoon.

The apparatus may seem somewhat complicated by today's standards, but it was bought by the Americans after world war two. The US air force converted

100 B29 bombers to carry the system, and the planes were redesignated as KB29 tankers. Flight Refuelling has continued to develop the technology.

Cobham's other subsidiary, FR Aviation, was formed in 1985. It operates out of Bournemouth airport, in the constituency of my neighbour and colleague, my hon. Friend the Member for Christchurch (Mr. Chope). The company is a world leader in the provision of turnkey special mission flight operations, engineering and aviation services. Between 1991 and 1996, it converted the RAF's VC10 aircraft to incorporate the air-to-air tanker refuelling role.

I want to remind the House of the basics of the matter. Commercial-standard aircraft have been built and tested by Airbus at Toulouse, but the UK will account for half the total value of the basic aircraft. AirTanker will create a centre of excellence for the technology, build new facilities at Brize Norton and run the new systems and support operations. About 75,000 jobs in the United Kingdom are tied up with this. When will the Government finally seal the deal? We have been at this now for six years. AirTanker is the preferred bidder. One of the problems is technology transfer with the United States, but without it there can be no deal because the project is not viable. Unless the United States agrees to the contract specifications that the MOD has laid down, the aircraft is not a viable proposition. Can the Minister please tell me tonight when he will get his pen out and sign the deal with AirTanker?

4.15 pm

Mr. Lindsay Hoyle (Chorley) (Lab): The document on the defence industrial strategy, is important to everybody. The Secretaries of State for Defence and for Trade and Industry are joint signatories because this is not just about defence; it is also about UK jobs. As the only member of the Trade and Industry Select Committee represented here today, I must make sure that that voice is heard. It is important not to neglect trade and industry.

Rightly, much has been said about the joint strike fighter, the ITAR waiver and UK jobs. Those jobs are important to Lancashire and the aerospace technology and defence systems there. Tens of thousands of jobs rely on the contract. It seems odd to me that the Americans are happy for our troops to go shoulder to shoulder in a trench and to fight side by side, but on technology transfer they ain't playing fair, they ain't playing the game. It is unacceptable for the Americans to behave in that way and we must tell them so if they are to expect our support. We are supposed to have a special relationship. We hear a lot of words about that, but we have yet to see the proof of it. We may see the President with his jacket on walking with the Prime Minister and having a good chat at Camp David, but we want to get beyond the words of Camp David and to secure jobs in the United Kingdom.

This is not just about having a manufacturing capability; it is about manufacturing the parts and the final assembly of the joint strike fighter. If we are placing an order for 150 aircraft, the least we can expect of the contract is to be allowed to build them here. If others, with agreement, can sell them on to a European nation, why do we not have the same ability? There are questions over maintenance, too. We may be allowed to undertake basic maintenance but there may be a technology bar preventing us from undertaking deep maintenance. We have to put right many issues as soon as possible. It is time that the Americans paid that special dividend.

Some £2 billion of investment has already been made. What are we going to do? Do we look to the Typhoon as a variant of the carriers? That is the second part: we must not make the mistake of the 1960s when the carriers were not the right size. Carriers must provide a platform capable of taking different aircraft. We must ensure that different aircraft can operate from them. Typhoon may be the answer for the future. We cannot say yet, but we must put pressure back on the Americans.

The future of fast jets is important for Lancashire. We must have fast jets continuing beyond the joint strike fighter and Typhoon. We must set out our technology needs for the future. We know that unmanned air vehicles will be part of that future, but I do not believe that we have given up on pilots and aircraft. Therefore, there must be investment now. We want to see the Government working with BAE Systems, ensuring that we build on the technology and skills in Lancashire and secure that advantage for the future—way beyond the 30 years that we are talking about now.

The other procurement issue that we must not forget is NAAFI. I have told my hon. Friend the Under-Secretary before that we must not let NAAFI close. I know that we are pulling back from Germany and there is a question mark over NAAFI there, and in Cyprus and Gibraltar. The profits that NAAFI makes do not end up in shareholders' pockets, but are ploughed back into recreation for the troops. Who else would be working in Afghanistan and Iraq, ensuring that our troops have somewhere for recreation? I make a special appeal on that point.

The other big issue is Royal Ordnance at Chorley and Bridgwater. Bridgwater produces high explosives and Chorley produces initiators and boxer caps. Nothing goes bang without Chorley. Chorley ensures that explosives work. The French, Germans and Americans would not cease production in their own countries of that vital security need, because they recognise that boxer caps and initiators have to be home-grown. BAE Systems tells us that as a favoured friend of the Government, and to ensure security and sustainability, it should retain missile technology, aerospace and shipping. However, somehow, it fails to mention explosives and the need to enter into a partnership. BAE Systems is five years into a 10-year deal—only halfway through the contract—but it wants to close Bridgwater and Chorley. It is unacceptable for us not to have a capability in the UK and it will have to reconsider its position.

When BAE Systems bought Royal Ordnance—an unfortunate deal—it was about asset stripping. We know that the sale of the Enfield site recouped every penny that BAE Systems paid the Government for Royal Ordnance. In Chorley, it was like the wild west—it was a land grab. BAE Systems could not wait to sell off acres and acres of land—it has received the money for 600 acres. It now operates on some 180 acres of the site, producing initiators and boxer caps. It wants to close the facility, but it should not be allowed to do so.

[Mr. Lindsay Hoyle]

The Government will say that it is a private company, but it has a contract with the Government, so we should not allow it to close Chorley. In fact, it should be building a new facility for producing boxer caps and initiators. It should sit down and do a deal with the Government and the local authority to release a little more land—the capacity is there—the proceeds from which go to a new production facility to ensure that we have a long-term capability to fight wars.

BAE Systems has tried short-cuts before. It supplied 21 million rounds of ammunition to the Government that has been dumped at sea because it did not work. We do not learn from the mistakes of the past, but we should learn from the Gulf war, when Belgium refused to supply us with artillery shells. This is a wake-up call for the Government: we need Chorley and we need Bridgwater. We cannot have nuclear weapons without high explosive. A charge—made by Chorley—is packed into the missile that supercharges the high explosive that generates the nuclear explosion. The charge has to be repacked regularly, so we would have no independent weapon if Chorley closed. We would be dependent on the French or the Americans and that would be absurd. We have to tell BAE Systems that it cannot close Chorley or Bridgwater and that a contract should be worked out that keeps both facilities open. The proposal to close is about selling the assets and ensuring as much money as possible for the shareholders, but that is not good for the future of the UK's defence.

I know that other hon. Members wish to speak, so I shall conclude in a moment. Before I do, I want to remind the House of the bad mistake we made in giving the contract for army uniforms to China. In Chorley and Blackburn, we were producing superb uniforms, of exceptional quality, for the British Army, and then the contract was given to China.

Let us ask some questions about China. It is important to find out why things went wrong. For some unknown reason, the Chinese made the battledress waterproof, yet everybody knows that uniforms must have breathability. What on earth are we doing? There have been major mistakes. Three garments were tested and there were faults in all of them. Our troops have to operate in the heat and the cold, yet somebody decided to make their uniforms waterproof. What is going on? This is the madhouse of failed economics.

I ask the Minister: please bring the contract back from China, keep UK jobs, make sure that RO survives at Bridgwater and Chorley and let us ensure that aerospace has a long-term future.

4.25 pm

Bob Russell (Colchester) (LD): First, I express my appreciation for the troops from the Colchester garrison who are in Iraq and for those who will shortly go to Afghanistan.

I shall follow the hon. Member for Chorley (Mr. Hoyle) by talking about clothing and textiles. We might be debating what will happen in the future, but we need to learn the lessons of the past.

I want to concentrate on the four opening aspects of the smart acquisition life-cycle suggested by the National Audit Office: concept, project initiation, assessment and project approval. In 1997, the Government inherited the relocation of the defence and clothing research establishment from Colchester to Caversfield. At the time, there were 147 staff in Colchester and the number was likely to increase to 156, but the number to be transferred to Caversfield was reduced to 84. The relocation was announced on 1 April 1999—an appropriate date, one might think—although it was more than two years before it happened. There was a year's delay while a private finance initiative was considered and a further year for a value for money investigation by McKinsey.

Last month, I was advised in written answers that 24 members of staff from Colchester were made redundant at the time of the transfer to Caversfield and only 46 were transferred, so there was a huge reduction. Of those who transferred from Colchester in March 2001 only six remain from what was arguably the world's best clothing and textile research work force.

I asked the Secretary of State for Defence for an independent review of the operation of the research and development facility following its transfer from Colchester to Caversfield. The Minister of State answered:

"The future of the Clothing Research and Development facility has been under constant review ... Independent advisors have already been involved in the review process."

I then asked about the future of the Caversfield facility and the Minister replied:

"The current proposal, subject to Trades Union consultation, is to close the Clothing Research and Development facility."

He said that in future the work

"would be competed for by industry and academia."—[*Official Report*, 19 January 2006; Vol. 441, c. 1531W.]

That bears out the point made by the hon. Member for Chorley: we have lost the capacity in the UK to develop and research vital equipment for our armed forces in the field.

When the transfer to Caversfield was proposed, I accompanied a delegation from the Colchester work force to meet the Minister to suggest a staff buy-out, but the Government rejected it.

The Government also refused the concept of privatisation, because they said that the best way forward was to collocate everything at Caversfield. What is necessary is for the Public Accounts Committee, the Select Committee on Defence or, indeed, the NAO to look back on the proposals and compare them with the reality of events as they have unfolded.

In 1967—some decades ahead of today's concept of tri-service proposals—the three services combined to form a purpose-built clothing and textile research establishment at Colchester. It was the most modern and best-equipped textile laboratory in Europe. The Hohenstein—I hope that I pronounced that correctly—skin model, which used to measure the passage of heat and moisture through all textiles, was the only one of its kind in the United Kingdom. That has been destroyed now. The flammability manikin used in simulations of burning clothing was one of only two in the country. That has been destroyed.

The development of smart weapons used for camouflage, concealment and deception demands continuous effort to ensure that our service equipment

remains fully capable when deployed against increasingly sophisticated technology. A fully equipped laboratory was available for that purpose. The camouflage of tanks, trucks and thermal imaging were majors areas of work—all destroyed. To develop footwear and handwear, there were environmental chambers equipped with heated hand and heated foot devices to enable the accurate measurement of the thermal efficiency of glove and boot designs. Respiratory protection equipment was available to test the quality and fit of respirators. All that has been destroyed.

The design and development of body armour and helmet and visor materials was undertaken to protect personnel from ballistic and non-ballistic impacts. High-speed photography was used to study bullets hitting body armour. Impact testing was carried out on military helmets. All that has been destroyed.

We know that lives were saved in Northern Ireland by the research work that was undertaken, because the flak jackets smothered the bullets. Vital research into garment design and clothing and textile development was undertaken. There was a fully equipped garment production workshop, capable of making a wide range of clothing items, with body measurement scanning booths and modern computer pattern grading equipment, but it has all been destroyed. Heavy textiles were designed for use in modern rucksacks, shelters and sleeping systems. Again, all that research has been destroyed.

Dedicated, loyal staff, who had given years of service, were uprooted, made redundant and their jobs were lost. At least an assurance was given that the work would continue at Caversfield, but the written answers that I received last month show that it will all go. The Government had arguably the world's best textile and clothing research laboratories, but all that has gone—it is all lost—and that is a tragedy. As the hon. Member for Chorley said, it is not right to get cheap replacements from China.

This is just a flavour of what our armed services have lost. The world's leading research facilities, originally based in Colchester, have now gone. There is no other organisation with the skilled staff available to carry out that vital and often life-saving work. I therefore hope that the PAC, the Defence Committee and the NAO will look back at what was said would happen and consider the reality of what has happened.

4.33 pm

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): I begin, as a number of other colleagues did, by paying tribute to our former colleague, Rachel Squire. She will be particularly missed on the Select Committee on Defence. She had great personal courage. Even after traumatic surgery, she returned to the House. I remember walking to Victoria with her one very pleasant summer evening, when she was looking very positively towards the future. She would have greatly enjoyed the partnership shown in the defence industrial strategy, which, among other things, we are discussing today. I know that she was looking forward greatly to being joined by other women Members representing marine constituencies, such as my hon. Friend the Member for Portsmouth, North (Sarah McCarthy-Fry) and my neighbouring MP, my hon. Friend the Member for Plymouth, Devonport (Alison Seabeck). By this time next week, I hope that we will be joined by Catherine Stihler as the new Member for Dunfermline and West Fife.

Defence procurement is characterised by many as being pretty dry and expensive, but to those of us with constituencies with defence interests it is important and, indeed, interesting. That is not only because many of our constituents work in the defence industry, but because, as in Plymouth, there is often a larger than average number of constituents in the armed services in areas associated with that industry. As other hon. Members have said, there is never enough money to ensure that we have sufficient personnel and equipment, and there is no other aspect of Government expenditure where value for money is more important. For those reasons, there are few cities and regions in the United Kingdom to which defence procurement is more important than it is to Plymouth and the south-west.

That was why, as a new MP, I asked for a placement with BAE Systems during an Industry and Parliament Trust fellowship. That was one of the first portfolio fellowships, so I also spent some time with GKN, Shorts and EDS. One of the 25 days that I spent on the fellowship entailed a visit to Abbey Wood in 1999. Smart procurement was fairly new at that time. A great deal was expected of it and everyone was excited by its prospects. Five years on, there is some disappointment—to put it mildly—that we continued to experience cost and time overruns, especially in 2002–03 and 2003–04, although recent National Audit Office reports suggest that we are now travelling in the right direction. Some have queried how much of that has arisen due to cutting the quantity of programmes, including whole programmes, and the Defence Committee, the Public Accounts Committee and the National Audit Office have been critical of the situation.

The Defence Committee, of which I am a new member, visited Abbey Wood just last week. As the Chairman of the Committee, the right hon. Member for North-East Hampshire (Mr. Arbuthnot), said, our experience suggested that newer projects might be showing real benefits. When I asked several of the staff who had been involved in a number of integrated project teams what was changing, they talked about the "toxic legacy" that had been left—my hon. Friend the Member for Portsmouth, North used that very phrase earlier. It might well be that the right direction of travel will be continued. The Chair of the Committee also said that the Defence Procurement Agency now has a better focus on recognising, as it puts it, that sometimes the best can be the enemy of the very good.

The Committee examined Sonar 2087 and Skynet 5, both of which are among the projects that have begun to be delivered that involved the newer stages of procurement and the main gate. Skynet 5 is providing the next generation of flexible and survivable communications services for military service, while Sonar 2087 gives us more capable anti-submarine warfare sensors for Type 23 combat systems. Sonar 2087 was first fitted to HMS Westminster in November 2004. It completed its initial assessment in 2000, went through the main gate in 2001 and was delivered before time. There was considerable environmental engagement and care throughout the project. Such

[Linda Gilroy]

projects and the much more robust and focused Government framework that the agency now has give us hope that more recent positive trends can continue. As a member of the Defence Committee, I will take a keen interest in probing to discover the bits of the programme that are working and the way in which improvements can be made.

The challenges of making the most of the defence industrial strategy are considerable. When the Defence Committee took evidence from my noble Friend Lord Drayson, the Minister with responsibility for defence procurement, it was fair to say, as hon. Members on both sides of the House have noted, that we were impressed by his clarity and determination. We were sceptical that the defence industrial strategy would be published before Christmas and that it would be sufficiently robust and include adequate detail. A glance at the individual chapters and the overall document is enough to discover that it includes the detail and clarity that we wanted. It has been welcomed by industry, not least in Plymouth. Paragraphs B2.26 to 28 on maritime industry provide the required clarity, and recognise the fragility of the design base and the implications of the blurring of the line between initial build, important through-life support and upgrades of systems. The Subco proposal would tackle those issues and secure value for money while retaining capability, enabling us safely to deliver, operate and maintain those platforms and supporting technologies under UK control and ownership.

My hon. Friends can be assured that DML and its workers, and those who support them in the naval base and the MOD, know the importance of delivering on those value-for-money issues and have a good local track record. May I point out to Ministers that in recent years the company has diversified significantly? Paragraph 2.42 says:

"Ownership of UK warship yards has consolidated to two main companies . . . BAE Systems . . . and VT Shipbuilding; with further capacity at Swan Hunter. DML and Babcock Engineering Services have design capability and fabrication skills but, together with FSL, essentially deliver surface ship and submarine support (including upkeep)."

DML designs and builds complex and highly sophisticated super-yachts, which are equal in size and complexity to a military corvette, and it has won contracts in competition with overseas yards.

The integration tasks in the final stages of a refit and upgrade of a major surface ship or nuclear-powered submarine are just as complex as the equivalent tasks on a new build and sometimes, indeed, are even more complex. When commissioning and setting to work naval platforms such as the future aircraft carrier, the skills base at Devonport can be used to achieve the timely and successful delivery of the imminent new-build programme. In future, there will be a significant increase in the shipbuilding programme, so capacity is a consideration. At the same time, however, a significant proportion of the skills base at Devonport will become available as a result of the downturn in the refit programme. As we develop our marine industrial strategy, I hope that we will look at the way in which we will tackle shortage in capacity. We should bear in mind the competitiveness that the Devonport work force has developed by diversifying into private sector work. I welcome what my hon. Friend the Member for Bolton, North-East (Mr. Crausby) and others said about the future of the nuclear deterrent and the importance of retaining skills and capability.

Having raised those local issues, may I conclude with a couple of concerns about the White Paper? The Minister and others have mentioned small and medium-sized enterprises. Devonport has 4,700 employees, but the huge supply chain increases the number of workers to more than 10,000 in 420 local companies. In the south-west region, 60,000 people are employed in defence work. Aerospace employs 43,000 full-time equivalent employees, and the supply chain another 100,000. I share the concerns that have been expressed about whether small and medium-sized enterprises have been fully involved in the evolution of the White Paper. There is still time to do that. I would welcome reassurances from my hon. Friend the Under-Secretary about how that can be achieved—in the case of maritime enterprises, through the industrial strategy. In relation to aerospace skills there needs to be careful involvement of those representing the industries—the trade associations, the regional development agencies and so on.

A debate is being held in Westminster Hall on employer engagement in further and higher education, in which I would have liked to highlight the importance of the higher education innovation fund research stream in sustaining and developing knowledge partnerships. That, too, is important to some industries, particularly the small and medium-sized enterprises that we are discussing.

Finally, I acknowledge what my right hon. Friend the Minister said about partnership and partnering being seen as the way to achieve value for money—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The hon. Lady has had her time allocation.

4.45 pm

Mr. Douglas Carswell (Harwich) (Con): Others wish to speak, so I shall be as brief as I can.

There is something profoundly wrong with Britain's system of defence procurement. That is not my assertion, but that of Lewis Page, author of the recently published book on defence procurement, "Lions, Donkeys and Dinosaurs". Mr. Page's highly readable account of the monumental incompetence of our defence procurement regime is, I hope, on the Minister's reading list. If not, I would be delighted to lend him my copy for him to read afterwards.

According to Mr. Page, the UK spends about £30 billion each year on defence. His book shows what extraordinarily bad value for money we get—or, should I say, our soldiers get. It is a damning tale that does far more than condemn the actions of any single here today, gone tomorrow politician. Rather, it raises serious questions about the future of our defence industry and the MOD—an institution that Mr. Page compellingly portrays not so much as the Ministry of Defence, but as the Ministry stuffed with dinosaurs.

In reminding the House of one or two instances of particularly gross MOD incompetence, I am not seeking to make partisan political points. The MOD's failings

have been manifest under Governments of both parties. I am also not especially interested in which side of the House hon. Members happened to be sitting on at the time of the MOD's bungling. Rather, I seek to make the point that the incompetence of our defence procurement regime is so profound that it is time to contemplate a bold and radical alternative.

Do hon. Members remember the SA80 rifle? They might not, but our soldiers still have to cope with it. It began life in 1985 with several glaring design flaws. The decision was taken after 1997 to spend £92 million to sort out each of the 200,000 flawed rifles. That works out as an additional £460 to make each gun function properly, after its development and production costs. The MOD asserted that that was cost effective. Had it the wherewithal, however, the MOD could have spent that £92 million on, for example, the American M16, at a mere £400 each. Instead, for reasons that are unclear to me, the MOD spent that money upgrading a rifle that no soldier, when asked to select their own weapon, would choose.

Mr. Ingram: I am sorry for interrupting, but I went through that entire process. I put the rifle under intensive test by soldiers and I have a vivid memory of a Royal Marine sergeant saying that it was the best rifle he had ever handled, and a paratrooper sergeant saying the same. One of them had been a sceptic and said that he did not anticipate that when he went into the tests. The hon. Gentleman should speak to members of our armed forces about the quality of the rifle that we now have. I agree about the past. That is why we had to fix it. It was one of those legacies that we had to address.

Mr. Carswell: I note that those parts of our armed forces allowed to choose their own weapons, such as the special forces, do not choose the SA80.

Mr. Ellwood: I was one of those soldiers who had to use the SA80. It is not a great weapon. What makes that weapon great is the SUSSAT sight that is placed on it. Anyone who has been to the Royal Ordnance factory will know that that bullpup design came around in the 1940s, not after the Fabrique Nationale's SLR was made. It is not a great weapon. It is its sight that has made it. The Army or the Marines do their best with the equipment that they get. That is the situation.

Mr. Carswell: To press on, do hon. Members remember all the Apache helicopters that we bought? It was sensible, was it not, to buy all that tried and tested American kit, yet the MOD managed to bungle even that. Israel managed to buy Apaches at £12 million a piece. Somehow the chaps at the MOD managed to spend £40 million on each one of them.

Mr. Vaizey: On that point.

Mr. Carswell: Many wish to speak—

Mr. Deputy Speaker: Order. The hon. Member for Wantage (Mr. Vaizey) has only just walked back into the Chamber. He ought to exercise some restraint because we are running out of time. If he hopes to catch my eye later, it would be a good idea not to extend speeches; otherwise insufficient time will be left.

Mr. Carswell: Apparently, it was something to do with wanting to assemble the Apaches in Britain to maintain jobs—a good idea, one might think, until one realises that we could have bought the helicopters directly from the Americans, given each one of the 755 employees working on the assembly line £1 million to retire on, and still have saved ourselves £1 billion in the process. Many of the procurement problems surrounding the Apache, like the SA80, have carried on regardless of which party has held office.

Why is our system of defence procurement quite so hopeless? There are three key reasons. A large part of the reason is that those people in charge of it—I mean really in charge of it; the senior civil servants at the MOD—simply deny that it is hopeless. Those 300-odd senior MOD civil servants who rate themselves of equal rank to admirals, generals and air marshals are not part of the problem—they are the problem. There will be no serious progress in our defence procurement strategy without root and branch reform at the MOD. In any other sphere of life—in business or in the charity sector—a senior director responsible for such bungling would face real consequences, but not at the MOD. This remote and unaccountable elite makes monstrously poor decisions and British soldiers face the rap. No one is accountable. No one is sacked. This is how our defence procurement is run.

Many are the discussions to be had over Britain's strategic priorities. Many are the debates to be had over the best weapon systems, over the SA80, over the Type 45 frigates, over the Chinook HC3s and over UAVs. But what we really need to deploy if we are ever to have value for money in our defence procurement is the P45.

To ward off accusations of gross incompetence, the MOD has now adopted a smart acquisitions policy. I was against the dumb acquisitions policy that it had before, but I note that the projects continue to overrun in terms of time and money. I would venture that, as long as the MOD continues to be a monopoly purchaser and BAE Systems continues to be a virtual monopoly provider, there is something inevitable about that, and the Government's defence industrial strategy does little to change it. Buying British is not always best. It is more important to ensure that our armed forces have the best kit that we can afford than to prop up UK defence plc.

A further reason why I believe our defence procurement is hallmarked by incompetence has been its creeping Europeanisation. Even the most diehard protectionists recognise that the costs and complexities of weapon systems are such that it is unrealistic to buy entirely British, yet many of the so-called defence strategic arguments, once advocated by those committed to defence-industrial autarky, are now regurgitated by those who argue that we must buy European. There are many better alternatives for this country to pursue than further Europeanisation. The MOD has implemented by stealth an EU-facing defence procurement policy. It is yet one more reason why it is time to give serious consideration to the future shape of this Whitehall Department and the many thousands of paper pushers she employs.

To conclude, I hope that the Minister and many others in the House will read Mr. Lewis Page's excellent book. I hope that the Minister will go back to his Department, that he will stop regurgitating the departmental orthodoxies of the defunct MOD, and that he will implement and create an effective defence procurement policy inspired by much of what Mr. Page has to say.

4.54 pm

David Wright (Telford) (Lab): It is an interesting experience to follow the hon. Member for Harwich (Mr. Carswell). I will pass on his comments about pen pushers to hundreds of my constituents who procure products for the MOD. I am sure that they will be delighted to hear what he had to say.

This afternoon, we have heard about a series of procurement issues, including aircraft, naval products and textiles. It is important to remember that large teams of people work for the MOD procuring those items, because we have not discussed the civil servants who work in supply and purchase. More than 400 people in my constituency work in the Defence Logistics Organisation at Sapphire House. I am concerned about their future, because the MOD has proposed the collocation of a number of staff from Sapphire House to an acquisition hub in the Bath-Bristol area. I know that Ministers have not made a final decision on that matter, but rumours about the collocation proposal and the acquisition hub have been circulating. I hope that the Minister will reassure my constituents about their future in his winding-up speech.

In July 2005, the MOD announced its plans for the acquisition hub. From August to November 2005, a combination of rumour and comments from senior management indicated that the plans were more advanced than staff realised and than the MOD would admit publicly. As has been said, the MOD purchased a building in the Bath-Bristol area to which it might move staff from Telford to work on DLO acquisition activity. On 21 December last year, the Minister wrote to me to confirm the purchase of that property, which was not a nice Christmas present for staff in Telford.

I want to discuss what makes Sapphire House in Telford unique. The procurement and provisioning support for all in-service Army equipment is undertaken at Sapphire House. That work is supported by bespoke IT infrastructure, the PUMAS and PWB systems, and it has been performed in the Telford and Shropshire area for more than 60 years. That business output to the DLO is not replicated anywhere else in the UK.

Additional evidence of the unique role of Sapphire House is found in a key measure of the field Army's ability to deliver its military capability. That measure is called underlying availability, which defines the spares support available in the supply chain and is critical to force sustainability during both peacetime and operational periods.

The DLO procurement reform team, DLO category managers and a small contingent administering the MOD's purchase to payment strategy are also based at Sapphire House. Those teams tap into the bespoke Sapphire House IT systems and, more importantly, utilise the Sapphire House community to interpret and capture commercial and procurement data. Sapphire House is also contributing significantly to the much-heralded—this afternoon—industrial strategy recently launched by the MOD.

Sapphire House is also unique because it houses a number of non-DLO integrated project teams, the Defence Communication Services Agency and the integrated project teams working under the Defence Procurement Agency. That profile demonstrates integrated working and provides a snapshot of what the MOD is trying to achieve in the Bath-Bristol area. The MOD wants to collocate activity to the Bath-Bristol area, but it has already done that in Telford, so I hope that it does not move staff again.

The DLO gets a good deal out of Telford, which is evidenced by the excellent recruitment and retention record of staff in that locality. Indeed, 67 per cent. of the work force at Sapphire House is based on administrative grades and is therefore paid a relatively small amount. The MOD gets incredible value for money from those staff. If we move their activities to the Bath-Bristol area, we will not get the same output from the same grading of staff in that locality. That value-for-money aspect cannot be replicated.

One of the issues that local trade unions have raised with me is that although MOD proposals suggest collocation in the Bath-Bristol area, most staff in Telford will not want to move. Surveys carried out by the unions of those 400-plus staff find very few people who want to relocate their activities to that area. People do not want to move their families down there or to break their links with the local community. In many cases, whole families have worked for the MOD in Telford, whether at the old Donnington depot or at the ESPPA—Equipment, Support, Provision and Procurement Agency—facility at Sapphire House. My concern is that if we collocate activity in the Bath-Bristol area, we will lose essential skills that we have built up through the DLO Telford teams from the ashes of the change that occurred in 1995 when the Chilwell and Donnington sites were amalgamated.

I hope that Ministers will take a step back for a moment in relation to Sapphire House, and think about the skills and quality of the staff there in procurement terms and about what they will lose if people do not move down south in the event that activity is collocated in the Bath-Bristol area. Sapphire House is home to two bespoke IT systems and, uniquely, houses more than 330 highly skilled, fully trained provision and procurement operatives. It has a critical role in running a further 10 IT systems essential to effective inventory management and supply chain operation. This is a quality facility with staff who are very committed to the MOD.

The staff and the trade unions have produced a so-called straw man paper that looks at alternative options. The unions are not particularly opposed in general terms to collocation, but they still see an ongoing role for MOD presence in the Telford area. The paper discusses the retention of skills and staff at Sapphire House. The proposal has been withdrawn, as the Minister confirmed, but I hope that we can breathe some new life into it and that Ministers will be willing to meet trade union representatives again to talk through the future of the paper and to see whether there are any opportunities to retain those skills and staff in Telford.

I want to refer in closing to the comments made by my hon. Friend the Member for Vale of Glamorgan (John Smith), who mentioned the defence training review. It is important that we have a clear, transparent and open competition on defence training. I hope that the Department will pursue that line effectively. Under one option St. Athan would be the prime location; under the other option, which I clearly support as a Shropshire MP, those activities would go to Cosford. It is probably fair to say that both sites have great advantages. Both

could be seen as high-quality training facilities for defence. I just want us to have a fair competition and a fair decision based on the facts. We can then move forward with quality training environments for all our people working in the MOD.

5.3 pm

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): May I associate the Scottish National party and Plaid Cymru with remarks that were made earlier and extend our sympathies to the families of the bereaved and those who have lost their lives? May I also mention the injured and the wounded, who must not be forgotten by Government of whatever shade, or by this Parliament, for the rest of their lives?

I intend to keep my remarks short. Many issues have already been mentioned, and I hope that as a result of my brevity the Minister will respond to the specific points that I raise.

There are many aspects of defence procurement, but I want to concentrate on one specific issue. I am, of course, honoured to take part in this debate as the elected representative for Na h-Eileanan an Iar. An aspect of chief concern to my constituents is Qinetiq and the possible impact of its privatisation on the future livelihoods of 240 at the Hebrides base between North Uist, South Uist and Benbecula. It has been reported that Qinetiq in general has about 5,000 patents granted and outstanding. A great deal of intellectual property is clearly being sold, the value of which would be very hard to quantify.

As some hon. Members know, the Qinetiq range in Uist is large and stretches far to the west beyond St. Kilda. There is no land beyond that except Rockall on the way to Newfoundland and Canada. It is an ideal place for missile testing.

Missiles are critical to modern military activity, as the hon. Member for Aldershot (Mr. Howarth) asserted earlier. Given that they are critical, we need to retain the capability for testing and training.

I was recently fortunate enough to visit the Qinetiq range and see some of the highly skilled and specialised work that the operatives undertake. The Hebrides base is a tremendous facility. Its size gives an almost unique controlled environment for the conduct of test and evaluation firing of land, sea and air weapons, and the firing of in-service missile systems.

The base also accommodates the operation of unmanned air vehicles—UAVs—which are used for missile training, especially for the Rapier missile. It is encouraging that use of the base is not confined to UK armed forces. Recently, the Swiss and Swedes, among others, have used the resource and expertise at the base. I have travelled with ferry-loads of American soldiers, stationed in various parts of Europe, who find it far more convenient to go to Uist to train with missiles than to return to the United States.

I would like an assurance—if possible, a cast-iron guarantee—that the privatisation of Qinetiq will not put the range at Uist at any risk. Does the Minister view the Hebrides range as a key capability in the context of the defence industrial strategy? How can the Minister guarantee that, some day, under pressure from shareholders—some as far away as America—a private company will not close such a strategic facility in some sort of rationalisation of Qinetiq?

Indeed, the same could be said of other Qinetiq sites in Scotland such as Rosyth, Wester Ross and many others. Can the Minister guarantee the continuation of those bases when a key part of the defence industry is privatised? Viability might no longer be determined by strategic importance but by shareholder considerations and the bottom line.

It could be argued that defence procurement budget spending in Scotland is, in terms of per capita spent, approximately £500 million lower than it should be. However, tempting as it is to trade such statistics with the Minister, I should like him to concentrate on the position of Qinetiq and how it affects Scotland.

I currently question how we can be certain that a private company in a monopoly situation cannot hold a Government to ransom when we have no other provider. Could it not add to the problem of cost overruns?

To achieve my aim of brevity, I shall make only two further points. The public cannot buy shares in Qinetiq. Only those who are described in common parlance as fat cats can do that. Why will the Qinetiq working man or woman in Uist or Rosyth be allowed to purchase only £500 in shares when the top brass walk away with £40 million? Is that not a slap in the face for the hard-working employees at Qinetiq? Is it not a slap in the face for every hard-working man or woman who, like my father, once believed in Labour values and traditions?

More than a year ago, 10 RAF personnel tragically lost their lives in an air crash in Iraq when a right wing fuel tank exploded. An RAF pilot, Nigel Gilbert, has been reported as saying that the consequences might not have been so serious if the aircraft had been fitted with fire retardant protective foam, without which the Americans and Australians would apparently not fly. I am no expert but I and, I am sure, many others would be grateful if the Minister shed some light on that.

5.8 pm

Sarah McCarthy-Fry (Portsmouth, North) (Lab): The city of which my constituency forms part has been at the forefront of defending our shores for more than 800 years. Portsmouth naval base is the home port of the Royal Navy and the defence industry is inextricably linked with the city's economy. It is therefore no small wonder that the companies that operate in my constituency have eagerly awaited the defence industrial strategy.

Times have moved on. When I first started working in the defence industry it was in the days of cost plus. A contractor would submit its costs, the Ministry of Defence technology cost team would audit the submission, we would argue about the overheads, reach an agreement, add on 10 per cent. or so for profit and that was the price that the Ministry paid. It was cosy but unsustainable and it did not give the taxpayer value for money. So we moved to competitive tender and fixed price, which required not only defence contractors but the MOD's own work force to take a long, hard look at their cost structures, and some painful decisions had to be taken in the interests of value for money for the taxpayer.

Only a few months ago, the Minister of State, Ministry of Defence, my right hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow

[Sarah McCarthy-Fry]

(Mr. Ingram), had to announce the closure of the engine maintenance business at DARA Fleetlands, as it was unable to compete with other contractors. I expressed the hope at the time that, as we had a strong and stable economy, those skilled workers could be retrained and would find new jobs. I was therefore delighted to read in the press last week that that is exactly what has happened. The helicopter repair side of the business at Fleetlands is booming so much that an additional 200 engineers are required, and the directors at the site are keen to retrain those engine support workers to fill those roles.

Nevertheless, the competitive tender and fixed price arrangement is not a panacea. It gives the MOD short-term value for money, but not necessarily best value in the long term, because it risks contractors underbidding to win the work, then being unable to sustain long-term production, or ratcheting up the price for product support, leading to higher costs over the life of the product. The defence industrial strategy seeks to remedy that by promoting a partnership and alliance approach. I welcome this approach, and I am sure that companies in my constituency will also do so, especially those operating in ship support, such as FSL.

I welcome the recognition that the lowest bidder is not paramount, and that national security, national skills and the UK manufacturing economy are also important in defence procurement. However, this requires flexibility on the part both of the MOD and of industry. Certainty is the key to long-term strategic planning in business, and true partnership means true risk sharing. It means being able to offer a degree of certainty through the life of a project. Whole-life support is probably worth more to a supplier than the initial production, but the MOD needs to be sure that suppliers can sustain that whole-life support, and there needs to be a degree of trust on both sides. The flip side of that stability and certainty must be a commitment on the part of industry to implement continuous improvement, to continue to engineer cost-downs without the incentive of re-bidding at every stage in a project's life, and to share the benefit of those cost-downs with the British taxpayer.

I welcome the statement in the defence industrial strategy that value for money is the bedrock and that competition is a major element in value for money, but also the recognition that when a better outcome can be delivered or when national sovereignty or security is under threat, long-term partnering agreements will overcome competition. I do, however, share the concerns of many hon. Members who have spoken today about small and medium enterprises. While the larger contractors in my constituency will, I hope, be major beneficiaries of these long-term partnering agreements, to what extent will SMEs benefit?

Many SMEs operate in my constituency, and I want to ensure that the skills base that we have there is maintained and that it grows. There is a concern about offshoring, not only in defence manufacturing, but in all manufacturing. I believe that the answer is to concentrate on the things that we are good at, at the high-skill, high-tech end of the market. We need to foster those skills, and ensure that we keep them in this country. As warfare changes from using brute force heavy equipment to faster, cleverer, flexible and electronically networked equipment, we will need those high-tech skills to manufacture and support it.

Many SMEs in my constituency are bidding for work in the defence sector, and that is why I am concerned that long-term partnering agreements, important though they are to the major defence companies, might push out the SMEs. It has already been pointed out that the success of this strategy will be in the implantation. I would like to see some contractual commitment in these partnering arrangements to pass work down to smaller companies.

We need SMEs; they are often the seedcorn for innovation. A smaller organisation often has a different attitude to risk, and encourages entrepreneurship and innovative thought. If we are moving towards longer life platforms, we will need innovative upgrades if we are going to keep at the forefront of fast-moving technology. We will need the ability to respond rapidly to new ideas. We need to ensure that our procurement processes encourage innovation and entrepreneurship as well as the basics of cost, quality and on-time delivery. And we need to keep the door open to new entrants in the market.

We need to ensure that our troops get the best possible equipment, ready for action, when and where needed, at a cost that the taxpayer can afford. I commend the defence industrial strategy, as it seems the way forward to deliver that. I hope that the Minister will take on board my concerns about SMEs, and I hope that workers in my constituency will continue to play their part in delivering high-quality defence equipment for the next 800 years, as they have contributed to this country's defence for the past 800 years.

5.15 pm

Mrs. Maria Miller (Basingstoke) (Con): I am grateful for the opportunity to speak in today's debate, which is important not just because we are discussing the future defence of our country and £6 billion of Government expenditure on procurement each year, but, as the hon. Member for Chorley (Mr. Hoyle) said earlier, because defence is at the heart of much of Britain's manufacturing industry. Much of the expertise and many of the jobs in the sector are inextricably tied to the future of defence in this country. In my constituency, Basingstoke, in north Hampshire, we have a great deal of expertise in the sector, which provides a tremendous skilled work force. Importantly, it is also a catalyst for many other businesses in the area, which rely on our defence industry for their livelihood. It is therefore vital that we hold the Government to account in this important sector.

Despite the smart procurement initiative introduced in 1998—I recall, however, that my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot) said that its roots might lie deeper in time—important defence projects are still regularly coming in over budget and late, which in any other sector of industry would be unimaginable. I reflect on the fact that the most recent National Audit Office report on major projects in 2005 found that the largest projects are almost £3 billion over budget, that financial savings are coming solely from cuts in future capability and not necessarily from efficiencies, and that delays in delivering projects have

increased by 45 months. The MOD identified that many of those time and cost overruns were driven primarily by its actions, such as changes in specifications and budget constraints.

It is therefore little wonder that, for the Government, defence procurement is an ongoing process of attempting to reduce waste and ineffective management control. There have been no fewer than four iterations of defence procurement rules since 1997, creating a great deal of change in the sector. The Government's strategy over that time, as I try to piece it together, seems to be to achieve a better balance between best value and protecting domestic research and manufacturing capability. Of course, the Government's push for an increase in competition in the sector should be applauded, although the NAO report suggests that there is some way to go until we see the full fruits of that labour.

Unlike many other sectors of manufacturing industry, however, the defence industry does not operate in a perfect market, and there is a need to balance the protectionist drivers—sovereignty and the need for national security—with the best-value drivers, such as the need for open competition, innovation, control of costs and avoidance of the unseemly delays that we note in many of these projects. As has been pointed out, we have one of the most openly competitive defence industries in the world. For several years, however, procurement rules have recognised the need to balance the protectionist and best-value approaches so as to take into account the importance of retaining domestic capability in the market. In my constituency in particular, we want to retain skills as well to deliver value for money.

I was pleased that the 2005 defence industrial strategy identified yet again the need to retain strategic capability. I welcome the list of key strategic capabilities that we need to keep domestically. One of my local employers, Thales Missile Electronics in Basingstoke, has been identified as having an important strategic capability and an important role, particularly in fusing, in the complex weapons sector.

Let us consider what has been asked of companies that have been identified as needing to provide important strategic capability. The defence industrial strategy is somewhat contradictory. It talks of best value and the need to maintain national security, but also talks explicitly of the need to retain the ability to source from abroad, as well as the ability to design, assemble and support domestically. My right hon. Friend the Member for Fylde (Mr. Jack) said that it was almost as if the report was trying to have its cake and eat it, or the Government were.

The strategy readily acknowledges that open international competition could put the sustaining of key industrial capabilities at risk. The Minister said that it clarified priorities. That may be his objective, but he has some way to go. He must make absolutely clear what we are asking of our local defence manufacturers. There is rather more than a contradiction here. We need to know what message we are sending to our domestic defence industry. I believe that the Government are reviewing the way in which the strategy is to be implemented; perhaps they could think about that message during the process.

We must ask ourselves whether we are retaining our key strategic capability if manufacturers are forced by cost pressures to outsource large parts of their production to lower-cost countries in order to compete in terms of price. Eventually, local production, and indeed capacity and skills, will become increasingly diluted, and our ability to be flexible and respond to the needs of the military—especially at times of pressure—will become more problematic. There must be more formal recognition of the trade-off between price and strategic capability.

As I said at the outset, we are discussing the future defence of our country. We are discussing a vast area of Government expenditure. However, we are also discussing the future of an important sector of industry and manufacturing. After four iterations of defence strategy in the Government's lifetime, we must work hard to ensure that we get it right this time.

5.22 pm

Mr. Tobias Ellwood (Bournemouth, East) (Con): It is a pleasure to follow my hon. Friend the Member for Basingstoke (Mrs. Miller), who spoke with such passion about the industries in her constituency. Thales is and, I hope, will continue to be an important component of our defence industry.

The Chairman of the Select Committee, my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot), drew a distinction between our procurement needs for defence and the country's needs. They are separate but also together: separate in that we can have a defence industry that can have exports, but together in that our defence—Army, Navy and Air Force—will be one of the biggest markets for our products and equipment. We have not talked much about the former, but I want to say something about the latter.

I understand that there is an annual debate on procurement. I hoped that this debate would include an audit, or analysis, of our requirements. We have heard a good deal of talk about where pieces of equipment are in the procurement process, but what are our needs? Why do we require that equipment to meet the challenges of the future? The Minister mentioned our needs in Afghanistan and the threat posed by the growth of terrorism, but I should have liked him to spell out exactly what our mission is and how it relates to our NATO obligations. We are part of NATO; we also work closely with the United States and the Commonwealth. Why must we provide all the equipment and all the manpower all the time? As the costs are limited, we should be sharing the financial burden with our allies, in Afghanistan, in Iraq or anywhere else. In future procurement debates, it would be useful to hear how we fit into this bigger picture, given that we are constricted by the total amount that we can spend.

The Minister said that spending has in fact increased in overall terms, but the reality is that we have fewer soldiers, sailors and pilots, and fewer regiments, ships and squadrons. However, the obligations that we place on our military personnel have increased substantially. Our armed forces are therefore greatly overstretched, woefully undermanned and dangerously ill-equipped. As someone who served in the armed forces, it is quite upsetting to hear that £4.8 billion has somehow gone missing, according to the National Audit Office. That is a phenomenal sum, particularly given the basic equipment that we provide for our front-line soldiers.

[Mr. Tobias Ellwood]

There was something of a spat earlier—swords at dawn, as it were—about the red lines and who is actually to blame. I am very new to the House and in fact, I do not care where the blame lies for past events; I want a solution for a future. So whether past Governments or today's Government are to blame, let us learn from experience and ensure that such mistakes are not made in future.

A litany of examples of the various problems has been given. My hon. Friend the Member for Harwich (Mr. Carswell) spelled out the problems associated with the SA80. The Apache was purchased—can you believe it, Mr. Deputy Speaker?—without the training manual. Chinooks, which can fly only in good weather, were also purchased. Hercules that were purchased in 1999 have still not been cleared for use by paratroopers. These are schoolboy errors and they need to be corrected. There is also the example of the Clansman radio. When I was in the Army, we dreamt of the Bowman radio system, which was to be the panacea to all our communication problems. I was well aware that, when we were in Bosnia, we were using an insecure radio system. Giorgi, the local radio ham who worked in Sanksi Most, could hear us, but so could the enemy. We were using 30-year old kit. That should never happen in a sophisticated Army such as today's. There are other examples, such as the Astute class submarine, which was £1 billion over budget.

I want to discuss the F-35, the joint strike fighter, but before doing so I want to deal with Galileo, which has yet to be mentioned today. No one has explained why we are purchasing a new global positioning system when we already have one that works and is free. Galileo, which consists of 30 satellites and mimics GPS, will cost £2.2 billion and has a running cost of £5 billion. It is backed by the EU but it is being pushed by France and Italy. Given that military equipment can run off GPS, and that we already have a free GPS system, it would be useful to hear from the Minister why we are purchasing a comparative system.

The JSF is designed as a replacement for the Sea Harrier, but if matters proceed in the way suggested today, the new aircraft carriers due in 2012—HMS Queen Elizabeth and HMS Prince of Wales—are likely to be launched with no aircraft on them. I understand that this year—perhaps the Minister can clarify this point—we are to lose all our Sea Harriers, which means that there will be no radar platform to support and protect our carriers. The T45 has been launched, which has a radar facility that could be used to assist our carriers, but its range is limited to the horizon. The great advantage of the Sea Harrier and the F-35 is that they have a radar range of some 300 miles. For six years, our carriers will lack security at sea.

Other problems have been referred to today, such as the budget cuts in America. Such cuts have come not only from Donald Rumsfeld, but from Capitol hill itself. There is also the question of technology transfer and the Americans' reluctance to hand over the technology necessary to repair and maintain the F-35.

Another problem has to do with the date of implementation. I hope that we will have two wonderful aircraft carriers in 2012 but, even if everything goes to plan, it is likely that we will have no aircraft to put on them for another two years.

Some hon. Members have said that, because we joined the Americans in the Iraq war, they should show their gratitude by giving us back this technology. I take issue with that. I made it clear that I opposed the Iraq war, and do not think that it should have anything to do with this matter. Our very strong relationship with the Americans is based on the fact that we share technology and intelligence: in the absence of the waiver, that is a factor that must be taken into consideration.

The American House Committee on International Relations is at the core of the problem, not the Americans in general, and we should focus on the ITAR. It is important that Ministers and Tony Blair take every opportunity—

Mr. Deputy Speaker: Order. The hon. Gentleman should know that he must not refer by name to another hon. Member. He should refer either to the relevant office—in this case, Prime Minister—or constituency.

Mr. Ellwood: I stand corrected, Mr. Deputy Speaker, and apologise to the House. The Prime Minister should take every opportunity to raise this matter, which is standing in the way of progress with the joint strike fighter aircraft.

Circumstances changed after 9/11, and the Americans now have a different perception of how technology is to be shared. We need to lean on our strong relationship with them to make sure that we remain within their circle of trust so that we can share technology and allow the joint strike fighter project to go ahead.

I was surprised to hear Labour Members say that we should walk away from the project and revert to plan B represented by the Typhoon. We have already spent £2 billion on the joint strike fighter project, and this debate has illustrated the huge amount of money that has been wasted on other projects. To walk away from the project now would be completely wrong. We need to make it work as soon as possible.

The House is rightly keen to praise the armed forces, but we are not so keen to finance them. We are keen to send them into battle, but not so keen to equip them. We expect so much more from our armed forces but we give them less and less. That problem is evident in the number of battalions that are being cut, and in the quality of the equipment that we give them.

Mistakes have been made by both Conservative and Labour Governments, but we must learn from them and move forward. I hope that the Minister will take heed of the message from today's debate, and make sure that the joint strike fighter aircraft goes ahead. We need to develop a stronger relationship with the US, so that that very important project can be completed.

5.32 pm

Mr. Edward Vaizey (Wantage) (Con): I am grateful, Mr. Deputy Speaker, for your indulgence in allowing me to speak, and I apologise for my absence during some of the debate. However, I assure the House that I kept abreast of developments on television, and that hon. Members look even better through that medium than they do in the flesh.

I am also pleased to follow my hon. Friend the Member for Bournemouth, East (Mr. Ellwood), who made an eloquent speech. His points about America were reflected widely in the debate, but defence procurement is an incredibly important subject. The systems involved both protect our soldiers and put them at risk, so procurement mistakes can cost lives. By definition, those systems cost millions and millions of pounds, so the scope for waste is easy to imagine. Given that procurement involves politicians, officials and public money—and the fact that the armed forces change their requirements every year—it is almost essential to build in natural waste.

Several hon. Members have welcomed the defence industrial strategy, and I am happy to do the same. The work done by Lord Drayson has been widely welcomed and is regarded as a good thing. I agree, and I hope that my praise does not undermine his career. However, despite the consensus with respect to the early stages of the strategy, I hope that the Government will take very seriously the report that will eventually emerge from the Defence Committee on how the strategy is working. That report should be studied carefully.

I have read, as my hon. Friend the Member for Harwich (Mr. Carswell) has, Lewis Page's book, "Lions, Donkeys and Dinosaurs". It is a quick, enjoyable and highly polemical read. I imagine that it has caused no end of irritation in the corridors of power. I suspect that it makes many valuable points and I am also sure that it misses its target on many occasions. It led me to think about the principles that we should adopt in defence procurement.

One principle that has emerged from the debate is that we are all anxious to keep some home-grown capability. It is not simply about jobs; it is also about the wider spin offs of technology transfer and negotiating muscle—of being able to bring something unique to the table. As a layman who is new to the defence debate, it is slightly tragic that we can no longer produce on our own an aircraft, like the Hawker Harrier, which has given us such useful service and was so innovative.

It is worth hon. Members remembering that our special relationship with the United States is between the people and, often, a Prime Minister and a President, but is rarely between Parliament and Congress. As my hon. Friend the Member for Bournemouth, East pointed out, it is Congress that is causing the difficulties. We as a nation should look further afield for other partners. I was lucky enough to go to India earlier in the year where I met the Indian Defence Minister and Chief of Defence Staff. They are hoping to be 95 per cent. self-sufficient in providing their defence capability. I ask the Minister in a genuine spirit of inquiry what we are doing to build relationships with emerging nations such as India. India will soon be the largest country in the world. By 2030 it will be the third richest nation in the world. Surely we should now work on our special relationship with India in terms of our defence capability. I would be fascinated to hear from the Minister what we are doing on that basis. *[Interruption.]* Absolutely, we are selling Hawks to India, but what are we doing about developing home-grown defence technology with that country?

The other point about defence procurement is that it does not stop when we hand over the cheque and get the kit sent over. Errors can continue long after the kit has been purchased. I am aware, for example, that the Apache helicopter, which we have purchased, is hugely short of spares. The maintenance lines that were meant to be set up at Watersham are still not set up. We have a shortage of flying instructors and have had to reduce the number of pilots on each course from 24 to 18. Parts are being cannibalised. When the Apache Squadron goes to Afghanistan, the training fleet here will have to be effectively mothballed. It was amusing to be told by my source, who of course will remain nameless, that when the Minister saw a display of two Apache helicopters last week, there were four in reserve just in case one of them broke down.

Finally, please do not forget the Army. It is the poor relation in this debate. The Air Force is getting its new fighters. The Navy is getting its new ships. The Army is still waiting for the future rapid effect system. It is incredibly important that our troops have rifles, boots and clothing made here, not in China, and a new generation of armoured vehicles.

5.38 pm

Mr. Mark Harper (Forest of Dean) (Con): Several hon. Members have rightly paid tribute to our two soldiers killed in the line of duty this week. I add my personal tribute and condolences to their families.

Mr. Ingram: In my opening statement, I said that 100 British personnel in Iraq had now lost their lives, 77 as a direct result of hostile action. To be more accurate, the position is that 77 have been killed in action, including as a direct result of hostile action. I am grateful to the hon. Gentleman for giving way and letting me set the record straight on that.

Mr. Harper: I am grateful to the Minister for putting that on the record.

Before I start properly, I must comment on something else that the Minister of State did today. The occupant of the Chair had cause to guide him earlier in his remarks about keeping to the terms of the debate. Yet, as the Minister ranged widely across a number of defence matters, he did not find time to refer to his written statement issued today, which announces a significant number of job losses relating to the Defence Aviation Repair Agency. It is typical of this Government that they made that announcement under cover of a written statement at the same time as this debate on that very subject. The Minister announced the beginning of the review in an oral statement. Why did he not use an oral statement to announce his final decision, especially given the large number of jobs at stake? Could he not face the comments from Labour Back Benchers, or did he not want to remind them of the £104 million wasted on the Red Dragon facility? Perhaps the Under-Secretary will comment on that when he winds up.

[Mr. Harper]

Defence is the first duty of Government and it is critical to fund our commitments properly. The strategic defence review in 1998 stated that

"all three services have been over stretched because of the demanding pattern of our operations".

The then Secretary of State, Lord Robertson, said that he was determined to put that right. However, since then, spending has declined from 2.7 per cent. of GDP to 2.3 per cent., and that is at a time when our commitments and operations have increased, and the challenges that we face are more unpredictable.

It has been said:

"Too often in the past our new equipment has been too expensive and delivered too late."

Those are not my words, but the Government's in the SDR. If the Government recognised the problem correctly, they failed to fix it. In his opening remarks, my hon. Friend the Member for Aldershot (Mr. Howarth) laid out the record of overruns, highlighted by the National Audit Office, and the failure to deliver, with major procurement projects falling behind and delays increasing by 45 months over the past year. At that rate, we will never get the equipment.

Because of the failure properly to fund our commitments, the cost overruns and delays have forced the Ministry of Defence to seek savings. But rather than improving efficiency, the NAO has concluded that the Government have cut future capabilities and the number of platforms instead, leaving us less able to deal with the security challenges of the future.

On the subject of submarines, the Minister spoke of keeping a skills base in the long term and retaining the industrial capability of our submarine industry. Will he comment on the future of that capability after the construction of the Astute class has been completed in 2010? How will we maintain our skills base and what capability will be retained if there is a significant production gap between the completion of the Astute class and the potential replacement of Trident?

The nuclear deterrent has not been mentioned much, apart from in the excellent contribution by the hon. Member for Bolton, North-East (Mr. Crausby). Our position on the nuclear deterrent is unequivocal: we are committed not only to retaining the current nuclear deterrent, but replacing it when necessary. We welcome the Defence Committee's inquiry into the strategic context and timetable for decision making for the replacement of Trident. I am sure that the Minister will also welcome the start of the debate on that issue.

The increasing use of the private finance initiative to fund procurement projects raises the concern that we may be tying ourselves into very long-term contracts that may reduce our flexibility to react to developments in this fast changing world. That is a matter that we will no doubt revisit in the future.

As my hon. Friend said, Government spending on defence research is critical to producing the battle-winning capabilities that we have seen to great effect in recent operations. However, research and development is being marginalised—spending on research and development fell between 2002–03 and 2003–04. The foundation of a solid defence industry remains research and development. Therefore, it is particularly worrying to read in "Defence Industrial Strategy" that there is a danger that

"we could become increasingly dependent on defence technology solutions generated by other countries".

Unless sufficient attention is given to defence research in the near future, the long-term sustainability of our future capabilities is called into question.

The Government have an opportunity to demonstrate their commitment to fund defence research properly when they sell their stake in Qinetiq. Will the Minister confirm how much will be retained by the Ministry of Defence for investment in our future defence, and how much will be taken by the Chancellor to plug the gap in his finances?

The Minister referred to the joint combat aircraft. It really is no good for him to say that there is no plan B. That sends a signal of weakness to our US partners, who will have us over a barrel. I hope that he will urgently develop a plan B and, as my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot), the Chairman of the Defence Committee, urges, publish it to the House to strengthen our negotiating position with our US partners.

The debate was wide-ranging, with many contributions, and I shall touch briefly on some of them. My right hon. Friend the Member for North-East Hampshire demonstrated the link between procurement and its impact on our service personnel deployed on operations, which is valuable and sometimes overlooked in these debates. My hon. Friend the Member for North Dorset (Mr. Walter) reflected the scepticism of defence training organisation personnel about the proposed public-private partnerships.

My right hon. Friend the Member for Fylde (Mr. Jack) spoke about the importance of fast jet manufacture in the UK and was one of several Members who emphasised the significance of technology transfer from our US allies. My hon. Friend the Member for Harwich (Mr. Carswell), in forthright style, challenged conventional wisdom on defence procurement and I am sure that we shall hear more from him on the subject.

My hon. Friend the Member for Basingstoke (Mrs. Miller) spoke about a number of important issues for her constituency and about the balance between sovereignty and cost control. My hon. and gallant Friend the Member for Bournemouth, East (Mr. Ellwood) focused on the requirements for defence procurement, which had not been widely touched on during the debate. He also spoke about burden-sharing with our allies and the overstretch of our forces. My hon. Friend the Member for Wantage (Mr. Vaizey) rightly reminded us of how high the stakes are in terms of money and, more important, lives.

There were excellent contributions from other Members. I endorse the remarks of the right hon. Member for Edinburgh, East (Dr. Strang) about the late Rachel Squire's commitment to all matters defence. The hon. Member for Bolton, North-East, vice-chairman of the Defence Committee, spoke of the value of our relationship with the United States. His robust support for the replacement of our nuclear deterrent is welcome, at least on the Conservative Benches.

The hon. Member for Merthyr Tydfil and Rhymney (Mr. Havard) spoke about the importance of value for money and highlighted the significance of lift capability.

The hon. Member for Vale of Glamorgan (John Smith) referred to the importance of open defence markets and the bracing effects of competition.

I am sorry that I missed the barnstorming speech of the hon. Member for Chorley (Mr. Hoyle). He agreed with my hon. Friend the Member for Aldershot that we must not write off the future of manned combat aircraft, and rightly condemned the proposed loss of a national capability to manufacture explosives, which is very important in his constituency. The hon. Member for Colchester (Bob Russell) made a detailed critique of the loss of specialist military textile research facilities.

The hon. Member for Plymouth, Sutton (Linda Gilroy) reviewed some of the work of the Defence Committee and spoke about the importance of the naval aspects of the DIS. The hon. Member for Telford (David Wright) noted the significance of the defence logistics facility in his constituency.

The hon. Member for Na h-Eileanan an Iar (Mr. MacNeil)—the name of whose constituency is a speech for someone from England such as me—referred to the importance of Qinetiq and other sites in Scotland. The hon. Member for Portsmouth, North (Sarah McCarthy-Fry) spoke of the experience she brought to bear on how to achieve value for money. She referred to risk-sharing and drew attention not just to the large players in defence, but also to small and medium-sized enterprises.

As we prepare to send a large number of our brave and dedicated forces to Afghanistan, it is essential to ensure that we give them the proper tools to do the job. The key test for the DIS will be whether the Chancellor funds it properly. His past performance is not encouraging. The nation will be watching and will judge him harshly if he lets us down.

5.49 pm

The Parliamentary Under-Secretary of State for Defence (Mr. Don Touhig): I welcome the hon. Member for Forest of Dean (Mr. Harper) and congratulate him on his first Front-Bench performance. He mentioned at the start of his remarks that my right hon. Friend the Minister of State made a statement today. Yes, he made a written statement on the conclusion of the consultations on the Defence Aviation Repair Agency. As all hon. Members will know, he came to the House, faced hon. Members and answered questions when he announced the changes a while ago.

This has been a valuable debate. The House has dealt with the complex issues of defence procurement in a very different context from previous years. My right hon. Friend the Minister of State opened the debate by describing how the nation no longer faces the dangerous but relatively predictable threat that we faced in the cold war. The new threats facing our armed forces are no less dangerous. We are justifiably proud of our armed forces and the work that they do throughout the world. We ask them to take on major new challenges, including fighting international terrorism, and in doing so many of them, as we have seen in the past few days, pay the ultimate price for the service that they give to our forces and our country. I am sure that every hon. Member joins me in paying tribute to them.

The defence industrial strategy outlines a range of measures to safeguard the critical capabilities of the armed forces, now and in the future, thus ensuring that we deliver lasting improvements to the defence procurement programme in conjunction with industry. I have mentioned the context in which we are doing so, and I shall look at the record that we inherited in 1997, to which my right hon. Friend referred in opening the debate.

In 1997, the year when the Conservative party was last in government—it will be a long time before the Conservatives are in government again—the NAO found that their top 25 defence procurement projects were likely to cost over £3 billion more than originally forecast. We take no lessons from the Opposition on the problems of defence procurement. That is the shocking legacy of incompetence that they left us. This week, we launched the most powerful destroyer in the history of the United Kingdom—the most powerful destroyer that we have ever built. All they launched when they were in government was a raft of cuts.

The defence industrial strategy will deliver reform across the entire defence procurement system, building on smart acquisition principles. We want to ensure that we can respond to the rapidly changing strategic and operational environment by exploiting the opportunities offered by technology and innovation.

Mr. Jack: Will the Minister give way?

Mr. Touhig: I will not give way. I hope that the right hon. Gentleman will forgive me. I would normally do so, but I have very little time to respond.

A number of important contributions have been made, and I will try to respond to as many as I can. The hon. Member for Aldershot (Mr. Howarth), who led for the Opposition, was rather tetchy—which is unusual for him—when he got to his feet at the opening of the debate. We need no lecture on procurement, when our record is compared with that of the Conservative Government. I thought he was a little thin-skinned today. Perhaps we could adjust the defence industrial strategy procurement policy to buy him a thicker skin; he might then be happier to come here in future.

The hon. Gentleman went on to say that the Conservative party wanted to spend more on defence research. I am very glad about that. He stood at the last election with a manifesto commitment to cut £2.6 billion from the defence budget. What would that have done for defence research?

Mr. Gerald Howarth: Will the Minister give way?

Mr. Touhig: Will the hon. Gentleman please forgive me? I am trying to respond to all the hon. Members who have contributed to the debate.

Mr. Howarth: All I would say is that we gave a specific undertaking that we would have spent at least an extra £50 million on defence research.

Mr. Touhig: As the Good Book says, by their deeds "ye shall know them." We know the Conservatives' record when in government.

The hon. Gentleman referred to Qinetiq and said that there may be a problem in not getting a good deal for the taxpayer. Taxpayers are benefiting from our decision to

[Mr. Touhig]

dispose of part of Qinetiq. We will get the same stake as Carlyle. The MOD owns almost twice as much as it does, so our income will be twice as large as a result.

My right hon. Friend the Member for Edinburgh, East (Dr. Strang) spoke for the whole House when he paid tribute to Rachel Squire. She was well thought of and well respected. There was a great deal of affection for her on both sides of the House, and we certainly mourn her passing.

My right hon. Friend spoke about the Eurofighter. He was particularly concerned about Typhoon tranche 3. The UK has entered into international arrangements to order 232 Typhoons in three tranches. That undertaking remains unchanged. A decision on the third tranche is not required before June 2007, and will be the subject of the MOD's main gate approval process.

My right hon. Friend also spoke about the problems of information and technology transfer. We are working with the US Government to improve the flow of technology transfer in equipment and research programmes. The Administration certainly support that approach, although someone has recently commented that the same is perhaps not true of Congress.

The hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore), who spoke on behalf of the Liberal Democrats, welcomed the defence industrial strategy and recognised its importance and the contribution it will make. He said that some issues remained unresolved, although I am sure that we will return to them. He mentioned transparency issues, especially those relating to Typhoon. The estimated cost of the Eurofighter Typhoon programme has been classified as commercially sensitive to protect our ability to negotiate on subsequent purchases of the aircraft.

My hon. Friend the Member for Bolton, North-East (Mr. Crausby) welcomed the launch of HMS Darling, which he described as an exciting beginning—

Dr. Julian Lewis: Daring!

Mr. Touhig: I thank the hon. Gentleman very much. I said "Darling," but will go for Daring. My hon. Friend the Member for Bolton, North-East thought that the launch of HMS Daring represented a great start for the defence industrial strategy. He spoke about a wide range of defence procurement matters, which showed what a valuable contribution he makes to the Defence Committee. The Chairman of the Committee, the right hon. Member for North-East Hampshire (Mr. Arbuthnot), endorsed that view when he said that my hon. Friend made a cracker of a speech.

The Chairman of the Committee made the important point that defence is important to our economy and our country—I absolutely agree, and defence procurement is the core of that. I welcomed his comments about my noble Friend Lord Drayson, the Minister with responsibility for defence procurement. I know that the Committee is doing further work on the defence industrial strategy and I am sure that its report will help to inform the Government about any future changes that we need to introduce.

My hon. Friend the Member for Merthyr Tydfil and Rhymney (Mr. Havard) does not sit on fence, does he? He left no one in any doubt about his views, and I am sure that they will be taken into account by others who read comments made in the House. The right hon. Member for Fylde (Mr. Jack) raised several detailed questions that deserve a detailed reply, so he will get a letter from me in the post.

My hon. Friends the Members for Vale of Glamorgan (John Smith), for Portsmouth, North (Sarah McCarthy-Fry) and for Plymouth, Sutton (Linda Gilroy) mentioned small and medium-sized enterprises. When my noble Friend Lord Drayson launched the defence industrial strategy, he stressed that it was for everyone in industry. He also pointed out at the time that just over half the Ministry of Defence contracts in 2004–05 were let to SMEs at a cost of £7.5 billion.

The hon. Member for North Dorset (Mr. Walter) wanted to tempt me down the route of the defence training review. Two bids are being assessed and my decision will be based on the delivery of optimum training and the most effective technical and military solution for our forces. It will not be based on any regional considerations whatsoever, and the military ethos will be maintained at the heart of our defence training review.

My hon. Friend the Member for Chorley (Mr. Hoyle) made several powerful points. I do not doubt that those in the United States who monitor proceedings in the House will have heard his views across the Atlantic. I also have no doubt that his views are shared by a great many hon. Members, so it was right that they were expressed.

The hon. Member for Colchester (Bob Russell) made several important points about clothing research, so I will consider them and write to him. The hon. Member for Harwich (Mr. Carswell) did a good job of book promotion—perhaps he will show us the book at the end of the debate. He recognised that there have been procurement problems when both parties have been in government, so the problem is not exclusive to this Government.

My hon. Friend the Member for Telford (David Wright) made an excellent case on behalf of the civil servants employed at Sapphire House. No decision will be taken until the spring. My right hon. Friend the Minister of State listened to his points and is quite happy to meet him and the trade unions as a result.

The hon. Member for Na h-Eileanan an Iar (Mr. MacNeil) spoke on behalf of the two nationalist parties. I welcome the fact that their Members have recognised the importance of UK defence to their local economies. I have no doubt that we will take on board several of his points as the debate continues in the future.

The hon. Member for Basingstoke (Mrs. Miller) demonstrated an understanding of the problems of defence procurement that is shared by hon. Members on both sides of the House. I must tell the hon. Member for Bournemouth, East (Mr. Ellwood) that the Government are changing our armed forces to make them more usable and adaptable and ready to face the challenges in the world today. I hope he accepts that that aspiration is shared by Members on both sides of the House.

My right hon. Friend the Minister of State made it clear that we are engaged in a significant modernisation programme that is delivering world-class procurement

for Britain's world-class armed forces. In stark contrast to the shameful legacy of the previous Government, we are delivering. Our innovative programme, which is based on the emerging defence industrial strategy, will continue that delivery. As the challenges with which our brave servicemen and women deal grow and multiply in the 21st century, we will ensure that they have the technology, equipment and support that they need to counter the threats that they face. The Government give that commitment to our armed forces and the country.

Mr. Alan Campbell (Tynemouth) (Lab): I beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

PETITION

High Road, Benfleet

5.59 pm

Bob Spink (Castle Point) (Con): This petition rails against the overdevelopment of our community, particularly the proliferation of blocks of flats, which is putting immense additional pressure on the area's overburdened infrastructure. I urge councillors to reject such applications, which threaten our community and quality of life. There are a number of petitions on the issue, but this one is signed by about 1,000 excellent people who care about our community. It is supported by good people such as Mr. Brian Keeler, who has made a name for himself fighting for the public interest locally. I congratulate and pay tribute to him, the people who work with him and everyone who has signed the petition, which states:

To the House of Commons

The Petition of people living around the St. Mary's Church Conservation Area,

Declares that we the residents of Benfleet and surrounding areas object to the proposed demolition of the parade of shops in High Road, Benfleet to make way for a new block of shops including 13 two-storey flats above the shops with 13 parking spaces for those residents, on the grounds that there are insufficient parking spaces available for customers wishing to use the shops resulting in potential loss of trade to shopkeepers and this loss is unacceptable and for many other valid planning reasons as set out by the Member of Parliament in his objection letter.

The Petitioners therefore call on the House of Commons to urge the Government to impress upon Castle Point Borough Council the need to reject the application on behalf of all residents of Castle Point.

And the Petitioners remain, etc.

To lie upon the Table.

Legal Services Commission (Wales)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Alan Campbell.]*

6.1 pm

Julie Morgan (Cardiff, North) (Lab): I am pleased to have secured this debate so that I can raise an important issue. The recent announcement that the Legal Services Commission is ending funding for its specialist support service in England and Wales is disappointing and of great significance to the most vulnerable people in society. I have a great deal of first-hand information about the subject, as one of my caseworkers works for that service when he is not working for me, and my daughter is a housing advice worker for Shelter Cymru. Before I became an MP, I was employed by Barnardo's, the children's charity, and I worked with children and families on the front line, so I know that vulnerable families often need expert help to deal with their complex problems. Since I raised the issue a week ago in business questions, I have been contacted by a flood of organisations and individual workers, who have expressed grave concern about the ending of the service.

In the past couple of weeks, when I have discussed the issue more generally with people who do not work in the field, I have discovered that they are not aware of the work of the specialist support service. It operates in the background, advising people who offer front-line support and advice, and it produces significant results in partnership with those advisers. It is funded by the Legal Services Commission, which funds 19 specialist organisations in England and Wales to provide expert services to eligible organisations. Three types of service are provided—one-off advice; ongoing support for case work, including difficult cases dealt with by front-line workers; and training. The Welsh specialist support service has been in existence since 2002. It began as a pilot, and was incorporated into the mainstream in February 2005. The pilot was the result of vigorous lobbying from the then director of the Legal Services Commission in Wales. The service operates telephone helplines on housing, welfare benefits and debt for holders of LSC contracts and for holders of the specialist and general help quality marks. It provides support with case work to such people by holding workshops on problematic aspects of law and procedure and by discussing tactics with them. In Wales, the pilot emphasised joint working and collaboration, which led to the setting up of housing forums in south-east, south-west and north Wales that promote knowledge of housing law as well as the sharing of knowledge and skills.

Mrs. Betty Williams (Conwy) (Lab): Is my hon. Friend aware that there is great disquiet among the population in north Wales, particularly among those who work on behalf of vulnerable people? Many citizens advice bureaux members and agencies have contacted me in the past two days, asking me to convey to my hon. Friend their strong feelings about what is going on.

Julie Morgan: I thank my hon. Friend for that information, which echoes the intense lobbying that I have had over the past week or so, and reflects the intense disquiet in Wales and England.

[Julie Morgan]

The Welsh service provides a formal training programme that is tailored to the needs of advisers identified over the helpline and through other feedback. The pilot project in Wales was thoroughly evaluated, including peer review of advisers' work, as late as 2004. Following that evaluation, the Legal Services Commission decided to incorporate the programme into its mainstream services. In Wales new three-year contracts were let from February 2005, which is only a year ago. The contractors in Wales are Morgans, Solicitors and Shelter Cymru, which deliver the service under a partnership arrangement. In England the three-year contracts were signed in March 2004, and in the light of the new information will be ended eight months early.

Across England and Wales the Legal Services Commission also provides specialist support services in immigration, community care, mental health, HIV/AIDS, employment and human rights, which are delivered by a mixture of voluntary organisations and firms of solicitors in private practice.

Nia Griffith (Llanelli) (Lab): Does my hon. Friend agree that not-for-profit organisations such as CATCH UP in Llanelli, with the help of the Wales specialist support service, have been able to deal with complex cases and stand up and fight for socially excluded people, while at the same time enlarging their own knowledge and skills, and that the termination of the service will mean the end of vital specialist support that enables their advisers to help some of the most vulnerable people in society?

Julie Morgan: I agree with my hon. Friend. Workers at the front line need the support and expert back-up of the support service, because there is no way that front-line workers can have all the knowledge and expertise that they need. They also need the support of working in partnership. The issues that are dealt with are sometimes extremely complex.

The England and Wales services are provided by such acknowledged expert agencies as the Child Poverty Action Group, the Disability Law Service, Citizens Advice, Liberty, Mind, Shelter and the Terrence Higgins Trust, among others. The Access to Justice Alliance strongly opposes the cuts to specialist support because it will prevent people getting free expert advice when they go to their local advice centre or solicitors' firm with a complex or unusual problem. Front-line workers cannot be expected to have such expertise.

Keith Vaz (Leicester, East) (Lab): I congratulate my hon. Friend on winning the debate. Does not the astonishing decision by the Legal Services Commission undermine the principle of the Community Legal Service, which means that specialist agencies can refer cases to one another? The money is well spent, because people get quality legal advice.

Julie Morgan: Absolutely. It has been acknowledged by the Legal Services Commission that the advice given is quality legal advice, as my hon. Friend says.

Two weeks ago, the providers of the service were given six months' notice and told that the service would stop in July 2006, with no apparent plans to replace the essential service that they have been providing. This has caused consternation and disbelief, especially since the Legal Services Commission evaluation and peer review of the service was so favourable.

The evaluation report states, for example, that specialist support is a distinct alternative method of delivery, it increases access to legal advice, it is used by more voluntary agencies than by private solicitors, it is friendly and helpful, users felt that the services were of high quality, clients' cases were progressed faster, unwinnable cases were stopped and, in addition, the benefits of the Community Legal Service meant that it should become a mainstream contracting option. The evaluation also concluded that there was need for a service specially targeted at Wales, owing to the need for specific Welsh legal knowledge. The evaluation was done as recently as 2003. This complete change in direction is hard to understand.

Following the evaluation, the Legal Services Commission decided to incorporate specialist support into its mainstream services and new contracts were let in 2005. However, the contracts contained a clause that enabled the Legal Services Commission to give six months' notice of termination, and it has now announced that it will be terminating the service.

It appears that there was no consultation with the Welsh Assembly Government on the Welsh service, and the Minister responsible, Edwina Hart, has written to me expressing her disappointment about that lack of consultation, despite mechanisms being in place, and I believe that she has written to the Minister as well asking for the Minister to look again at this decision. It is obviously important that the Westminster and Welsh Governments work closely together on an issue such as this which straddles the responsibilities of both Governments.

The rationale that the Legal Services Commission has given for the termination comes in its top-slice budget review. It says:

"There is no doubt that the Specialist Support Service contractors are excellent specialist advisers in their field",

but says that it cannot afford to pay for second-tier specialist advice to first-tier advisers when they are supposedly contracting with specialists to provide front-line services. The Legal Services Commission seems concerned that it is paying twice for the same service, but it is not. The specialist support service does not duplicate the work of front-line advisers.

The Legal Services Commission ignores the fact that many front-line advisers are not solicitors and belong to organisations that do not have legal departments, and that the support service provides invaluable support to first-tier workers who do not necessarily have the legal expertise to deal with certain cases. The specialist support service ensures that good quality advice is given to those who need it most. It has been successful, and it has been acknowledged to have been successful.

The Legal Services Commission also seems to be ignoring the fact that the main role of the specialist support service is to raise standards among first-tier advisers—to enlarge their knowledge and skills, boost their confidence and encourage them to stand up and fight for those who are socially excluded, and one needs support and expert help to do that.

In addition, the specialist support categories concern complex areas of law, and contact with a specialist means that a front-line provider, who may have difficulties finding time to research the law, can rely on the expertise of a specialist who has the knowledge to hand, and that can apply to local solicitors as well.

There is also a scarcity of highly skilled advisers in specialist support subjects, particularly in housing, welfare benefits and debt, and particularly so in Wales. I had understood that the Legal Services Commission recognised this problem and the need to raise skill levels and promote recruitment into these disciplines. The specialist support service helps build the skills of non-solicitor advisers. Without mentoring and training, I fear that many firms and agencies will muddle on, but will give poor or incomplete advice, and that the rights of the poor and disadvantaged—through no fault of these firms or agencies because they will be losing this specialist help—will go by the wayside.

The decision to end the service is likely to result in the loss of a wealth of experience and will put at risk these innovative ways of reaching out to advisers and the resulting encouragement to raise their skill levels.

I have had a host of case studies sent to me since it was known that I was to have this debate, particularly in housing, where many evictions have been avoided by the actions and expert knowledge of specialist caseworkers; in welfare benefits, where some cases have been stopped from going to court and in some cases the amount of an individual's entitlement has been doubled; and in debt, where an enormous amount of work has been done. As one solicitor who uses the service said:

"We wouldn't have known where to begin without you."

The front-line tier services are very dependent on the specialist advice that they are having.

I am particularly concerned about the loss of the Welsh service, which will hit Wales very hard, with its higher levels of deprivation and housing need, and the significant occurrence of housing, benefit and debt problems. Geographically, a lot of Wales commands EU objective 1 status. The statistics show that the Welsh service is much valued and much used. During the 12 months from 1 January 2005 to 31 December 2005, the level of service given by just one agency in Wales is shown by the fact that there were 1,997 acts of assistance; 131 organisations were assisted, assistance often being given to four or five different advisers within one organisation; 182 people attended formal training courses; 47 people attended informal workshops; and 45 people attended housing law forums.

The legal aid practitioners group has said that the Legal Services Commission is being short-sighted, because the service has provided a lifeline to many people. Richard Miller, who is a director of the LAPG, has said:

"It has been one of the major success stories of the first five years of the LSC."

Roy Morgan, principal of the Cardiff firm Morgans, which delivers the service, and LAPG chairman, has said:

"The damage that will be done to access and sustainability is immeasurable."

On Tuesday, I received a letter from the Speakeasy advice centre in Cardiff, which has used the service. It paid tribute to the way in which the service has enabled it to deal with complex cases for their clients and enlarge their knowledge and skills.

The Department for Constitutional Affairs document, "A fairer deal for legal aid", discusses delivering a fairer deal and helping vulnerable and disadvantaged people to solve their disputes faster. It states that one key barrier to providing effective advice earlier is the existence of areas in which people cannot get advice—advice deserts. Since 2000, many solicitors have voted with their feet and left legal aid work, which has created areas of the country where there is no solicitor or agency with a LSC contract in a subject relevant to the client. As a result, the LSC has become increasingly dependent on voluntary sector agencies to deliver legal services in social welfare categories, but one cannot expect those caseworkers to have the in-depth knowledge provided by the specialist service.

The specialist support service was seen as a welcome reform. The initiative was designed to improve services for poor and vulnerable people, and a single body, the LSC, was charged with planning and directing a comprehensive pattern of legal services. It was a radical step in an environment that often seems to be all stick and no carrot for legal aid practitioners and voluntary organisation advisers, and it was a positive measure that helped agencies equip themselves to meet the higher advice standards urged upon them.

I cannot overstate the strain on front-line practitioners who work with homeless people or in other difficult areas. I sincerely hope that there is a chance to save the specialist support service, which plays a vital role in providing top quality advice and training. I urge the Department for Constitutional Affairs to ask the LSC to reconsider the matter, because the service has proved its worth. Practitioners from all over Wales and England have told me how difficult it will be to manage without expert help, but we want people who have few resources to access the best help, which the service provides. I urge the Minister to reconsider the decision.

6.17 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Bridget Prentice): I congratulate my hon. Friend on securing this important debate and speaking so passionately on behalf of the most vulnerable in our society. The Legal Services Commission is the public body charged with the planning and delivery of legal aid, and it has recently taken the difficult decision to stop funding specialist support services. Specialist support services provide additional assistance to organisations that already hold legal aid contracts and which therefore have to meet the commission's quality criteria.

I assure hon. Members that the quality principle will continue and that there is no question of undermining it. There are well-established mechanisms for monitoring the quality of specialist advice and services provided to clients. The specialist support contracts are worth about £2.9 million. With that sum, the commission can help a significant number of people with their legal problems. Although those particular contracts have been withdrawn, I assure my hon. Friend that the money is

[Bridget Prentice]

being reinvested in civil legal aid. Instead of the money being used to pay people to advise lawyers, it will be spent on paying lawyers and advisers to give more advice directly to more consumers. That sum could translate into several thousand more acts of advice and assistance.

I agree with my hon. Friend that there is no reason to doubt the quality of the advice that specialist support contract-holders have been providing. The Legal Services Commission is very keen that clients should continue to benefit from the expertise of those people who have been delivering specialist support service advice.

Mrs. Betty Williams: Can my hon. Friend give us a categorical assurance that the proposals that she is spelling out will provide the same level of services as the service that my hon. Friend the Member for Cardiff, North (Julie Morgan) described? Honestly, I do not think that they will.

Bridget Prentice: I can give this assurance: the commission believes that by giving this money—almost £3 million—directly to front-line advisers, it will be able to advise thousands more people who are desperate for such legal advice. Initially, I shared some of the concerns about the withdrawal of funding, so I understand why it worries my hon. Friend and other Members who are here, particularly those from Wales. Of course, it will also be of concern to their constituents—the people whose rights the legal aid system was established to promote and uphold.

I have considered the issue very carefully, and I know that the commission has not taken this decision lightly. However, I am persuaded that by refocusing the limited resources available, the Community Legal Service will be better able to defend the rights of the people about whom my hon. Friend is rightly concerned. That has to be good news for the people, whether in Wales or in England, whom this decision affects most.

Keith Vaz: I know that my hon. Friend has a difficult job, and she does it extremely well. Nevertheless, we are talking about £3 million out of a budget of £1.1 billion. Has she received any evidence to suggest that that money is not being properly spent?

Bridget Prentice: The commission launched a consultation strategy on making legal rights a reality and it discovered that the high level of need for first-tier, or direct, consumer advice was not being met and that far more must be made available. It is vital that we act to try to redress that gap. The commission believes that refocusing these resources on advice given directly to the consumer, rather than to the lawyers who then go on to advise the consumer, would provide a much better service to a far larger number of people.

That is particularly essential in places such as Wales, which has large rural areas. The commission is working with the Welsh Assembly Government more closely than ever before. When it carried out its consultation on the future of legal services, it consulted the Welsh Assembly Government on their strategy for civil legal aid and the Community Legal Service. It is keen to receive views from the Welsh Assembly and to continue to work together to identify how we best use limited resources. Together, and in partnership with the Welsh Local Government Association, the commission is identifying the areas in which it will be most fruitful to pilot the delivery of client-focused and integrated face-to-face specialist advice services that will provide a one-stop system to help people to use the law in tackling their problems.

The commission is increasing the services it provides by telephone. In Wales, Community Legal Service Direct provides free information, help and advice direct to the public on a range of common legal problems through its helpline, website and leaflets. All those services are available bilingually. During 2005, there were almost 8,000 calls to the telephone service from Wales, of whom 6,500 were from clients wanting to speak to an adviser, which resulted in 4,500 specialist cases being advised on. The commission is tendering to expand the capacity of CLS Direct to take calls and advise Welsh-speaking callers on welfare benefits, debt and housing.

In taking forward the vision set out in "Making Legal Rights a Reality", the commission and its partners are building on the existing successes of the Community Legal Service in Wales, which is already helping more people. By the end of November last year, it had undertaken 8 per cent. more acts of specialist advice and assistance in this financial year compared with the same period in the previous year. It has reversed a previous decline.

After close working with the Welsh Language Board in August last year, the Legal Services Commission launched a consultation paper on its proposed Welsh language scheme. The commission will continue to work with the Welsh Language Board on the implementation of the final scheme at the beginning of April.

I should like to take the opportunity, which has arisen thanks to my hon. Friend the Member for Cardiff, North, to announce, on behalf of the Legal Services Commission, new funding for four additional outreach money advice workers in Wales via the Treasury's financial inclusion fund. That will help to deliver the cross-government over-indebtedness strategy. The projects will be of enormous benefit to those people in Wales who most need specialist money advice. I believe that all my hon. Friends agree that there is an increasing need for such advice in all our constituencies. The commission will shortly make further announcements about additional services in England.

Other notable Community Legal Service work in Wales includes a housing possession court duty scheme, which provides an invaluable emergency advice and representation service to those in immediate danger of losing their homes. The commission has also funded 12 local projects through the partnership initiative budget, some of which have also benefited from a joint funding arrangement with the Welsh Assembly Government and the then Community Fund—now part of the Big Lottery Fund.

Those include the Connect 2 U project, run by Torfaen county borough council, which provides information and advice on benefits, debt, consumer rights, housing, employment and immigration problems via video links from libraries and from the council's customer care centre to the citizens advice bureau, the trading standards department and other council departments. Another initiative, on which I am especially keen, is the young people's advice and information project run by Caerphilly council citizens advice bureau. It provides a welfare benefits and debt advice service targeted at young people.

I hope that my hon. Friend will be assured that the Legal Services Commission is working closely with agencies in Wales to ensure that the desperately needed aspects of legal advice are indeed being resourced.

Julie Morgan: I thank my hon. Friend for explaining what is being done in Wales, and especially for the announcement of the four new workers. However, does not she agree that the front-line workers need specialist back-up to solve the complex cases? We need the projects that she has announced today—and many more—but for them to be effective, they need the service that is currently working well, is applauded by all practitioners and helps not only solicitors but the many places in Wales where there are no solicitors but front-line advice workers who do not have legal training.

Bridget Prentice: My hon. Friend makes her point well. I agree—and the Legal Services Commission agrees—that specialist advice is important. The commission has refocused the money to ensure that even more people get advice and it has also invited all the practitioners and specialist advice services that were previously funded—that will continue for the next six months—under the current system to discuss how they can advise clients and consumers directly rather than through a second-tier system.

The commission does not in any way want to prevent specialist advice from being given. It wants to bring it up front, so to speak, so that it is available direct to the clients.

Nia Griffith: Does my hon. Friend agree that it can sometimes be a long process for someone to explain a situation to what we might call a lay adviser? That time is well used, because the lay adviser takes up only a small amount of the specialist adviser's time. This is particularly relevant given the geography of Wales. For example, it is difficult for many of my constituents to benefit from some of the services that the Minister has mentioned. I therefore ask her to reconsider this matter. We need to think carefully about how we use volunteer time, which we have all agreed we want to promote.

Bridget Prentice: I can assure my hon. Friend that I will continue to consider the situation and to monitor its progress. I agree that there are times when specialist advice is appropriate, and others when non-specialist advice is appropriate. I want to see more partnership working to create the opportunity for far more people to get advice.

It has been six years since the Community Legal Service was established, and it now seems right to focus on how we provide specialist legal services. I can assure all my hon. Friends who have participated in this debate that I will continue to monitor the situation carefully, and I would be very pleased to hear feedback from them on how the proposals have impacted on their constituents. The most important thing that we can achieve through the Legal Services Commission and through the provision of specialist and general advice to consumers is to ensure that those consumers receive quality advice at the time when they need it.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes to Seven o' clock.

House of Commons

Monday 6 February 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Child Support Agency

1. **Mr. Geoffrey Clifton-Brown** (Cotswold) (Con): In how many cases where the independent case examiner found in favour of the applicant the decision was subsequently not implemented by the Child Support Agency, in the last year for which figures are available. [48319]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): The agency makes special payments both on the basis of decisions made by its chief executive and on the basis of recommendations by the independent case examiner. The CSA accepts the findings of the examiner in all cases except when it believes that the examiner's findings were based on erroneous information. It estimates that that has applied to only a handful of cases in the last two years.

Mr. Clifton-Brown: I wish to draw attention to a case of which I gave the Minister prior notice—that of Mrs. Sonia Poulton, who lives in Cirencester. The case dates back as far as June 2001. I finally referred it to the independent case examiner in August 2004 after protracted correspondence. A year later, in August 2005, the examiner ruled that there were serious shortcomings in the way in which the CSA had handled the case, that compensation was to be paid for the £5,100 arrears, and that an apology should be given. Since then, the CSA has prevaricated. It has changed its mind about what the compensation should be with a stroke of the pen on numerous occasions, sometimes to the tune of many thousands of pounds.

I re-referred the case to the independent case examiner, and heard from her on 31 January 2006. Her letter stated:

"I regret that I cannot take matters forward without giving the Agency a chance to resolve matters."

This case is dreadful. It needs to be resolved. The CSA is out of control, with no effective right of appeal. Will the Minister look into the matter personally, so that my constituent can receive the proper justice that she deserves?

Mr. Plaskitt: I can tell the hon. Gentleman that I have already done so. I have studied the case file, and I thank the hon. Gentleman for drawing it to my attention before Question Time. As he says, the delay in implementation of the independent case examiner's recommendations is essentially due to a dispute over the true level of arrears. I understand that the hon. Gentleman's constituent has now accepted an advance payment of arrears. I am assured that an attachment of earnings is in operation, that the hon. Gentleman's constituent is receiving maintenance payments, and that the agency is writing to her today. I hope that it will be able to clarify all the outstanding points.

David Taylor (North-West Leicestershire) (Lab/Co-op): Can the Minister confirm that the number of cases being referred to the independent case examiner is still on a steeply rising curve? Does that not demonstrate that any option for the agency's future other than its replacement by part of Her Majesty's Revenue and Customs would be doomed to failure?

Mr. Plaskitt: In fact, the number of complaints referred to the independent case examiner is fairly steady. Last year, 2,973 cases were referred to her. She rejected 1,700 and took out 1,257. She issued orders for financial redress in 1,604 cases. Given that the rate of complaints is fairly steady and that the agency also receives complaints directly, amounting to 3 per cent. of the case load, the situation is not deteriorating. I do not agree with my hon. Friend that the fact that complaints are made necessarily suggests that the agency should be scrapped completely.

2. **Peter Luff** (Mid-Worcestershire) (Con): What his most recent assessment is of the effectiveness of the Child Support Agency in securing maintenance from absent parents. [48320]

The Secretary of State for Work and Pensions (Mr. John Hutton): Although there has been recent improvement in some areas, the overall performance of the agency is unacceptable. We are currently looking at ways of improving the discharge of its core functions so that more families receive the right maintenance at the right time. I hope to make a statement shortly.

Peter Luff: I am partly encouraged by that answer, obviously, but I am increasingly sceptical about whether a rule-bound bureaucracy like the CSA is capable of dealing with the malicious ingenuity of men who avoid responsibility for children whom they have fathered. Will the Secretary of State look personally at two cases that have caused me particular concern? One involves a woman, a victim of domestic violence who cannot recover the arrears that she is owed by her ex-husband and is bizarrely having to pay him maintenance now. The other involves a woman who is struggling with debt as her ex-husband uses every trick in the book to avoid responsibility for his child. Will the Secretary of State review those cases personally, and assure me that the new CSA that he seems to be offering will really deal with such cases better?

Mr. Hutton: As I said, I shall wish to make a statement to the House shortly, setting out what we need to do to resolve a situation that is clearly unacceptable. I will certainly look into the cases that the hon. Gentleman has mentioned. I hope that all Members on both sides of the House agree at least on this: while relationships all too often come to an end, responsibilities for children never do. That must be the bottom line in all cases.

Mr. Frank Field (Birkenhead) (Lab): I assure the Secretary of State that many Labour Members look forward to his statement and, hopefully, will support it. Will he be able to stress in that statement that while he will look for more effective ways of collecting maintenance in the future, we still need to make the CSA more effective for those who are currently trying to depend on it?

Mr. Hutton: I agree with my right hon. Friend and I am sure that many people are looking forward to the statement that I plan to make. It is certainly true that there are no simple solutions to the situation that we now face in respect of the CSA, and I am grateful to him for his comments in that regard. I further agree that we must do all that we possibly can to ensure that the CSA discharges its functions—functions that, after all, we in this House gave to it—cost-effectively and efficiently. Our number one priority at all times must be to secure the maximum maintenance due to children.

Mr. David Laws (Yeovil) (LD): The last time that the House considered reform of the CSA, Ministers told us that threatening non-compliant parents with the loss of their driving licences would make them pay their dues. It is clear that that has not worked—only 11 driving licences have been withdrawn in the past five years. Will the Secretary of State undertake that when he makes his statement later on this week, there will be no more gimmicks or reviews, and that there will be a fundamental reform of this failing agency?

Mr. Hutton: No, there will not be any gimmicks. We need to see a significant improvement in the CSA's performance on enforcement. On driving licences, it is worth bearing it in mind that, sometimes, the threat of such a sanction can have the desired effect, so if I were the hon. Gentleman I would not place too much emphasis on the instances in which that threat has been carried out.

Mr. Kevan Jones (North Durham) (Lab): Like the hon. Member for Mid-Worcestershire (Peter Luff), I have a number of cases in my constituency of men using the system to avoid making payments to former partners. In his forthcoming statement, will my right hon. Friend tackle the problem of self-employed people who use ingenious methods to avoid their liabilities?

Mr. Hutton: Yes, we certainly will address that issue. It is common knowledge in all parts of the House that the current legal framework does not lend itself to efficient and effective enforcement. It is far too easy for far too many non-resident parents to evade their financial responsibilities to their children, and that must not be allowed to continue.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Will the right hon. Gentleman tell the House what the arguments of principle or practice are against allowing the Revenue to collect maintenance at the same time as collecting tax?

Mr. Hutton: As the right hon. and learned Gentleman knows, Ministers have addressed this issue from time to time—not least Ministers of his own Government, who decided not to proceed down that route, but instead to set up the CSA as a stand-alone agency. With great respect to him, I do not want to get into a detailed debate today about the various alternatives and options. I intend to make a statement to the House in the very near future, in which we will set out clearly how we want to address this issue. It is a very important one, and it is right and proper that Members have the opportunity to put their various points of view to me. We will then consider the best, most intelligent and sensible way in which we can take matters forward.

Rob Marris (Wolverhampton, South-West) (Lab): My constituent, Mrs. X, is owed approximately £35,000 in maintenance going back some 12 years. When I took up her case last autumn, I discovered that no enforcement had ever taken place. The CSA is now saying that because some of that debt was accumulated more than seven years ago, it will not seek enforcement. Does my right hon. Friend think that is an acceptable state of affairs, and will he assure me that in his statement and in ensuing legislation—should it come along—that issue will be addressed?

Mr. Hutton: I am not familiar with the details of the case to which my hon. Friend refers, but as he knows, there is of course a general bar on civil action against debt owed beyond a certain period. I made it clear in responding to the hon. Member for Mid-Worcestershire (Peter Luff) that the CSA's current performance against a range of measures is simply inadequate—and unacceptable, and that is particularly true of enforcement. I spoke to the CSA's chief executive and urged him to improve its enforcement record, and I am very glad to say that there has been a significant increase in the number of cases that the CSA is proceeding to enforcement. That is right and proper, and we must keep this issue at the forefront of our minds as we consider the right way forward.

Mr. Philip Hammond (Runnymede and Weybridge) (Con): We look forward to the statement that the Secretary of State said he will make shortly. Will he take the opportunity during today's exchange to say something directly to the 900,000 or so families still trapped by the CSA's old assessment rules, the 330,000 families whose applications for child support payments are sitting unprocessed in CSA offices and the some 30 per cent. of parents with care who are not getting the child maintenance payments for which they have been assessed and to which they are entitled?

Mr. Hutton: The conversion of old cases to the new scheme has been a sad and sorry saga. It has not been possible to find a sensible way to migrate those cases and I intend to speak about that shortly in this House. The backlog of cases that have not yet been properly

assessed is totally unacceptable and I intend to address that problem, which I accept is chronic and serious, in my statement.

Mr. Hammond: Indeed that is totally unacceptable, but it was not clear from the Secretary of State's response whether he accepts the Government's responsibility for this epic tale of managerial failure. Does he accept that the Government are responsible for what has happened in the CSA and the suffering caused to so many families by it? If he cannot assure the House of any early migration of the old rules cases to the new system, would he at least act—in the interests of fairness—to extend the £10 per week child maintenance premium to parents in receipt of those old rules payments?

Mr. Hutton: Again, with great respect to the hon. Gentleman, I shall not make a series of announcements about those matters this afternoon. I intend to come to the House in the near future to make a statement about all of them. It is self-evident that the problem of conversion is well documented and it has proved to be immensely difficult to make the journey from the old scheme to the new one. Again, I am sorry not to be able to help the hon. Gentleman very much this afternoon, but I intend to come to the House and deal with that matter in the near future.

3. **Bob Russell** (Colchester) (LD): If he will amend the Child Support Agency regulations relating to assessments involving company cars and payments in lieu to obtain cars for work purposes so that both categories are treated equally. [48321]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): We have no plans to change the existing rules. Employees' earnings include monetary allowances, such as those provided to aid the purchase of private vehicles. However, earnings taken into account for child support purposes do not include benefits in kind, such as the provision of a car by a company to an employee.

Bob Russell: Will the Minister explain the principal reason why the two categories cannot be considered on equal merit?

Mr. Plaskitt: Yes. The rules are currently drawn in such a way that they are aligned with other income-related benefits and the taxation system. There would be only two ways of achieving the goal that the hon. Gentleman suggested. The first would be to include the company car in the assessment, which would require the CSA to become an asset valuation agency—not a function we want to load on to it in addition to its existing tasks—and the second would be to exclude the car purchase payment. That would take the arrangement out of line with the benefit and tax system and, in any case, the trend nowadays is towards payment for car purchase. If we exempted that, many parents with care would have fairly robust views about it.

Benefit Fraud

4. **Mr. Iain Wright** (Hartlepool) (Lab): What his plans are to reduce fraud in the benefit system. [48322]

The Secretary of State for Work and Pensions (Mr. John Hutton): Fraud in income support and jobseeker's allowance has fallen by two thirds since 1997. Housing benefit fraud has fallen by a third. The amount of fraud is now at the lowest recorded level and we will continue to take steps to reduce these levels further in future. We are also taking more enforcement action. In 2004–05, in partnership with local authorities, 43,000 prosecutions and sanctions were imposed: a fourfold increase since 1998.

Mr. Wright: I appreciate what my right hon. Friend is doing, but in its report of last year on dealing with complexities in the benefit system, the National Audit Office stated that

"complex regulations may also make the system vulnerable to deliberate action by customers to falsify their circumstances or deliberately fail to report changes accurately or on time."

That fraud could amount to £900 million a year. What steps are the Government taking to simplify the benefit system to reduce the risk of fraud or to allow it to be more easily detected?

Mr. Hutton: I am grateful to my hon. Friend for making that important point. It is worth bearing in mind that the Public Accounts Committee has acknowledged the good progress that the Government have been making in recent years to tackle the serious problem of benefit fraud. Those who cheat and defraud the taxpayer must be prosecuted, because not only are they self-evidently breaking the law, they also undermine the legitimate claims of people on benefit, and we shall not tolerate that for a second either. In relation to my hon. Friend's specific point, chapter 7 of the recently published Green Paper on welfare reform set out a series of measures that will deal with the problem of complexity and benefit fraud. We are awaiting the response to the consultation, which will finish by the end of April.

Miss Julie Kirkbride (Bromsgrove) (Con): Does the Secretary of State accept that the recently organised scam of the tax credit system, which involved a loss of many millions of pounds to the taxpayer, was in large part due to the fact that the Government have made it too easy to claim tax credit? Bearing in mind that it is a duty of the Government to ensure that people who receive benefits should be entitled to them, will the Secretary of State promise the House to make it somewhat more difficult to claim tax credits so that the taxpayer can have confidence that the system pays people who deserve it rather than those who do not?

Mr. Hutton: All the arrangements for claiming tax credit, which is not a benefit, as the hon. Lady will know, have to be robust, because they involve public money and resources. She has offered her own interpretation of the events that led to that issue, and it is probably better for me as the Secretary of State to wait until the formal criminal proceedings and investigations are over before I add my ha'p'orth to the argument about how easy it is to claim benefits or about what the cause of that fraudulent series of applications might have been.

Mrs. Madeleine Moon (Bridgend) (Lab): Will my right hon. Friend tell us what steps he is taking to

prevent the defrauding of the taxpayer by company directors who declare themselves bankrupt, leaving the Government to pick up redundancy and holiday costs for their work force, and subsequently set up a new company having failed to meet their obligations to their previous employees?

Mr. Hutton: I do not want to pass the buck, but I am tempted to say that those are matters for my right hon. Friend the Secretary of State for Trade and Industry. In all such matters, the law has to be, and will be, properly enforced and if the Department for Work and Pensions can make a contribution to that process, of course we stand ready to do so.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): Given that 4.5 million people access their benefits and pensions through the Post Office card account, is not the Secretary of State concerned that shifting that many people to a new form of payment when the contract ends will offer massive opportunities for fraud, as well as inconveniencing many people and causing a loss of income for post offices? Is not that yet another reason why the card account should be kept beyond 2010?

Mr. Hutton: We have a clear understanding with the Post Office about the use of Post Office card accounts. It was always clear from the beginning that the contract—*[Interruption.]* Oh yes it was. It was absolutely explicit that the contract was to last until 2010. If the hon. Gentleman would like to see a copy of the contract, I should be happy to supply him with the details. I do not believe that he is right to draw a parallel between the use of the Post Office card account and BACS—the bankers automated clearing service—for benefit payments. With great respect to the hon. Gentleman, I do not think that he would say that BACS was inherently more susceptible to fraud; it processes hundreds of millions of transactions successfully for the DWP every year. It is a sign of the progress and modernisation of our benefits system that we are prepared to use BACS more widely and I am surprised that the Liberal Democrats seem not to recognise the progress and the efficiencies that the system represents for taxpayers.

Vera Baird (Redcar) (Lab): I understand that about £2.7 million was lost recently by the theft of about 7,000 identities of benefit staff. If those identities had been secured by three kinds of cross-checkable biometrics on the proposed national identity register, is it my right hon. Friend's considered view that the availability of those better checks might, or would, have protected any of those large pay-outs to the cost of the taxpayer?

Mr. Hutton: As my hon. and learned Friend will know, it is difficult to be absolutely clear about that. I can be clear to the House about this, however: we estimate roughly that £50 million a year is lost in benefit fraud through the theft of other people's identities. We—at least on the Labour Benches—are prepared to invest in new technology, where appropriate, such as biometric identification on identity cards, to tackle the problem of benefit fraud. The Conservative party, which used to trumpet its reputation as the party of value for money and defence of taxpayers' interests—

Mr. Speaker: Order.

Gershon Review

5. **Mr. Ben Wallace** (Lancaster and Wyre) (Con): If he will meet members of his Department from the departmental site at Norcross to discuss the implications of the Gershon review for the Department. [48323]

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): As the hon. Gentleman is aware, I have previously visited staff and their trade union representatives at Warbreck hill, nearby in Blackpool. I plan to visit the Norcross site in the very near future.

Mr. Wallace: I am grateful to the Minister for that answer. The day after the Adjournment debate that I initiated and to which the Minister responded last week, 77 employees at the Norcross site were told that they were surplus to requirements. Will she now concede that the implementation of the Gershon review in her Department is incoherent? Will she give an undertaking to meet the employees from Norcross in my constituency with me, so that we can discuss the failures of her Department to manage the changes appropriately?

Mrs. McGuire: The hon. Gentleman needs to realise that there is a difference between staff being declared surplus to requirements and staff being made redundant. In fact, he quite rightly identifies that 77 staff have been declared surplus to their current posts, and a great deal of activity is going on in the Department to ensure that those staff will be redeployed either in other businesses in the DWP or with other Departments. I reiterate to the hon. Gentleman that, as I said during the Adjournment debate, there have been no compulsory redundancies in the Fylde area.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): May I thank my hon. Friend for the reassurances that she gave to me and the hon. Member for Lancaster and Wyre (Mr. Wallace) last week, but is she aware that there is a lot of interaction between the site at Norcross and the other large sites on the Fylde coast? When individuals are made redundant at Norcross, they are offered opportunities at those other sites. So when she visits, will she consider the job situation in the context of civil service jobs overall on the Fylde coast?

Mrs. McGuire: I thank my hon. Friend for the question—she has taken every bit as active an interest in the situation at Fylde as the hon. Member for Lancaster and Wyre (Mr. Wallace), who asked the primary question—but I trust that hon. Members will not assume that because jobs are declared surplus, there will be redundancies. In fact, I repeat that there have been no compulsory redundancies on the Fylde coast.

Mr. Tim Boswell (Daventry) (Con): With so many staff in the Department, both at the important Norcross site and elsewhere, under pressure to meet Gershon efficiency targets and with staff cuts in the Child Support Agency apparently impossible while its problems persist, does not the Minister appreciate that that

throws yet further strain on the morale of all other parts of the Department and threatens its ability to achieve its agreed targets without an unacceptable decline in the quality of service to the public?

Mrs. McGuire: I am sure that the hon. Gentleman will not mind me reminding him that if we had implemented the James report, which the Conservative party introduced, even more cuts would have been made. We have achieved a reduction of 14,000 full-time equivalent jobs, and we are continuing to place the emphasis on our staff delivering for our customers. May I correct just one part of the hon. Gentleman's question that is inaccurate? In fact, the CSA has had an increase in staff over the past few months.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): The DWP has 20 million customers and makes more than 840 million payments a year. I am aware that the Department has established targets to reduce the cost of making those payments. Indeed, it has been successful in converting people to direct debit payments, at a saving of 98p per transaction—down from £1 to 2p. The target was established at 65 per cent. of all payments made. Can my hon. Friend confirm that we have reached that target? Can she also talk about what we might achieve in the future in relation to benefits?

Mr. Speaker: Order. One supplementary question is fine.

Mrs. McGuire: My hon. Friend is right to suggest that there was an emphasis on trying, for all sorts of very good reasons, to encourage people to go for direct payment. I can confirm that we have not only met but exceeded the 65 per cent. target.

Pension Fund Deficits

6. **Jessica Morden** (Newport, East) (Lab): What assessment he has made of employer initiatives to reduce their pension fund deficits. [48324]

The Minister for Pensions Reform (Mr. Stephen Timms): We welcome moves to reduce scheme deficits, and the new scheme funding requirements reflect our aim that deficits should be reduced. The pensions regulator will work with trustees and employers on realistic plans for eliminating pension fund deficits.

Jessica Morden: As the Minister will know, some major companies have recently made large contributions to their pension funds to reduce their deficits, including HSBC, which contributed £1 billion. What does he intend to do to encourage other companies to follow that example?

Mr. Timms: I welcome the large contributions made by a number of companies recently. My hon. Friend mentions one such company. Others include HBOS, which committed £1.8 billion over five years, Philips, which committed £400 million, and ITV, which committed £325 million. There are a number of other examples as well. The risk-based form of the levy for the pension protection fund means that firms can reduce the amount they pay in levy by reducing their deficits. Her example shows that the new incentives are having the desired effect. Other firms are not in the position to reduce their deficits so quickly. The regulator has acknowledged that some will need significantly longer than the proposed 10-year benchmark. However, I welcome the progress that is being made.

Mr. Philip Dunne (Ludlow) (Con): Does the Minister recognise that the schemes that the Government have introduced collectively mean that the best way for most companies to reduce their pension exposure is to close the scheme to new entrants? The second best way is to close the scheme altogether.

Mr. Timms: No, I do not agree. We are seeing pressures on defined benefit schemes in the UK, as elsewhere, arising mainly from rising life expectancy and volatility in the stock market, but also from increased transparency in accounting standards. The regulator has made it clear that there will not be a requirement to close deficits within 10 years, but there will be a case-by-case consideration of each scheme.

Mr. Lindsay Hoyle (Chorley) (Lab): Obviously there is concern about overseas companies that buy British companies and, of course, operate overseas. What can we do about those pension funds? What regulations are in place to ensure that those funds are not taken away from British pensioners?

Mr. Timms: My hon. Friend knows that we changed the arrangements and the regulatory framework for pension schemes in the Pensions Act 2004, and put in place a much more robust set of protections. Experience will show that they will be effective and do the job that is needed.

Mr. Nigel Waterson (Eastbourne) (Con): Has the Minister taken note of the CBI's concerns that one in five UK companies could run out of cash and collapse because of the proposed new funding requirements? We urge him to assess the likely job losses that that would create. Will he impress on the pensions regulator the need for common sense and flexibility in the time scale for funding requirements?

Mr. Timms: Yes, I have seen those concerns. Under the new arrangements, firms and trustees will be required to have a plan for closing the deficit on each scheme. The regulator is proposing to look more closely if those plans are to take more than 10 years. The CBI's concern is that that 10-year threshold could become a rigid requirement. I agree that that must not be allowed to happen. The regulator agrees with that as well.

New Deal

7. **Mr. Ian Austin** (Dudley, North) (Lab): If he will make a statement on the new deal programmes. [48325]

The Minister for Employment and Welfare Reform (Margaret Hodge): The new deal is one of the most successful policies introduced by this Labour Government. It has helped us eradicate long-term youth unemployment and it has helped us cut long-term unemployment among all people of working age by over

90 per cent. The new deal has already helped more than 1.5 million people into work, including many in my hon. Friend's constituency.

Mr. Austin: I thank my right hon. Friend for that answer. Unemployment in Dudley, North is down 38 per cent., and 2,300 people in my constituency have found work as a result of the new deal. That has had a big impact. What plans does she have to strengthen the new deal and ensure that we help those long-term unemployed who are still without the skills that they need to find work? Can she set out her assessment of plans to abolish the new deal, as advocated by some hon. Members?

Margaret Hodge *rose—*

Mr. Speaker: Order. Just the first question, Minister.

Margaret Hodge: Unlike any other political party represented in this House, this Government will maintain and extend the new deal to ensure that we can build on our very effective policies. Before the new deal was introduced, the previous Government threw people on to the scrap heap of the dole. We have lifted people out of poverty and into employment very successfully.

David T.C. Davies (Monmouth) (Con): What has been the total cost of the new deal since it was set up? How many of those people who the Minister says have found jobs did so as a result of the new deal and not as a result of company vacancies?

Margaret Hodge: The hon. Gentleman would benefit from going to his own Jobcentre Plus and discussing with people there—his constituents—how they have been helped and supported by the new deal. If we scrapped the new deal it would cost the public purse much, much more in benefits; it would cost the economy much, much more in lost output and lost productivity; and it would cost individuals much, much more in lost opportunity and lost hope.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): The new deal has been very popular in my constituency. *[Interruption.]* Almost 3,000 youngsters have benefited from this great scheme, and making such a success of it is testimony to the Labour Government's efforts. I am concerned about unemployment among graduates. The Minister mentioned extending the scheme. Has she considered extending it to graduates, who would benefit from it rather than having to stack shelves in supermarkets?

Margaret Hodge: The groans from Conservative Members make me wonder how on earth they believe that they will command support among the whole population for their bigoted prejudice against a scheme that has simply helped more people into work.

To answer my hon. Friend's question, graduates, as much as any other group of people, are eligible for the new deal. Many of the new jobs that are becoming available as a result of our very effective stewardship of the economy will provide opportunities for people to move from graduation into employment. We will ensure that the new deal is there to support them for as long as we are in government.

Mr. David Ruffley (Bury St. Edmunds) (Con): Under the new deal for disabled people, where charitable and voluntary bodies have been allowed to deliver job-placement services, more people have been placed into more jobs more quickly. However, despite the Government's warm words about charitable and voluntary bodies, the National Audit Office said last June:

"Our research shows they have not seen any general improvement in funding practices since 2002",

and that, on the part of the Government,

"this . . . reflects a general suspicion and lack of trust together with a tendency to underrate the voluntary sector's professionalism and ability to deliver public services."

What specific steps will the Minister take to end that damaging discrimination against charitable and voluntary bodies, which want to do so much more to get people out of dependency and into work?

Margaret Hodge: I certainly will not scrap the new deal. This Johnny-come-lately support for the voluntary sector is a bit odd. *[Interruption.]* The hon. Gentleman ought to check, without showing me little bits of paper, how much of our expenditure on the new deal goes to the voluntary and community sector. We on the Labour Benches give considerable support to ensuring that the best agency and the best people—whether under the new deals for disabled people, for young people, for 25-plus or for lone parents, and whether from the charitable sector, the private sector or, indeed, the statutory sector—are there to support individuals.

Mr. David Kidney (Stafford) (Lab): The southern part of my constituency is a pathways to work pilot. Does my right hon. Friend agree that the signs are good that the new deal approach will even benefit people on incapacity benefit who want to get back to work?

Margaret Hodge: I thank my hon. Friend for giving me an opportunity to reiterate that the pathways to work pilot makes considerable use of the voluntary and private sector in providing services for individuals—*[Interruption.]* No, practically all of it goes to the private and voluntary sector. I suggest that a teach-in would be helpful for the hon. Member for Bury St. Edmunds (Mr. Ruffley). The pathways to work pilots are the most successful intervention attempted by any Government in the developed world in providing hope and opportunity for people with long-term illness and disabilities to return to work. There has been an 8 per cent. increase in the number of people returning to work on that pilot.

Pension Schemes (Regulation)

8. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What assessment he has made of the likely effects on occupational pensions of planned changes to the regulation of pension schemes. [48326]

The Minister for Pensions Reform (Mr. Stephen Timms): The reforms have been designed to promote good administration of occupational pensions and to protect members' benefits. The pensions regulator has made a good start with a flexible, proactive and risk-based approach to regulation.

Mr. Carmichael: I thank the Minister for his answer, but he will know of the growing concern that changes to the regulatory environment have driven the UK's defined benefit pension schemes to shift into bonds, especially long-dated index-linked bonds, driving their yields down to incredibly low levels. He will also know that that has caused companies to invest less in their own businesses. Does he share my concern that those changes will only increase pension deficits and damage the economy as a whole? Does he believe that there are parallels to be drawn with the catastrophic debt deflation that afflicted Japan in the 1990s?

Mr. Timms: I do not agree with the hon. Gentleman's analysis. The type of investments held by schemes does not have any bearing on the calculation of the Pension Protection Fund levy next year. Long-dated bonds are sought after, but that is because schemes want to match their assets with their liabilities, which is a rather different motivation from the one that he proposed.

Mr. Jim Cunningham (Coventry, South) (Lab): Has my hon. Friend had any discussions with the regulator about Federal-Mogul—as he knows, it is a major problem, to say the least—given that a number of people in Coventry could be affected by the outcome?

Mr. Timms: I am aware of that case and, indeed, the very close interest that my hon. Friend takes in it. I pay tribute to him for all the work that he has done. I am keeping an eye on developments, but he will accept that the establishment of the Pension Protection Fund is a reassuring development for members of that scheme.

Financial Assistance Scheme

9. **John Robertson** (Glasgow, North-West) (Lab): What recent assessment his Department has made of the funding level of the financial assistance scheme. [48327]

The Minister for Pensions Reform (Mr. Stephen Timms): We have provided £400 million of taxpayer funds over 20 years for the scheme. The likely calls on that funding will be clearer when we have assessed the eligibility of each scheme and its members.

John Robertson: I thank my hon. Friend for his response. My understanding is that 167 schemes have been accepted as qualifying for the payment scheme. However, in those 167 companies only 15 people are receiving any money. Does he agree that that is a disgrace, and what do he and the Department intend to do to ensure that more people receive payment?

Mr. Timms: I very much welcome my hon. Friend's interest in that important subject. He is quite right—so far, 159 schemes have qualified for the financial assistance scheme, but only two have provided data for calculating interim payments, which is why a hold-up has occurred. Schemes should do much better than that, so he will agree that it is vital that other schemes provide that data without delay.

Mike Penning (Hemel Hempstead) (Con): Through the Minister, may I thank the Secretary of State for meeting a delegation of former Dexion workers from my constituency, 700 of whom have had their pensions stolen? Is there any sign of when they are likely to receive compensation through the financial assistance scheme?

Mr. Timms: I am taking a close interest in that scheme. Indeed, I spoke to the trustees last week, encouraging them to provide the data that is needed quickly. In the first instance, quite a small number of people are entitled to interim payments, but I hope that there will not be too long a delay for everyone else.

Child Support Agency

10. **James Duddridge** (Rochford and Southend, East) (Con): If he will make a statement on the recent performance of the Child Support Agency. [48328]

12. **Mr. Brooks Newmark** (Braintree) (Con): If he will make a statement on the performance of the Child Support Agency. [48330]

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): As my right hon. Friend the Secretary of State made clear in his reply to the hon. Member for Mid-Worcestershire (Peter Luff), we have acknowledged that the performance of the agency is not good enough. We are looking at ways to improve its performance, so that the right maintenance payments are paid at the right time in a lot more cases. The Secretary of State will make an announcement shortly on how we intend to accomplish this.

James Duddridge: What would the Minister say to people such as my constituent, Mr. Graham Topping, who is paying £415 under the old assessment scheme and under the new assessment scheme will pay £190? Mr. Topping believes that the Department's policy of not transferring from old to new may cost him his home, and he says it is too little, too late.

Mrs. McGuire: The hon. Gentleman's constituent can ask for an assessment review, and it might be advisable for him to do that. I reiterate the comments made by my right hon. Friend that we appreciate that the agency's performance has not been good enough. He will shortly make a statement to the House.

Mr. Newmark: The Prime Minister has commented on the problems that have been encountered because the CSA is the investigating agency, then it is the adjudicating agency, and finally it is the enforcement agency. Will the Minister renew the Government's commitment to a full separation of powers?

Mrs. McGuire: The Secretary of State will shortly make a statement to the House about the way forward for the Child Support Agency.

Keith Vaz (Leicester, East) (Lab): I appreciate that the Government are trying to do something about the problem, but will my hon. Friend look into the length of time it takes for the CSA's chief executive to respond to hon. Members when we raise issues of concern? In many cases what is required is a clear and transparent answer giving information to our constituents, so that they do not have to follow up the inquiry with telephone calls. Such courtesy and efficiency goes to the heart of the way in which we can improve the system.

Mrs. McGuire: I apologise to my hon. Friend if he has not received the sort of response that he would expect from the chief executive of a DWP agency. I will look into the matters that he raised.

Mr. Mike Weir (Angus) (SNP): Is the Minister aware that one of the complaints of those who are involved with the Child Support Agency is that while they are trying to deal with people who are ducking and diving, when they report cases to the court for prosecution the court does not take those cases seriously and many are not proceeded with? When Ministers are considering the new CSA, will they talk to those in charge of the court system to see if anything can be done about that?

Mrs. McGuire: The hon. Gentleman, in some respects, highlights an issue that we all recognise as vital—the enforcement of payments. When my right hon. Friend the Secretary of State delivers his statement to the House shortly, I am sure that he will cover some of the issues that the hon. Gentleman raised about the court system and its interaction with the CSA.

Pensions Commission Report

13. **Mr. Mark Harper** (Forest of Dean) (Con): What recent representations he has received regarding the findings and recommendations of the Pensions Commission report. [48331]

The Minister for Pensions Reform (Mr. Stephen Timms): We have received numerous representations and are looking forward to many more in the course of the national pensions debate. We aim to respond to the commission with a White Paper in the spring.

Mr. Harper: The equalisation of the state pension age for women to 65 will save the taxpayer about £10 billion. Can the Minister give an undertaking that that saving will be available to help pay the cost of Lord Turner's recommendations?

Mr. Timms: That saving is being treated in precisely the same way as it was treated when the Government whom the hon. Gentleman supported before 1997 made that change. The plans for future spending are built into the projections now, precisely as they were when the right hon. Member for St. Albans, now the right hon. Member for Hitchin and Harpenden (Mr. Lilley), was Secretary of State.

Seasonal Workers

14. **Mark Simmonds** (Boston and Skegness) (Con): If he will make a statement on how jobseeker's allowance is applied to seasonal workers. [48333]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): The arrangements are set out in the Jobseekers Act 1995. Entitlement to jobseeker's allowance depends on the nature of the employment arrangements and whether it is reasonable to assume that there is a continuing pattern of re-employment. For seasonal workers, where the average hours worked over the cycle is 16 or more, the claimant is not entitled to JSA.

Mark Simmonds: The Minister will be aware of the immense problems caused, particularly in Skegness, by the unannounced recent implementation of regulation 91, which relates to the jobseeker's allowance. That is causing significant hardship to seasonal workers, all of whom anticipated being able to claim benefit in the winter months, as they have done in previous years. That change in Government policy has led to people being evicted from their homes, people having to pawn their possessions, and people fainting through hunger in the Skegness benefits office. This matter requires the Minister's urgent attention. Will he assure me and my suffering constituents that he and his civil servants will look into it with the utmost urgency?

Mr. Plaskitt: I have looked into the particular circumstances. In Lincolnshire, the remunerative work rules for seasonal workers were incorrectly applied prior to June 2005. I can assure the hon. Gentleman that there has been no policy change. The problem has been in deciding a condition of entitlement—namely, whether the customers in question are in remunerative work. Decision makers are now applying the legislation correctly. I can assure the hon. Gentleman that no action has been taken against customers who received JSA when the rules for seasonal workers were applied incorrectly and that no one has been asked to repay any benefit paid.

Mr. Henry Bellingham (North-West Norfolk) (Con): Is the Minister aware that seasonal workers in my constituency who work at the sugar beet factory at Wissington, in the fishing industry, or in food processing, and who have tried to find jobs out of season but have been unable to do so, have in the past always been able to claim benefit? They are most concerned about the fact that they have had no warning whatsoever and have therefore been unable to plan their lives and make other arrangements. What does the Minister say to those constituents of mine, who are in a real dilemma?

Mr. Plaskitt: There has been no change. The rules were set down in clause 1(2)(e) of the 1995 Act, if the hon. Gentleman would like to take a look. The rules laid down for seasonal work are clear. The Act states that where there is a cycle of work consisting of one year or more that qualifies as seasonal work, and if the weekly average of hours worked over the cycle is 16 or more, there is no entitlement to JSA. Those have been the rules since 1995, and those are the rules still enacted.

It is worth pointing out that the benefits system is not intended to subsidise employers, who expect their seasonal workers to return but are not offering any retainer in the meantime. Seasonal workers need to accept that they might need to look for other work at other times of the year.

Mr. Speaker: I call Richard Ottaway—not here. May I put on the record that it is a discourtesy to the House when hon. Members put down questions but do not turn up?

Jobcentre Plus

16. **Joan Walley** (Stoke-on-Trent, North) (Lab): If he will make a statement on the roll-out of Jobcentre Plus in north Staffordshire. [48335]

The Minister for Employment and Welfare Reform (Margaret Hodge): I commend my hon. Friend on the close interest that she has taken in this issue. Under our reorganisation in north Staffordshire, there will be four local service outlets providing the full range of face-to-face Jobcentre Plus services. The Jobcentre Plus offices in Kidsgrove, Longton and Newcastle are due to open later this year, and the new purpose-built Jobcentre Plus building in Hanley is due to open in July 2007.

Joan Walley: I thank my right hon. Friend for all that the Government are doing to help those who can work to find work, to stay in work, and to retrain for work. She will be aware, however, that I have had Adjournment debates in this House about the closure of the Burslem jobcentre. Will she meet me to see what she can do to ensure that people in Burslem are not left out under the new arrangements? Does she agree that we need to tackle this in a joined-up way, and that we have a particular problem with the removal of funding from the learner support fund, which comes from the Department for Education and Skills? Will she meet me to ensure that we can provide the adequate services that we need in Burslem?

Margaret Hodge: I am aware of the many questions and debates that my hon. Friend has pursued in this House in the interests of her constituents and of her concern about the Burslem Jobcentre Plus office. On our calculations, the longest journey time for anybody to get to an alternative office is 20 minutes, and the cost is £2. My hon. Friend is shaking her head. It would therefore be wise if we were both to meet to discuss the matter further. I share her concern about our joined-up working with the Department for Education and Skills to ensure that we provide opportunities for individuals.

Mr. Charles Walker (Broxbourne) (Con): Waltham Cross, in my constituency, has an excellent jobcentre. What measures is the Minister taking to ensure that my local jobcentre works closely not only with local employers but local recruitment companies, so that a wide range and diversity of jobs are available to the local work force?

Margaret Hodge: I am delighted that the hon. Gentleman appreciates the very good service given by Jobcentre Plus in providing, through the new deal, opportunities for work for many of his constituents. I agree that bringing employers into our arrangements is utterly crucial. The way to maintain the very high employment rates we enjoy in this country is for employers' needs to be matched to individuals and their skills, with the state providing the support necessary to prepare the individual for the job.

Unemployment Claimant Count

17. **Andrew Selous** (South-West Bedfordshire) (Con): If he will make a statement on the claimant count for unemployment. [48336]

The Minister for Employment and Welfare Reform (Margaret Hodge): Although recent figures on claimant unemployment have been erratic and there have been increases, the level still remains close to historically low levels. Furthermore, rises in the claimant count have, over the past year, been partially offset by a reduction in those claiming inactivity benefits.

Jobcentre Plus will continue to ensure that all jobseekers fulfil their responsibilities to seek and be available for work, are offered the assistance they need to find work, and receive the benefits to which they are entitled.

Andrew Selous: The Minister will know that January's labour market statistics show an increase in the claimant count for the 11th month in a row. Growth in earnings is also falling—that is something that I have noted in my constituency, as well. Will she tell the House how she plans to tackle that rise in the claimant count?

Margaret Hodge: It is indeed right that the last set of employment figures was disappointing. However, I say to the hon. Gentleman that over the year we have still seen an increase of more than 200,000 in available employment opportunities. I shall continue to keep a very close eye on the figures to see whether what have been erratic figures turn into a trend. Through Jobcentre Plus, we shall redouble our efforts to ensure that all those who find themselves on the claimant count are given the appropriate support to bring them swiftly back into work.

Pathways to Work Pilots

21. **Adam Afriyie** (Windsor) (Con): When he plans to publish a full cost-benefit analysis of the pathways to work pilots. [48340]

The Minister for Employment and Welfare Reform (Margaret Hodge): We intend to publish a cost-benefit analysis of pathways next year. That analysis will be based on both new and repeat customers in the first seven pathways areas. Early results show off-flows from incapacity benefit at six months of about 48 per cent. in the pilot areas, compared with about 40 per cent. nationally, demonstrating an improvement of eight percentage points. That means that the reduction in the incapacity benefit case load more than pays for the additional costs of the pilots.

Adam Afriyie: Of course, we welcome any good news from the pathways to work pilot. However, it strikes me

that a pilot project is exactly that: one is testing whether the project will work. Given that the full results have not been published, it could well be that jobs created through the voluntary and independent sectors are created more quickly and cheaply than through pathways to work. How is it that the Secretary of State has announced another £360 million for pathways to work when the results are not in?

Margaret Hodge: If I may say so, I am slightly puzzled by that question. Conservative Front Benchers welcome the fact that we intend to extend the pathways pilots to a national programme by 2008. The hon. Gentleman also knows that most of the services in the existing pilots are provided through the voluntary and private sectors. If the hon. Gentleman has read our Green Paper, he will know of our intent to roll out further pathways projects across the country, with the private and voluntary sectors being in the lead in the majority of those services.

Post Office Card Account

24. **Mr. Lindsay Hoyle** (Chorley) (Lab): If he will make a statement on the decision not to renew the contract with the Royal Mail for the Post Office card account. [48343]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): Government funding for the Post Office card account will end in March 2010, as was always planned. All existing card account customers will still be able to use the Post Office to collect their benefit or pension, if they wish, by using a bank account there. Some 25 different bank accounts can be accessed at Post Office branches now, and we hope that there will be more in future. We aim to develop a joint strategy with the Post Office to move customers from the card account to other accounts with Post Office availability.

Mr. Hoyle: I hear the Minister's view, but mine is slightly different. I do not recall that the account was to be temporary. We were told there was a 10-year contract that could be rolled over beyond that. That was the emphasis given when the account began. Will the Minister reconsider his position? Pensioners throughout the country depend heavily on the post office to access their money. Please do not put them at risk. Please reconsider. The whole House will agree that it is important that pensioners have easy access to their money.

Mr. Plaskitt: That certainly is important. We have given an undertaking, which I am happy to give again now, that any pensioner who wishes to collect their pension from a post office in future will be able to do so. The same goes for any recipient of in-work benefits. However, the Post Office card account contract was run until 2010, and it was stated explicitly in that contract that the arrangement was a transitional one. As I said, 25 other bank accounts are currently accessible across a post office counter, and by the time the contract runs out in 2010 there are likely to be more. In the meantime, we will assist any pensioner or other benefit recipient who wants to make a transfer from card account to those accounts. There is no reason why anyone should be forced into a situation in which they can no longer collect their pension or benefit from the post office, if that is what they wish.

London Demonstration (Policing)

3.31 pm

Mr. David Winnick (Walsall, North) (Lab) *(Urgent Question)*: To ask the Secretary of State for the Home Department if he will make a statement on the policing of the London demonstration on 3 February.

The Secretary of State for the Home Department (Mr. Charles Clarke): I am happy to make the statement requested by my hon. Friend. I am pleased that the response in Britain to publication of the Danish cartoons has, in general, been respectful and restrained. That is in the best traditions of British tolerance, and I hope and expect that it will continue.

Decisions on the arrest and prosecution of any participant in demonstrations, including those last Friday and over the past few days, are properly matters for the police and prosecuting authorities, who are undertaking rigorous assessments of the appropriate way to proceed in individual cases. If the police conclude that there have been breaches of the law and decide to take any action, we shall, of course, support them. The House will understand that I am not in a position to give any further details at this stage.

The Government stand in full solidarity with the Danish Government in resisting violence. We believe that they have done everything possible to handle a difficult situation. Nothing can justify the violence aimed at European embassies or at Denmark. We understand the offence caused by the cartoons depicting the Prophet, but freedom of expression must be exercised with respect for the views of others, including their religious beliefs. Such attacks on the citizens of Denmark and the people of other European countries are completely unacceptable.

Mr. Winnick: I agree with my right hon. Friend. I am against the cartoons, but is it not entirely unacceptable for a bunch of hooligans and thugs in London to demand that people be beheaded and to glorify the atrocities of 7 July and call for further such atrocities to be committed in Britain? Is that not a clear case of incitement to murder? Indeed, it is a deep insult to those who lost their loved ones in the July atrocities and to the others who survived, but who will suffer the consequences of their serious injuries for the rest of their lives.

Have not mainstream Muslim organisations made it perfectly clear that those hooligans are not representative of members of the Muslim faith and that they dissociate themselves from them? They have made it clear, as I do, and as I hope most people do, that legal action should be taken. Should not a message go out from the House that we should never again on British soil see the kind of slogans and incitement to murder that disgraced this country last Friday?

Mr. Clarke: I very much agree with my hon. Friend's remarks. The actions that he described were unacceptable. Decisions on arrest and prosecution are properly matters for the police and prosecuting authorities, and that is the way it should be.

I join my hon. Friend in paying tribute to the way in which the many organisations within the Muslim communities have condemned this action in the strongest and most explicit terms. That is in part what I described earlier as the best tradition of British tolerance. I hope that that will continue.

The incident illustrates the merits of having all the necessary legislation on the statute book, which includes the offences created by the Terrorism Bill, including the proposed new offences of encouragement and glorification of terrorism, which I hope will now have the support of the whole House.

David Davis (Haltemprice and Howden) (Con): May I start by saying that I did not much like the decision of various European newspapers to publish cartoons that are seen as offensive by Muslims. However, like many things of which I disapprove, it is not illegal, nor should it be. It would be entirely proper for those offended by the cartoons to mount a peaceful demonstration against their publication. The right to demonstrate is an extremely important part of the rights of British citizens. It is, however, a right with clear limits. That does not include a right to incite violence, which is outside the law.

Let us be clear: placards carrying slogans calling for people who insult Islam to be beheaded, massacred or annihilated are direct incitements to violence. It is less than a year since the terrorist atrocities last July at King's Cross.

Unlike the press, I do not criticise the police for not making immediate arrests at the demonstration. Public order decisions are difficult and should not be second-guessed on a minute-by-minute basis. However, I expect that action should be taken, and taken soon, against those who clearly incited violence. It is vital that we make it clear that incitement to violence has no place in our political life.

I am by no means the only one who believes that. Inayat Bunglawala, the spokesman for the Muslim Council of Britain, said:

"The placards were quite disgraceful and seemed to constitute a clear incitement to violence, even murder."

He added that

"Most Muslims will feel enormous distress and anguish at what has occurred. There will be no sympathy for the extremists when they are charged by the police."

I was glad to hear the Home Secretary agree that our laws, both common and statute, before any recent changes, provide a range of offences that appeared to be either committed or infringed at the demonstration on Friday. If action is not taken, there will be a number of consequences, all of them bad. First, the perpetrators of these outrages will see that we are willing to tolerate anything, and as a result the next demonstration will be even more outrageous.

Secondly, especially after the prosecution and conviction of Maya Evans, the lady who held a memorial ceremony at the Cenotaph, many people will conclude that the law is inconsistent and unjust if real offenders against public order go free and unchallenged.

Thirdly, it will be difficult for moderate Muslim leaders to give a clear lead to their community if the Government refuse to give a clear lead.

I welcome the Home Secretary's announcement that an investigation or assessment of last Friday's events will take place. The right hon. Gentleman has properly

[David Davis]

been unwilling to be drawn into questions of individual prosecutions. I understand that, but I reiterate that the stance taken by the Director of Public Prosecutions has serious public policy implications for both community relations and public safety in this country. The right hon. Gentleman should be sure that he is made aware of that. As I have said before to him, I do not envy the difficult balance that he has to strike in this area. For all the decades that we have known each other it has been conventional wisdom and, I think, our shared view that the route to good community relations is a mix of generosity, tolerance and respect. It has been clear in the past few days that the two most generous and tolerant nations in the world, looking only at Europe, are Holland and Denmark, yet they are both in different ways going through agonies with community relations. Does the right hon. Gentleman agree that we must continue our traditions of generosity, tolerance and respect while drawing a line about what is acceptable civilised behaviour, given that that line was emphatically crossed at the demonstration last Friday?

Mr. Clarke: I am glad that the right hon. Gentleman has decided not to join the criticism of the police that some parts of the media have made. There have been many occasions, including May day and football protests, when arrests have been made not immediately but subsequently. As I said, the police and prosecuting authorities are entirely right to examine the evidence in detail before deciding how best to proceed. Of course, I accept what he says about the importance of the implications of decisions taken on the matter. I assure him and the House that I am keeping in close contact with the situation.

The right hon. Gentleman is right to pay attention to the question of incitement to violence—and also, I would say, incitement to hatred. Freedom of speech has conventionally been proscribed in such areas for good reason, and that is why it is important to illustrate the merit of having the necessary legislation on the statute book, including the Terrorism Bill and its proposed new offence of the encouragement and glorification of terrorism. I draw hon. Members' attention to the fact that the Bill returns to the House on 15 February. Given the public position that the right hon. Gentleman has taken, I hope that Conservative Members will think long and hard about whether they need to revise their attitude to the offences in the Bill and support the Government's aim of getting it on to the statute book as quickly as possible.

More generally, it is important to reinforce the right hon. Gentleman's remarks about the need to build a tolerant society and to stand firmly and strongly against incitement to violence and hatred, so I hope that the whole House will do just that.

Mr. John Denham (Southampton, Itchen) (Lab): I welcome what my right hon. Friend and others said about the need to prosecute clear breaches of the law. Does he agree that the whole sorry episode illustrates the deep and worrying confusion in our society about the boundaries of what causes offence, the ways in which free speech needs to be responsibly exercised, and the ways in which different cultures can have very different takes on apparently similar issues? Does he accept that we need the Government to take the lead on issues of integration so that everyone in this country understands the common rules of engagement and civic behaviour? This is not simply a policing matter, and most of the issues will be dealt with in other ways.

Mr. Clarke: I very much agree with my right hon. Friend, especially on the question of addressing integration in the way he suggests. I say again—it is important to be clear about this—that this country realises not only that freedom of speech and expression are absolutely essential to our national life, but that judgment, taste, courtesy, circumstance and respect means that there is no obligation to say or do something that gratuitously offends or provokes simply because there is a right to do so. One of the strengths of our society is the fact that most people, in general, weigh up the consequences of what they do before they act. However, beyond those matters, the House has consistently acknowledged that, in certain circumstances, it is appropriate to place legal restrictions on absolute freedom of expression. That is the case for incitement to violence, as has been said, and for certain aspects of incitement to hatred. I think that it is also the case for the incitement or glorification of terrorism. Those circumstances are the bounds beyond which absolute freedom of speech cannot be expressed. Parliament must address those matters, so my right hon. Friend's suggestions are helpful.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I accept what the Home Secretary says about the operational nature of many decisions taken about Friday's demonstration, but does he accept that the House deserves to be told, in the fullness of time, the reasons for those decisions and the level at which they were taken? Were they taken as a result of a policy decision, or taken at ground level by the senior officer in charge of policing the demonstration? Will the Home Secretary undertake to inform the House of those matters at the earliest available opportunity?

It is accepted that many of those who were quick to criticise the police for making no arrests at the weekend would doubtless have been even to quicker to criticise if arrests had been made that inflamed a highly volatile situation. Does the Home Secretary accept that it is essential that there is a full inquiry and that prosecutions follow, provided there is sufficient evidence to justify them and that the CPS and, perhaps, the Attorney-General feel that that is in the public interest?

Finally, do not these events illustrate the wisdom of the position taken by this House last week on the Racial and Religious Hatred Bill? The decision by these newspapers to publish the cartoons was almost certainly unwise, but it should never have been made illegal.

Mr. Clarke: On the final point, the decision whether to publish the cartoons would not, in my view, have been affected by the Bill. The issue to which the hon. Gentleman refers is one of blasphemy, not of incitement to hatred, which is addressed in that Bill.

I am certainly ready to give the fullest information I can to the House, and I will operate on that basis.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): Does my right hon. Friend agree that some Muslim extremists are poisoning the atmosphere

in this country, in what has been a great multicultural society? There has been a great achievement by the Asian community, with Hindus, Sikhs and Muslims working with the rest of the community. What these extremists are doing is destroying the fundamental fabric of what has been achieved. Will the Home Secretary call in moderate Muslims and ask them to demonstrate publicly in the same spirit as those other people were demonstrating, to show that they have nothing to do with what those people were doing on Friday? The grotesque, inflammatory language that they used was not part and parcel of this society.

Mr. Clarke: I agree. Perhaps I should reinforce the point that I made earlier: the leadership of all parts of the Muslim community has expressed exactly the sentiments set out by my hon. Friend. I do not need to call in the leaders of the Muslim community to make that point because they have been doing so, and I am confident that they will continue to do so very strongly.

Perhaps I can make one other point in response to the question. My hon. Friend is right to identify the fact that there are forces in this country, including within the Muslim community, who seek to weaken and damage the democratic fabric of our society. That is why the Terrorism Bill that is now before Parliament contains proposals on proscription of certain organisations that set out to do that. We are widening the criteria for proscription precisely to address the point that my hon. Friend makes, and I hope that those considerations, too, will have the support of the House when we come to look at the Terrorism Bill in the round.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): The behaviour of the police in the next few weeks will help us to define whether our tolerance has slipped to become licence for a small minority, and we will watch very carefully to see how they proceed.

Has the Home Secretary had any conversations with his colleagues in the Foreign Office? It is absolutely clear from all events that the behaviour of some middle eastern Governments in fomenting, stirring up and creating even worse elements of hatred over the last three or four days should be approached and dealt with publicly. After all, those Governments have been the sponsors of some of the worst cartoons, showing Israelis in absolutely the worst light, with Jewish flags flying from concentration camp photographs. That was quite outrageous, but nothing was ever done. Will the Home Secretary please now urge his colleagues to make very strong representations, and public ones at that?

Mr. Clarke: It is for that reason that I made remarks in my initial statement supporting the Danish Government against the attacks that they are experiencing from a number of countries. Yes, I have talked about the matter with colleagues in the Foreign Office, and yes, I can give the House the assurance that strong representations are being made in the direction to which the right hon. Gentleman referred.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): Does the Home Secretary agree that if sections of the Muslim community had sought to demonstrate peacefully against the war in Iraq or what I believe to be the excesses of the so-called war on terror, some of us in the House would have supported them, and the entire House would accept that they had an absolute right to do it? But to stage a demonstration that is a clear incitement to violence in an attempt to impose censorship on others is quite a different thing. Difficult as it may be, the test of a society's commitment to freedom of speech, which I think is particularly important in the multicultural society that we have today, is not just our willingness to defend people who say things that we agree with, but our willingness to defend those who say things with which we profoundly disagree.

Mr. Clarke: I agree with that statement. That is an important aspect of everything that we have said on these matters. But I say again that incitement to violence, to hatred and to terrorism is, in my opinion, a step beyond the absolute freedom of speech and needs legislation if it is to be addressed properly.

Mr. Roger Gale (North Thanet) (Con): In the past, the Home Office has extolled the virtues of the stop forms that now have to be completed when officers stop people in the street. On Friday, however, on the one recent occasion when the information collated from such forms might just have been of value, it would appear that they were not being issued. Why? If the answer is that it would have been unsafe to do so, will the Home Secretary now consider abandoning them?

Mr. Clarke: As I said earlier, these are operational matters for the police to consider, and that was the judgment that they made. I will look at the matter in the round when the whole situation is analysed, but it would be a mistake for any Home Secretary to cut across the operational decisions made by the police in these circumstances.

Jeremy Corbyn (Islington, North) (Lab): Does the Home Secretary accept that, in the multi-faith, multicultural society of modern Britain, we should obviously condemn the ludicrous and obscene language that was used last week? Does he also accept that we should ask those with power in the media and elsewhere not to turn this into a condemnation of Islam as a whole, thus further damaging community relations in this country? Should they not instead extol the virtues of a free society in which everyone is free to practise whatever religion they choose?

Mr. Clarke: I agree with my hon. Friend. However, I shall now say something that is very rare for me: a word of defence for the media in these circumstances. Their coverage of these matters has generally not been a critique of Islam or the Muslim world as a whole. In fact, even some of the most vociferous newspapers have quoted prominently the position of Muslim leaders who oppose these actions. I agree with my hon. Friend, but I am not sure that the media have gone out of line with his views on this occasion.

Dr. Julian Lewis (New Forest, East) (Con): Is it not significant that the very people who were behaving in the way that has so outraged the House are also the very people who would have supported the original atrocities that led to the ill-considered cartoons in the first place? Is not the one good thing to come out of all this the fact that

[Dr. Julian Lewis]

the leaders of the moderate Muslim majority have passed with flying colours the test that so many people set when they asked them to come out and condemn the extremists? Let us hope that they will continue to do that.

Mr. Clarke: I am not going to make judgments about what the individuals at those demonstrations would or would not have done on any particular occasion. I have never doubted—and I do not think that most hon. Members have doubted—that the leadership of the Muslim community across the whole country would deplore acts of this kind, and that they would come out and state that. That is indeed what they have done.

Mr. Dennis Skinner (Bolsover) (Lab): The Home Secretary keeps referring to the fact that the police have certain duties and that he has certain duties, and that ne'er the twain shall meet. Why is there one set of rules for those who engage in a holy war, while there is quite another for those who engage in a class war, such as the miners' strike of 1984–85? That highly volatile situation lasted for a whole year and 7,000 miners were arrested, some only for shouting, "Scab!" Why do the police have one set of rules for them, and another set for others? During that period, not one Tory Minister condemned the police for their actions.

Mr. Clarke: I hope that policing has moved on since those days, when, as I know my hon. Friend recalls, a Conservative Government were in place. It is important to emphasise that my hon. Friend is right to say that it is appropriate for policing decisions to be taken on policing grounds, and for politics to be done on political grounds. The question of what happened during the miners' strike remains a matter of debate.

Mr. James Clappison (Hertsmere) (Con): Does the Home Secretary agree that the restraint and objectivity that the media have shown in dealing with the publication of the cartoons, and with the events that have followed, have greatly assisted the police in their tasks over the past few days? Would it not be a good idea if that restraint continued? Does not this also show that the British media are not institutionally racist?

Mr. Clarke: I agree with the hon. Gentleman about the British media in this case, which is why I said "the response in Britain to publication of the Danish cartoons has, in general, been respectful and restrained". I think that that is correct. I also said, and meant, "I hope and expect that it will continue."

Chris Bryant (Rhondda) (Lab): Did not this weekend's events show not so much the real face of Islam but a hideous distortion of Islam, effectively undermined by the fundamentalism that can affect any religion in the world and is not by any means the sole prerogative of Islam? Does my right hon. Friend accept that Sir Iqbal Sacranie had every right to say whatever he wanted about homosexuality on the "Today" programme, without the police having to visit him afterwards? Does he think that we need to ensure that people understand fully, and the police understand fully, their responsibilities as well as people's rights in regard to freedom of expression?

Mr. Clarke: I do agree that in this flurry of different and difficult circumstances, the more clarity can be provided about how freedom of speech is operated in particular circumstances the better, and I am considering how better to achieve that.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): The conduct of most, of many, of the demonstrators was pretty atrocious, but should we not be very careful about invoking criminal law? After all, most of the relevant offences, particularly incitement, require specific intent. That is different in kind from hot-headed and unpleasant rhetoric. The truth is, surely, that in a democracy we have to put up with a great deal that we dislike and of which we disapprove, and in general we should not invoke the criminal law. Failed prosecutions, after all, tend to be extremely counter-productive.

Mr. Clarke: It is because I agree with the right hon. and learned Gentleman that we must be very careful when dealing with the criminal law in these areas that I believe the best people to make those judgments are the police and the prosecuting authorities.

Tony Baldry (Banbury) (Con): Does the Secretary of State agree that if we are to build a just and tolerant society we must also have a better understanding of the hurt that was caused in the Islamic world by the original cartoons? Had that incident not already shown, before the demonstration took place, that we should all recognise the need to engage in a much better and deeper dialogue with the world of Islam? Do not all of us, as Members of Parliament, have a responsibility to work out how we can better understand the world of Islam if we are to live peacefully in the 21st century?

Mr. Clarke: I agree, which is why I supported what was said by my right hon. Friend the Member for Southampton, Itchen (Mr. Denham), the Chairman of the Home Affairs Committee. He said that we should view integration in that way. As a matter of fact, I think that various discussions that were held within the Muslim world and community after 7 July have been beneficial in achieving some of those understandings and addressing some of the issues, and I hope that that will continue.

Mr. John Redwood (Wokingham) (Con): I want to praise the police for the way in which they handled the demonstration on the day. It is very good that they did not take action that would have provoked violent or criminal damage. However, I think that many of my constituents and others will want a reassurance, which I hope the Home Secretary can give, that the police were at the same time collecting names, addresses and evidence in relation to the small minority in the demonstration whose behaviour clearly went well beyond the normal conduct of peaceful demonstrations. Can the right hon. Gentleman give that reassurance?

Mr. Clarke: I can say that the police have indeed been collecting evidence and information. That is the basis on which they will make the decisions to which I referred earlier.

Coroners System (Reform)

3.58 pm

The Minister of State, Department for Constitutional Affairs (Ms Harriet Harman): With permission, I shall make a statement on reform of the coroner service.

The coroners system is of great importance. When someone dies a violent or sudden death, when the cause of death is not certain or when the identity of a body is not known, there must, in the public interest, be a proper inquiry, and the bereaved relatives need to know what happened and why.

Coroners, and the officers who support them, deal with cases that are always sad and often tragic. That was exemplified most recently in the work of the three coroners and their staff who dealt so sensitively and expeditiously with co-ordination of the identification process in the tragic aftermath of the 7 July London bombings. I pay tribute to coroners and their staff, and acknowledge the difficult and important work that they do.

The service contains many coroners and staff who are dedicated and committed, but I think we all believe that the system within which they do their work could be much, much better.

There has been long-standing interest in and concern about the coroner service in this House, because all Members have constituents who involved them in cases that ended up in the coroner's court. I am sure that we all want a coroner service that enables committed coroners and their officers to ensure that the public interest is served in all inquests in every part of the country, and which enables bereaved relatives to have their answers; that is not the case at the moment.

Under the current coroner service, families frequently get overlooked during the inquest process. There is nowhere for them to turn when they think that something is going wrong; there is no complaints system. The system is fragmented, with no national leadership, and it is not accountable. We have no overview of the system as a whole, or of individual cases. Moreover, the system is not properly accountable to this House, which it should be. Standards are not uniformly good; everything rests too much on the personal qualities and abilities of individuals within the system. The legal framework is downright archaic. For most coroners, this is not even their principal occupation; it is a secondary one, added on to their main work as solicitors in private practice. Most coroner's officers have to learn on the job as they handle the most technically complex and personally difficult cases, with no systematic training. That is not fair on relatives or on the coroner's officers themselves.

The coroner service must serve the public interest and meet bereaved families' concerns in a way that, frankly, it currently does not. That is what these proposals aim to achieve and through them, we will do three things. First, we will put a proper focus on bereaved families and give them a clear legal standing in the system. We will set out the way in which the system should deal with families. We will give them the right to ask the coroner for a second opinion on a death, and to challenge coroners' rulings on how the investigation and inquest is run, and we will establish a complaints system.

Secondly, we will strengthen coroners' work. There will be a proper system for appointing coroners, and all will have to be legally qualified. Moreover, the role of coroner will have to be their only job. They will have a clear power to investigate a death, even where a certificate has been issued, and they will have additional powers to obtain evidence for their investigations. Dedicated medical advice will be available to them, and there will be an end to archaic boundary restrictions, which cause unnecessary difficulties when major incidents occur or when specialised examinations need carrying out.

Thirdly, we will establish a national framework for coroners' work. For the first time, there will be a chief coroner, who will give leadership to coroners in the same way as the Lord Chief Justice does to judges. There will be a coronial advisory council, a system of inspection and a national training system for coroners and their officers.

The question of a second certification of a death was a key issue in the third report of Dame Janet Smith into the Shipman murders. The Government have continued to examine the proposal that every death in England and Wales—some 500,000 a year—should have additional medical scrutiny by the coroner service. The coroner reforms that I am announcing to the House today do not stand alone. They will be complemented by further work being taken forward in the Department of Health, which is aimed at improving patient safety and promoting quality in the NHS.

We need a system that can identify and investigate suspicious deaths, but which allows families to proceed quickly with funeral arrangements where there is no cause for concern. We are not sure that the proposal to have all deaths referred to coroners achieves that, but we will continue to look at this issue and we are not ruling out the possibility of further reform.

I should like to thank both Dame Janet Smith and Tom Luce for their work, and to thank the voluntary organisations that have advised me from the viewpoint of bereaved families. I have placed a background note in the House of Commons Vote Office and in the Libraries of both Houses. It gives more detail on the measures that I have announced today and it shows how we have built on the work of Dame Janet and Mr. Luce. We intend to proceed by way of a draft coroners Bill this spring to enable pre-legislative scrutiny, probably by the Constitutional Affairs Select Committee. In parallel with such scrutiny, I intend to arrange a separate strand of pre-legislative scrutiny that will greatly help to inform the House. This will consist of pre-legislative scrutiny by families who have recent experience of the coroner service. I commend these proposals to the House.

Mr. Jonathan Djanogly (Huntingdon) (Con): Coroners' courts are, as the Minister said, undoubtedly a very important issue. In the context of Harold Shipman, the Hatfield rail crash and the more recent example, which she mentioned, of the July bombings, effective coroners' courts and the investigation of death are highly sensitive issues. Alongside the registration of deaths, coroners' courts should provide a reliable system for collecting data on deaths and monitoring trends in deaths. They should provide appropriate investigation into suspicious deaths in order to uncover

[Mr. Jonathan Djanogly]

wrongdoing and offer a thorough and sensitive service for relatives of those who die suddenly and unexpectedly.

However, they also need to provide for large cases, in relation to which capacity has been an issue. Will the Minister explain how the proposed system would have helped the investigation of the deaths of Harold Shipman's patients and those who suffered in Hatfield, the types of inquest where picking up patterns of behaviour is needed and capacity has been a problem?

Reform of the coroner and death certification service has been under consideration for some time and it is about time that an effective system was put in place by the Government. The Luce report concluded that the system was not fit for purpose in modern society. The Government's position paper, published in March 2004 following the review by Tom Luce and the Shipman inquiry in the summer of 2003, has left us waiting for some form of Government action for nearly two years. The Government have acknowledged the need to avoid long delays to inquests into deaths in custody and the need for reform in general. Although today's statement is welcome, what, may I ask, has been happening all this time when the Government have been saying for years that legislation is on its way, if not imminent?

I make no judgment, as the Minister did not, on the 120 or so coroners, their support staff and investigators. I would point out, however, that the statutory powers and procedures under which they work were established in a different era. The Shipman inquiry described a situation in which coroners work from home, where there is virtually no training, and any training that is available is not compulsory.

The Government's position paper published in March last year made some good recommendations, which were reflected in the Minister's statement; a system based on full-time coroners with legal qualifications, closely supported by appropriate medical expertise, together with tighter rules for death certification, notification of all deaths to coroners and stronger support for scrutinising cases and investigation where necessary. However, will the proposed new system allow for judges to sit as coroners when required, as recommended by the Hatfield inquest?

Dealing with death will always be, and should always be, a sensitive issue that requires and deserves efficiency, speed of process and accuracy. The reform of the coroner's court system to deliver those objectives is long outstanding. To that extent, the Government's proposals are generally welcome, although there is a clear need for careful review of the proposals, which are light on detail so far. We welcome the Government's offer and suggestion of pre-legislative scrutiny. Will that take place in the spring? I think that is what the Minister implied.

Finally, I note that parallel scrutiny is proposed by families who are experienced in the process. That is welcome, but will it take place before parliamentary scrutiny so that the House can have the benefit of its findings?

Ms Harman: I thank the hon. Gentleman for his response and I agree with much of what he said. I agree with his critique of the system and we share the view that he put forward. I also agree that it has taken too long for us to reform the coroners system. Indeed, when I was legal officer at the National Council for Civil Liberties, working alongside its general secretary—now my right hon. Friend the Secretary of State for Health—we argued that these changes should happen, and that was some 30 years ago. Of course, as people will be well aware, the Broderick report of the 1970s has yet to be implemented. We have a system that still looks pretty much as it did in the 18th century.

I can assure the hon. Gentleman that instructions have gone to parliamentary counsel. The Bill is just about drafted and it will be with the House in draft form in April to May. We expect to have the Bill proper in November or December, so that we will have enough time for parliamentary scrutiny. We shall actually get on with it this time; it is long overdue.

Secondly, the hon. Gentleman made a point about capacity, which is very important. We want a local system of coroners because most inquests can be dealt with best at local level by qualified legal coroners who are professionally supported. However, there will be some cases where that is not the right approach. Instead of making relatives and everybody involved go through a local coroner first before, inevitably, ending up in the High Court, we envisage a situation in which coroners themselves can say, "I would like a High Court judge to take this case in the first instance", or the chief coroner can say, "I shall take the case in the first instance" or "I shall appoint a High Court judge to take the case in the first instance", or the relatives can say, "We think this will end up in the High Court so why don't we start with a High Court judge?"

Thirdly, the hon. Gentleman asked about investigation. As well as the 200,000-plus families involved in the coroners system every year, we have special thoughts about how to be absolutely sure that we avoid the situation that befell so many of Harold Shipman's patients. That is about investigation. People are well aware that if a doctor recommends a serious operation or radical treatment, it is not a hostile act against the doctor to ask for a second opinion; it is normal. But there has been no possibility for people to challenge a death certificate without the implicit accusation that the GP has been responsible for murder or malpractice. It is important that there is a light-touch ability so that relatives can say, "Can we have a second look at that?" That will be an important contributor towards ensuring that we do not have situations where people have concerns but there is no way in which they can call in a coroner to take a second look at the case.

The Lord Chancellor is strongly concerned that we get a move on and reform the system. It is well overdue for modernisation, which is what our proposals will achieve.

Chris McCafferty (Calder Valley) (Lab): Thank you, Mr. Speaker, for giving me the opportunity to speak on behalf of my constituents and also those of the Under-Secretary of State for Culture, Media and Sport, my hon. Friend the Member for Stalybridge and Hyde (James Purnell).

I thank my right hon. and learned Friend the Minister of State and welcome her historic proposals, which will for the first time provide a national framework for the

work of coroners and, most important, will empower bereaved relatives so that they have a legal right to challenge a coroner's ruling or to ask for a second opinion. The changes will be welcomed by any family whose relatives have died suddenly or violently, but especially by our constituents whose relatives were the victims of Harold Shipman.

Will my right hon. and learned Friend clarify the time scale for the introduction of the reforms on the ground? Will bereaved families have a right to see cremation forms? Will she implement the suggestion made by families that a simple leaflet be provided for bereaved families so that they know what their rights are? Will the families of Shipman's victims be able to join the family scrutiny panel and, lastly, will the Government make a wider statement on the progress of the inquiry's recommendations as a whole?

Ms Harman: I thank my hon. Friend for her welcome for the proposals. I, too, acknowledge the concern felt by the Under-Secretary of State for Culture, Media and Sport and the Under-Secretary of State for the Home Department, our hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins). I have held a number of discussions with them and they have urged me and the Minister of State, Department of Health, my right hon. Friend the Member for Liverpool, Wavertree (Jane Kennedy), to meet the relatives of those who suffered at the hands of Harold Shipman to ensure that they play a part, by looking at the proposals and giving us the benefit of their too terrible experience.

My hon. Friend the Member for Calder Valley (Chris McCafferty) made a proposal about cremation forms. I see no reason at all why relatives, or anybody with a justified interest, should not see cremation forms. That is a practical proposal. A simple leaflet, which could be a summary of the family charter, would be extremely worthwhile, and we shall ensure that every family involved has not only the benefit of the rights of the new charter for families, but a summary of it.

My hon. Friend talked about empowerment for bereaved relatives. One of the problems has been that there is nothing that relatives can do when the system goes wrong except wait until the end of the process and go to the High Court to ask for the inquest to be overturned. They cannot challenge whether an inquest should be held, whether a jury should be empanelled or which witnesses should be called. In the Bill, we will put in place the opportunity for relatives to ask the chief coroner to review the case so that it can be remitted back to the coroner with an instruction from the chief coroner. We do not want to leave it until the end of the process, when things might have gone wrong, to require people to go to the High Court. Early intervention is needed to make it possible for relatives to have their say at an earlier stage.

Mr. David Heath (Somerton and Frome) (LD): I am grateful to the Minister of State for early sight of her statement. May I gently tell her, as she recognises the delay, that the March 2004 paper said:

> "We do not intend to conduct a further period of public consultation, which could lead to unnecessary delay to this process of reform."?

That, in itself, was two years ago, so there is a need for some expedition, but the reforms that she announces are entirely welcome. I am particularly pleased to see the focus on the bereaved, which is right. May I ask her a number of questions?

First, will the right hon. and learned Lady retain the local jurisdiction of coroners? I think that she implied that she would do so in answer to an earlier question, but it is important that coroners' courts be accessible to people, particularly in the circumstances of the death of a loved one. If that is the case, will there be a special arrangement—again, she implied this—for national disasters, such as the sort of thing that we saw on 7 July or previously with the Marchioness disaster, which allows not only a specialist coroner but the ancillary technical and scientific support to enable those matters to be investigated with expedition?

The right hon. and learned Lady mentioned archaic boundary restrictions. Can anything be done to stop difficulties when crossing national boundaries, both in the United Kingdom and in our relations with overseas jurisdictions? The proposal that all coroners should now have legal training is welcome, but does she recognise that they need to have at least an understanding of the vocabulary of science and to understand some quite technical matters? It is not good enough simply to be a lawyer nowadays; to an extent one must be a polymath.

Is there still a dearth of pathologists, particularly paediatric pathologists, in forensic work? If so, what is being done to address that? Will coroners' juries be retained? Will coroners' guidance be binding on public authorities? At the moment, coroners often make statements to public authorities, but there is no requirement for them to consider those recommendations. Will there be such a requirement in future?

Lastly—this is perhaps a minor matter—but what used to be known as treasure trove is an historical remnant of coroners' jurisdictions. Would it not be better to place that—though perhaps within a judicial process—in the Department for Culture, Media and Sport? I look forward to swift progress on the proposals, and the right hon. and learned Lady will have every support from Liberal Democrat Members in making swift progress.

Ms Harman: I thank the hon. Gentleman for making a number of important points. First, treasure trove is an ancient jurisdiction of coroners. Sometimes, such cases can take two to three years to resolve, because treasure trove is always put at the back of the queue and dealt with locally. That does not make sense. We will make one coroner nationally responsible for treasure trove and get that dealt with effectively.

The hon. Gentleman asks whether public authorities will take notice of coroners when they make a statement about what lessons they think should be learned after a death. The higher public profile and higher national standing of the coroner service that Dame Janet Smith thought so important—we certainly agree—will ensure that public authorities are not able perhaps to leave on one side proposals made by a much better respected coroners system. Yes, there will still be coroners' juries. In addition to the mandatory cases where coroners' juries are required, coroners will have the discretion to use juries.

[Ms Harman]

The hon. Gentleman asks whether coroners will have training, particularly in medicine and health issues. They will be qualified lawyers. All of them will have training, including medical training. In addition, they will have their own dedicated health advice, which they do not have at the moment. That will be part of a central budget which will be given to each and every coroner so that they have dedicated health support for medical issues. There is a dearth of pathologists, which also concerns colleagues in the Department of Health and the Home Office.

On foreign deaths, it is particularly distressing for bereaved relatives who have involved themselves in a full inquest in, say, France or Spain, to come back to this country and go through the process all over again. We plan to end that. If there has been a satisfactory inquest, albeit abroad, it does not have to be repeated.

Coroners will have a local jurisdiction and will be accessible. There will be fewer coroners, however, because they will be full-time. It will be their dedicated job and they will be professional coroners, so there will be fewer of them.

As far as national disasters are concerned, it is ridiculous to expect a fragmented local general service to deal with major national emergencies or disasters. It is not fair on the coroners' officers, the coroners and, above all, the relatives. Our proposals will enable that to be handled effectively.

I can only agree with the hon. Gentleman on timing. I have perhaps waited longer than most other hon. Members for this to happen because I first went on record as complaining about the problem 30 years ago. We have all waited a long time. Let me explain the timing because I was possibly not clear about that in response to my hon. Friend the Member for Calder Valley (Chris McCafferty). We expect to put the draft Bill before the House in April or May. We expect to have the Bill proper available for the scrutiny of the House in November or December.

I perhaps did not answer the question of the hon. Member for Huntingdon (Mr. Djanogly) about family scrutiny. I expect that to take place in the House so that colleagues who intend to involve themselves in the debate on Second Reading and in Committee can see a moderated discussion by people who have practical and recent experience. It will make for a much more sensible debate if we have that running alongside the Select Committee's important work.

Several hon. Members *rose—*

Mr. Speaker: Order. I remind the House that Back Benchers should ask only one supplementary question.

Jon Trickett (Hemsworth) (Lab): I unreservedly welcome my right hon. and learned Friend's statement. I speak on behalf of the family of my constituent, Sean Hutchinson, whose body was left in a coroner's morgue for more than two years while the coroner's officers failed to discover his identity, leaving the family in a state of great distress, not knowing whether he was alive or dead. In subsequent conversations with coroners, I have come to the view that they are one of the remaining unreformed relics of feudalism—unaccountable, unmanaged and often arrogant. Will she press ahead with absolute urgency to bring comfort to families in the future?

Ms Harman: We will press ahead with that. I pay tribute to my hon. Friend's work on behalf of his constituents. He has tabled many questions to which most of my answers have been, "I don't have this information. Sorry, I can't tell you. I don't know." He has exposed that that is not good enough, especially when it comes to accountability to the House. The Bill will sort that out.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): In welcoming the statement, I assure the Minister that the Select Committee will start work tomorrow by taking evidence from Dame Janet Smith on the proposals. However, does the Minister accept that if she is not careful the removal of part-time coroners might lead to a situation in which bereaved relatives in small communities in remote areas do not have access to a coroner locally? What will it cost, bearing in mind the amount of cross-subsidy of counsel and the Court Service in the current system?

Ms Harman: It will cost—this is a rough estimate—something in the region of £5 million extra a year. The right hon. Gentleman asked whether changing to dedicated full-time coroners will mean that people have to wait longer—

Mr. Beith: Travel further.

Ms Harman: And travel further. One thing that has made families wait longer is that solicitors in private practice who are also coroners sometimes adjourn an inquest to deal with something in their private practice. There is no reason why coroners should not travel to the families. We will ensure that Her Majesty's Court Service buildings, county courts and magistrates courts are available for the coroners to exercise their jurisdiction locally, so that they can work around the families and circumstances, rather than expect the families to work around them or their private practice as solicitors.

Mr. Michael Meacher (Oldham, West and Royton) (Lab): Although I very much congratulate my right hon. and learned Friend on her proposals, will she ensure that in the most contentious cases jurisdiction is always placed in the hands of a group of the most senior coroners, who have full knowledge of human rights implications; that excessive delays of sometimes up to three years between death and a coroner's hearing are not allowed to happen in future; and that there is an obligation to provide information at the outset to families about their legal rights, as well as access to legal aid, as of right without a means test?

Ms Harman: As my right hon. Friend will know, Lord Carter is reviewing legal aid in the Department for Constitutional Affairs. I totally agree about information being made available at the outset as a matter of routine. I agree that excessive delays are not acceptable. Sometimes one sees a report of an inquest and on looking further down one realises that the death was two

or three years previously. My right hon. Friend makes an important point about the seniority of coroners dealing with difficult or complex cases. Perhaps he is the one person who has spoken today who has been complaining about coroners services even longer than I have.

Mr. Humfrey Malins (Woking) (Con): I commend to the Minister the work of the Surrey coroner, Mr. Michael Burgess, and his excellent deputy Mr. Nick Benger. Their problems over the past few years have been essentially practical—shortage of staff, IT problems, shortage of coroners offices and difficulty in finding a place fit for a jury where an inquest can be held. Will the Minister ensure that her reforms address some of the practical problems faced by that excellent coroner and his deputy?

Ms Harman: I thank the hon. Gentleman for his comments about the Surrey coroner and his deputy. He has described the problems of a service that has been affected by blight. Everyone has been so expecting something to change that it has been very difficult for coroners and officers to have any certainty for the future. I hope that, as from this statement, there will be an end to the blight and that we can support much better the work of the many dedicated coroners officers. I pay tribute to the Coroners Officers Association, which throughout the years of blight has tried to improve professionalism with precious little support. I hope that those things will be sorted out.

Ms Dari Taylor (Stockton, South) (Lab): I warmly welcome my right hon. and learned Friend's statement. For seven of my eight years in this House I have asked for reform of the coroner's office, because on Teesside we have waited years and years for a coroner's report. When a 12-year-old girl dies in an accident while playing with a swing, that is a tragedy; when her mother has to wait two years and three months to find out the cause, that is desperately bad for all of us. I hope that my right hon. and learned Friend's reforms will change it. I seek reassurance that the national framework will ensure that coroners have the power to fill gaps in the service so that we all benefit from a professional service.

Ms Harman: The chief coroner will be able to issue practice directions and to set out what is expected of coroners. It is nowhere set out nationally that timeliness matters. We have to be sure, and we will be, that the situation that my hon. Friend described cannot occur.

Patrick Mercer (Newark) (Con): The right hon. and learned Lady will be aware that the Oxfordshire coroner is responsible for inquests into the deaths of our servicemen who are returned from Afghanistan and Iraq via RAF Brize Norton. She will also be aware that there is a huge backlog of those inquests and that that is causing wholly unnecessary suffering to the families. Will she assure me that that situation is under control and further outline how her changes will prevent it from happening in future?

Ms Harman: The hon. Gentleman has raised this on a number of occasions and it is of great concern. When we get rid of the boundary restrictions—coroners cannot sit outside their jurisdiction and are prevented from working where there is a backlog—that problem will be easily solved, but I do not expect people in the circumstances that he described to wait until we have legislated on that. We must address ourselves anew to do what we can within the current creaking system to sort out that situation.

Keith Vaz (Leicester, East) (Lab): I congratulate my right hon. and learned Friend on her excellent statement, but may I press her on the issue of qualifications and training? Surely, it is not enough just to say that qualified solicitors should be employed and to give coroners a pot of money so that they can seek training themselves. Will she look at the possibility of an additional qualification or, at the very least, a course of training for coroners organised by the new Commission for Judicial Appointments?

Ms Harman: We will certainly look into the point that my hon. Friend has made about training and qualifications.

Mr. James Clappison (Hertsmere) (Con): In framing her proposals, will the right hon. and learned Lady look at the Potter's Bar rail crash, as it is expected that the inquiry will take the form of a coroner's inquest, even though the families wanted a full public inquest and the Hertfordshire coroner had concerns about the holding of an inquest? Almost three years after the crash, it has just been announced that a judge is to be released to hold the inquiry. Three years is too long to wait for an inquiry into such a major incident involving many families.

Ms Harman: As the hon. Gentleman rightly points out, what we lack is the capacity for leadership and certainty, which would enable the right inquiries to be made at the earliest possible opportunity. I agree that it is unfair that an inquiry has taken so long. The national leadership of the chief coroner means that there will be someone at a national level to liaise with the relevant parties and ensure that what the hon. Gentleman says does not happen in future.

Vera Baird (Redcar) (Lab): May I strongly welcome the proposals for proper appointments, training and discipline for coroners? The people of Teesside have long suffered under a part-time coroner, now aged 76, who has never seen the need to acquire any administrative skills or management experience, and has often had a backlog of 200 or 300 cases over six months old. All the MPs in the area have witnessed people crying at their surgeries because they are quite unable to grieve while waiting two, three or four years for an inquest to understand what happened to their loved ones. Can my right hon. and learned Friend give me an absolute assurance that the proposals will guarantee that my constituents and those of my hon. Friend the Member for Stockton, South (Ms Taylor), who has mentioned the problem, will never suffer again under what is, after all, a public service?

Ms Harman: My hon. and learned Friend's persistence on behalf of her constituents is one of the driving forces behind the proposals. Hon. Members have tabled parliamentary questions, and many have

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written letters that include anguished stories. We are determined to make absolutely sure that people have a proper, effective and humane service. Everyone who goes to a coroner faces a sad and often tragic situation, so the current system is not acceptable. My hon. and learned Friend's complaints have been well understood, and the legislation will deal with them.

Mr. Philip Hollobone (Kettering) (Con): Following the question asked by my hon. Friend the Member for Newark (Patrick Mercer), why is it not possible to re-allocate some of the work from the Oxfordshire coroners to county coroners nearer the homes of the relatives? After the reforms, does the Minister intend to have at least one coroner in each county town?

Ms Harman: We expect that there will be more than one coroner in cities. There will be at least one coroner in every county, and usually more than one, depending on the population. I cannot give a specific answer, but I accept the point that the hon. Gentleman has made. Coroners have mediaeval jurisdictions, which they control—no one else is allowed to sit there, and they are not allowed to sit in anyone else's jurisdiction—so it is impossible to do something simple and straightforward such as reallocating a coroner to another jurisdiction to deal with a backlog. That is the problem with the statutory legal framework, and it is a simple but important thing that we will change.

Mr. David Kidney (Stafford) (Lab): Like my right hon. and learned Friend, I compliment Tom Luce and Dame Janet Smith on their influence on the reforms. As for the family charter that my right hon. and learned Friend promised, must it wait for the legislation or can a first edition be published now?

Ms Harman: The family charter does not have to wait. I have had meetings with family organisations of the bereaved, which have been incredibly helpful and are very clear about what they want. The problem is that it is not enforceable, so we cannot ensure that it is given to relatives or that coroners abide by it. We will certainly give the family charter extra momentum, but it is not until we legislate that we will be certain that we can apply those standards. There will also be an inspection system, and one of the things the inspectors will do is look at whether each coroner is properly implementing the family charter. I endorse my hon. Friend's remarks about Tom Luce and Dame Janet Smith.

Chris Ruane (Vale of Clwyd) (Lab): I congratulate my right hon. and learned Friend on her statement and fully endorse the changes that she proposes. If one of the new, more professionalised coroners were to make a specific recommendation, such as that a death or an incident should be the subject of a full-scale public inquiry, what weight would be given by her Department to such a recommendation?

Ms Harman: A recommendation about lessons that need to be learned from a highly professionalised coroners service that has considered all the evidence appropriately will carry much more weight than it does at present.

Anne Snelgrove (South Swindon) (Lab): I welcome my right hon. and learned Friend's statement, particularly on behalf of the Mullane family from my constituency, the family of Julia Pemberton and her son William, tragically murdered by her husband Alan in November 2003. Will my right hon. and learned Friend assure me that her proposals will bring an end to the type of disgraceful treatment that the Mullane family experienced from two coroners? The first declined to stand down initially, despite his strong link to Alan Pemberton, and the second treated the family with hostility and failed to investigate conflicting evidence under article 2 of the European convention on human rights. Will she assure me that her proposals will mean that coroners will never be allowed to behave like that again?

Ms Harman: I thank my hon. Friend for raising the case. It was a tragic case of a woman and her son being killed and then the husband, who had killed them both, committing suicide. One of the most tragic aspects was that the family, whom I had the opportunity to meet because Refuge, the organisation, brought them to see me, said, "We know this is supposed to be an inquisitorial system, but we felt it was an adversarial system, and we felt that it was against us." Any system that makes bereaved relatives feel that the whole system is weighted against them is totally unsatisfactory. I thank my hon. Friend for bringing that case to my attention and also for the support that she is giving the relatives in such unacceptable circumstances. In the House we have recently legislated for homicide reviews in domestic violence cases, but, arguably, if the coroners system were working properly, we would not need homicide reviews, as all the relevant information would be brought to the coroner and proper lessons would be learned. The reviews have sprung up because the coroner system has not been dealing appropriately with these cases.

Shona McIsaac (Cleethorpes) (Lab): For some years I have been involved with Grimsby resident Shanie Parkin over the tragic death of her son Bradley. Shanie's experiences are similar to others that have been aired in the House today. She has been campaigning for change, and I am sure she will welcome my right hon. and learned Friend's statement, particularly in relation to family involvement, which is what Shanie felt was most lacking, and on how to get a second opinion if there are any doubts. Can my right hon. and learned Friend give us a few more details about that? She will be meeting Shanie later this week, and I hope she will accept from her a petition calling for changes to the coroners system.

Ms Harman: I look forward to meeting my hon. Friend and the constituent she brings to see me, and I will certainly accept the petition. We must listen to people when they say the system is not working, and we must make sure that the legislation that we introduce deals with that. It is extraordinary that in the past the public interest was seen as having nothing to do with the family's interest. Of course coroners must find out the facts in the public interest, but it is also in the public interest that the families are treated properly and get their answers.

Point of Order

4.39 pm

Mr. Owen Paterson (North Shropshire) (Con): On a point of order, Mr. Deputy Speaker. Today, the Home Secretary has slipped a written statement into the Library entitled "Police reform: Update on police force restructuring". In my case, West Mercia will be merged into a monster regional force despite having been judged the No. 1 force and despite an unprecedented public relations campaign showing, in one case, that 96 per cent. of respondents want it to stay intact. Have you had any notification from the Home Secretary that, instead of slipping a two-page written statement into the Library, he will come to the House and make himself accountable so that we can question him on this extraordinary national reorganisation?

Mr. Deputy Speaker (Sir Michael Lord): I have had no notice of such a statement. Written statements are of course a matter for Ministers in terms of the way in which they make them available to the House and put them in the Library.

Police Finance

4.40 pm

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): I beg to move,

That the Police Grant Report (England and Wales) 2006–07, HC 845, a copy of which was laid before this House on 31 January, be approved.

Mr. Deputy Speaker (Sir Michael Lord): For the purposes of the debate, and if the House is agreeable, we will also discuss the other two motions on the police on the Order Paper:

That the Police Grant Report (England and Wales) 2004–05: Amending Report 2005–06, HC 847, a copy of which was laid before this House on 31 January, be approved.

That the Police Grant Report (England and Wales) 2005–06: Amending Report 2005–06, HC 846, a copy of which was laid before this House on 31 January, be approved.

Paul Goggins: Let me begin by eating a little humble pie and acknowledging the valuable role undertaken by the Joint Committee on Statutory Instruments in scrutinising orders and reports laid before the House to ensure that they are fit for purpose. I regret that the three police grant reports fell foul of that scrutiny in that they were dated incorrectly. I am grateful to the Committee and to the Committee Chairman for agreeing to give them retrospective consideration, thereby not delaying today's debate.

The Government have a solid record of investment in policing in England and Wales. The funding settlement for the coming two years will build on substantial and sustained growth since 2000–01. Government grant and central spending on services for the police will have increased by nearly 50 per cent., or more than £3.5 billion, between 2000–01 and 2006–07.

Mr. Crispin Blunt (Reigate) (Con): In delivering his litany of good news, will the Minister confirm that Home Office funding per head of population for Surrey police authority has fallen in cash terms since 1997, resulting in a 22.7 per cent. real decrease in funding for Surrey police?

Paul Goggins: I am sure that we can go into detail about Surrey and other parts of England and Wales as the debate ensues. I look forward to the hon. Gentleman trying to catch your eye, Mr. Deputy Speaker, to make a contribution later. The point that I am making, in setting the context for the debate, is that there has been a huge and sustained increase in investment in policing over several years. The hon. Gentleman's constituents are reaping the benefits, as indeed are mine and those of all hon. Members.

Mr. Nicholas Soames (Mid-Sussex) (Con): I understand the point that the Minister is making. Overall, the sum of money has increased, but he made a very sweeping statement at the beginning of his speech. Does he realise that the settlement for Sussex police this year will place in jeopardy the significant improvements that they have undertaken?

Further, is the Minister aware that this funding settlement will mean that the counter-terrorism and dedicated security post that the force had anticipated

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will no longer be funded to the same level, and that it will receive about £400,000 less for resourcing such a key priority? That is an extremely unsatisfactory state of affairs. I urge the hon. Gentleman to examine a fairer way of distributing this money.

Paul Goggins: We will get the opportunity to discuss some of these details. The dedicated security post to which the hon. Gentleman refers represents a major change in the way in which the funding of police services is being organised this year. That will now be provided through central funding, which obviously involves an adjustment. I acknowledge the improvements in Sussex and in many other parts of the country. I believe that this settlement will enable forces to sustain the improvements and changes that they have made. If we look, for example, at the number of staff that the police service has today, we find that more than 234,000 people are engaged in delivering policing—an increase of nearly 15 per cent. since 1997. Police numbers are historically high, at 141,270 on 30 September 2005. We are committed to maintaining a well-staffed police service.

Mr. Philip Hollobone (Kettering) (Con): Currently, I am spending time on the parliamentary police scheme and have been out on patrol with the Kettering police, who operate a shift system. Is the Minister aware that although it is true that police numbers, certainly in Northamptonshire, are at record levels, only one officer out of nine on a shift in Kettering was capable of driving a police car with the sirens and lights flashing? He was the only grade-one qualified police officer on that shift. Police numbers might be at record levels, but sadly, due to budget shortfalls, not all the officers are trained to the standards that the public would expect.

Paul Goggins: I pay tribute to the hon. Gentleman for taking part in the parliamentary police scheme. Hon. Members of all parties engage with it, and that is a very effective way of showing support for the police service as well as of learning about some of the challenges that it faces.

Clearly, I cannot comment on the particular circumstances that the hon. Gentleman described. However, the important thing is that those who manage our front-line police services should be able to bring together an appropriate mix of qualifications, professional experience and so on, so that we get the best policing possible in our local communities.

In addition to increasing the numbers, we are actively reducing bureaucracy through a programme that we expect will yield the equivalent of an extra 12,000 police officers by 2008. Again, that will free up more police officers for the front line. Police officers are now supported by more than 6,300 community support officers, whose numbers are expected to increase by about 5,600 next year. That will take us to nearly 12,000—about half the total number of community support officers that we have pledged to deliver by 2008.

Tony Baldry (Banbury) (Con): The Minister has been generous in giving way.

Everyone welcomes the new community support officers, and I hope that that excellent news will mean enhanced policing in rural areas. Concern has been expressed, however, in the Thames Valley police, because although there is finance for community support officers for the next two years—they appear to be funded for that period—what will happen after that? Superintendents and senior police officers are concerned that at the end of the two years, they will have to make invidious decisions about whether to keep on the community support officers or get rid of regular, uniformed police constables. Will the Minister give an undertaking that the funding for community support officers will not be time limited and that it will carry on as part of the settlement, year on year?

Paul Goggins: I am sure that the hon. Gentleman will understand that I cannot predict in fine detail how community support officers will be funded in 2008–09, because those years are in a spending period for which we do not yet have the details. He will understand from the explanation that I offer now that funding police services is, in essence, a balance between central funding and local funding—through specific grants, general grants and so on.

As community support officers become firmly embedded in front-line policing, the funding of those officers will reflect that balance, as the hon. Gentleman and all of us would expect. How that balance will be achieved is a matter for further deliberation and no doubt further debate. However, beyond debate is the fact that community support officers, as the hon. Gentleman says, add enormously to the capacity of neighbourhood policing and to the reassurance of our constituents, and they will do so in even greater numbers in the years ahead.

Mr. Jim Cunningham (Coventry, South) (Lab): Last week, I said to the Home Secretary—and I briefly say to the Minister—that one of our difficulties in Coventry and the west midlands is in being able to contact police or a senior police officer during the weekends, particularly in the summer when all sorts of problems go on in our neighbourhoods. Will the Minister say, or give an indication of, how many police community support officers will be introduced in, for example, Coventry and the west midlands as a whole?

Paul Goggins: I cannot give my hon. Friend a precise figure at this stage. However, his constituency and police area will benefit enormously from the kind of increase in community support officers that we are seeing. As I say, their number will double over the next period and will rise to 24,000 by 2008. My hon. Friend can rest assured that he will have a fair share of those community support officers, who will be part of the neighbourhood policing team for his constituency.

David Taylor (North-West Leicestershire) (Lab/Co-op): In Leicestershire, the population of almost 1 million people has benefited greatly from police investment over the past nine years or so. Of that, there is little doubt. Is the Minister aware, however, that the individual police precept in Leicestershire is becoming substantial? Is he happy that the way in which central support is calculated for police authorities is adequate, and should it not be rising at a greater level to reduce the impact of the precept, particularly on older people and those with lower means?

Paul Goggins: There is a balance to be struck between central and local funding, but last year's settlement meant that no police authority had to go beyond a 5 per cent. increase in precept. On the details of today's settlement, I believe that authorities will not have to exceed 5 per cent. in the coming year, and the Government will take a dim view of any that has a mind to do otherwise.

Mr. Alan Beith (Berwick-upon-Tweed) (LD) *rose—*

Mr. Soames *rose—*

Paul Goggins: Members who attend debates in which I participate will know that I am always willing to give way. However, I have a responsibility, too, to make some progress. If hon. Members will acknowledge that, I shall happily give way.

Mr. Beith: I am grateful. While the Minister is dealing with police precepts, he must recognise that compulsory reorganisation, as announced by the Home Secretary today, could lead council tax payers in Northumberland to have their precept increased by as much as 30 per cent. because of the process of levelling with the other forces involved. Given that that force meets all the Government's criteria, can the Minister give some assurance that precept equalisation will not take place in the reorganisation of forces?

Paul Goggins: I shall come on to those issues. Funding of the restructuring announced by my right hon. Friend the Home Secretary today will involve a number of angles. Central Government will invest, and I shall today outline £125 million of that over the next two years, an investment which will clearly be important. Secondly, police authorities have existing investment plans, which they will be able to reshape to reflect the new force structure.

Yes, some cost will fall on the local police authorities, but they will reap the benefit in efficiencies and savings. We estimate that we shall begin to see those benefits after three years, and they will play back into the funding of police authorities. Funding will be a mix of those three factors, but it is sustainable and should not bear down any more heavily than I have suggested on local council tax payers.

I shall take an intervention from the hon. Member for Mid-Sussex (Mr. Soames), but will then make progress.

Mr. Soames: I am sincerely grateful to the Minister and promise not to intervene on him again. He is being extremely courteous.

I wish to make a particular point. Sussex police has already planned to deliver £6.8 million in efficiency savings, but the final settlement will require further savings of £1.9 million in order to constrain any precept increase to below 5 per cent. I know that the Minister understands that that will almost certainly mean a real threat to service delivery and to the greatly improved performance of Sussex police. It really is not a decent or proper way to deal with Sussex police authority.

Paul Goggins: I am happy to pay tribute to Sussex police for its work, both in its financial administration and in front-line policing. It achieved impressive efficiency savings for the current year, and the expectation is that it will make further efficiencies next year. That expectation is not unusual now in any public service. There is an expectation of an ongoing search for efficiencies that can feed back in additional cash for the front-line services that we want more of.

For the first time, this year the Government have provided planning totals for two years. I shall set out the police funding settlement for 2006–07. The figures for 2007–08 were set out as part of the provisional settlement announced and made on 31 January, and will be finalised next year. The settlement will support our key policing priorities published in the national community safety plan: reducing overall crime; bringing more offenders to justice; providing dedicated, visible, accessible and responsive neighbourhood police teams; tackling serious and organised crime, including improved intelligence and information sharing between partners; and protecting the country from both terrorism and domestic terrorism.

The total provision for policing grants and central provision in 2006–07 will be £10.574 million, an overall increase of 5.1 per cent. on the previous year. Most of this provision—some £7.372 million—is for the police general grant, which increases by 3.3 per cent. This allows us to provide a broadly flat-rate grant increase of 3.1 per cent.

Mr. Paul Truswell (Pudsey) (Lab): When is it the intention of my hon. Friend and his colleagues to move to an allocation system that is based more on the funding formula so that forces such as West Yorkshire can receive some of the £14 million that the operation of floors and ceilings this and next year will cost them?

Paul Goggins: I shall say more about that later. However, my hon. Friend is right in that we have moved to a new formula arrangement that more adequately reflects the level of need in his community and throughout the country. There is a balance to be struck between meeting need and providing a stable framework for policing in every community. The answer is that we shall move steadily towards an arrangement that reflects that need. I hope that my hon. Friend will understand that we need also to ensure that stable funding is available for every area. As I have said, I will come on to that later. Perhaps the interventions to which I have responded reflect that if I persevere with my speech, we shall arrive at some of the points that hon. Members are concerned about.

Specific revenue grants will be an estimated £1.356 million, which is an increase of 9.7 per cent. That is mainly because of the establishment of specific grants for pensions. In addition, my right hon. Friend the Home Secretary recently announced an extra £93 million for counter-terrorism in 2006–07, and £145 million in 2007–08. This increases the overall uplift in policing provision to 6 per cent. in 2006–07, and 4.9 per cent. in 2007–08.

The police grant report deals with Home Office general police grant for revenue expenditure. This includes £4.143 million in principal formula grant. The amounts payable to individual police authorities are listed in the report, which has been presented to the

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House. Additionally, police authorities will receive £3.229 million revenue support grant as local authorities. That makes a total of £7.372 million, an overall increase of 3.3 per cent. on 2005–06. Main force allocations were set out in the ministerial statement of 31 January, which was made by my right hon. Friend the Minister for Policing, Security and Community Safety.

In addition, we are providing £193 million in special formula grant, where we have decided to consolidate four specific grants into a single pot for each authority. The amounts payable to individual police authorities are listed in the police grant report. Each authority will receive the actual or estimated level of funding that it currently receives from these grants. We hope that that rationalisation will enable authorities to operate more flexibly. The special formula grant includes the £30 million rural policing fund, £69 million for special priority payments, £48 million for London and south-east allowances and £46 million in forensic grant.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Will the Minister give way?

Paul Goggins: I will give way in a moment.

We expect authorities to honour commitments and to agree policy initiatives to build on the outstanding successes that have been achieved in these areas.

Mr. Llwyd: In future years, will each component of the new overall grant be shown as a separate entity? For some years, I have taken an interest in the rural policing grant, which has been at standstill for the past five or six years. I should like to see an increase as and when appropriate in that limb. Will the amalgamation of four or five grants into one mean that each heading will be shown differently as a different heading each year?

Paul Goggins: I understand that that will be the case next year, when the settlement will use similar headings to this year's. I cannot confirm anything beyond that, but the hon. Gentleman makes a good point that I shall bear in mind for the future.

Mr. Blunt: Will the Minister make it clear that now that the funds have been amalgamated into one, a police authority will have the flexibility to manage its budget outside those areas, if it wishes? Will he explain why the crime fighting fund has not been put into the pot as well?

Paul Goggins: I shall come to the crime fighting fund in a little while. I wanted to make my final remark before giving way to the hon. Gentlemen to make the point that there will be more flexibility and the money will be handed over to the authorities. However, we anticipate that the work that the money has funded will continue because we do not expect authorities to walk away from it. Clearly, there needs to be more flexibility, so we are happy to devolve more decision making to a local level. However, we expect that the strands of work will continue. They are important, which was why they were funded in such a way.

Once the overall total for spending has been set, it must be fairly distributed to take account of local needs and resources. We have updated the 1995 funding formula, which used data from the early 1990s, to bring it in line with modern conditions. The formula changes that have been made are in line with the wider revision of funding formulae for local government services. Police funding has not been considered on its own because it was part of a wider review.

As well as updating the formula, which is 10 years old, we need, as I said earlier, to maintain the stability of funding during a period of major structural change for the police service. We have thus decided to apply a broadly flat-rate increase in general grant of 3.1 per cent. for all police authorities in 2006–07. The increase will enable all police authorities to set final budgets that do not place excessive burdens on taxpayers.

Mr. Jim Cunningham: When my hon. Friend fixed the West Midlands police budget, did he take account of the amalgamations? If so, can he identify how much will be available?

Paul Goggins: It will be possible to identify how the grant works out in each case. I will be happy to write to my hon. Friend to give him the specific information that he requires.

Michael Fabricant (Lichfield) (Con): The hon. Member for Coventry, South (Mr. Cunningham) raises an important point. The Minister said about 10 minutes ago that £125 million will be made available for the mergers, but many senior police officers estimate that they will cost in the region of £500 million, so forces such as Staffordshire, Warwickshire and West Mercia—if they can be persuaded to go in with West Midlands police—will have to cough up the rest. Does the Minister think that that is fair?

Paul Goggins: I refer the hon. Gentleman to the comments that I made earlier. It is not as simple as that. The £125 million investment will be made. Existing plans will need to be reshaped to reflect the new structure, which will involve a substantial amount of money. I do not deny the fact that an additional amount will need to be found locally, but that is where the benefits of the investment will be felt due to the greater efficiencies that come through—*[Laughter.]* The hon. Member for Somerton and Frome (Mr. Heath) scoffs, but it stands to reason that if four police forces that were running four human resources departments come together and have only one such department, there is the possibility of making efficiency savings—that is common sense.

Mr. Gordon Prentice (Pendle) (Lab): On the point about the cost of restructuring, we heard today that Lancashire constabulary will merge with Cumbria. Lancashire police authority has done some modelling work and tells me that Lancashire council tax payers will pay for the merger with the police element of their council tax going up by 13 per cent., although council tax payers in Cumbria will get a reduction of 22 per cent. I just wonder how that will be equalised out. It would be wholly unacceptable for Lancashire council tax payers to be paying through the nose for that merger with Cumbria.

Paul Goggins: I know that there is a lot of speculation about how much the proposals will cost in different

areas. The figures will bear greater and closer scrutiny. My right hon. Friend the Home Secretary has established a working group of all the key partners—the Association of Police Authorities, ACPO, other Departments and other professional experts—to look very carefully at the figures. My hon. Friend is correct, however, to say that as forces come together, clearly there will have to be some process for equalising the precept over different authorities, and that will need to be done in a careful, thoughtful and planned way. The announcement that the Home Secretary has made today about the north-west and other areas is a basis for further discussion throughout those areas. Discussions will continue in the search for a way ahead on which everybody can agree. As with all things, consensus would be the best way forward.

I intend, in the limited time that we have for debate, to make some progress and allow time for other hon. Members to contribute. I say in response to the comments by my hon. Friend the Member for Pudsey (Mr. Truswell) that authorities that have had their grants scaled back from what the formula alone would have offered may feel that they are not getting their full share of the pot. However, we have had to take full account of pressures right across the board to ensure that all authorities can keep police precepts at sustainable levels next year, and that policing services are maintained. We have done everything possible for next year to maximise the increase in general grant and to increase the scope for police authorities to determine their own spending.

The broadly flat-rate increase will benefit 24 police authorities, which will receive over £137 million more than they would have done under the strict application of the new funding formula. Although some authorities, such as the one that serves my hon. Friend's constituency, are losers from this, there are in fact more gainers than losers because we are trying to provide stability. Indeed, three of the Welsh authorities will benefit to the tune of £9.3 million in special Home Office grant.

The settlement continues to take account of our commitment to improve efficiency and effectiveness in the police service. We expect the police service to build on impressive efficiency gains of some £316 million in 2004–05 and projected gains of £360 million in 2005–06, on the way to delivering on a target of over £1 billion of cumulative gains by the end of 2007–08.

Increasing the proportion of time that police officers spend on front-line policing is, of course, one of the ways forces can demonstrate efficiency gains so that skilled trained police officers are free to make the most effective use of their time. Reducing bureaucracy, exploiting new technology, more effective deployment of officers and more effective use of support staff will all help to increase the amount of front-line policing. We expect other efficiency gains to be delivered through more efficient working and commercial practices—for example, through collaborative procurement and shared services for human resources and finance.

Lynne Featherstone (Hornsey and Wood Green) (LD): On the flat rate, does the Minister recognise that authorities that will now get significantly less than they would have done under the Government's own league-based formula are in danger of not achieving what he has just set out, and of having to make reductions or raise the precept beyond the rate that he has suggested? The Association of Police Authorities is suggesting 6 per cent. as a minimum, which would mean a projected council tax rise of 12 per cent.

Paul Goggins: We had this discussion last year when the Association of Police Authorities was predicting that the gap would be even bigger than it is predicting this year. The reality is that police authorities have been able to fund services in such a way that the number of staff, including front-line staff, has increased, and no authority has had to exceed an increase of 5 per cent. It was therefore possible to ensure that services were sustainable and fundable this year, and I expect no less for next year.

Police authorities have seen a huge increase in Government provision in recent years, and this has been matched by a significant increase in the amount of revenue raised locally for policing through council tax. The extra funding has not only paid for inescapable pressures but greatly expanded the service. For next year, we have again done everything possible to maximise the increase in general grant. With the delivery of efficiency gains and prudent budgeting, there is no reason for police authorities to set excessive increases in police precepts for council tax.

The clear message that the Government were prepared to cap budgets this year has helped to drive down prospective precept increases. In the event, no police authority faced any capping action. The capping criteria for 2006–07 have not yet been set. The Government will decide them after authorities have set their budgets for next year. Meanwhile, we have made it clear that we expect average council tax increases of less than 5 per cent. across England. We will not allow authorities to impose excessive increases, and we are prepared to use our capping powers if necessary. Council tax in Wales is a matter for the Welsh Assembly Government.

Mr. Mark Francois (Rayleigh) (Con): I notice that Essex and the other counties in East Anglia were not mentioned in the statement today. The standard precept in Essex is approximately £105 for a band D property, and in Norfolk it is £145. In the event of a merger, with averaging up, the increase in the policing precept for Essex residents will be approximately 14 per cent. How can it be right for the Government to tell everyone that they have to keep to an increase of 5 per cent. or thereabouts, while at the same time arguing for a merger that would result in a council tax increase of 14 per cent.? Where is the logic or the justice in that?

Paul Goggins: The hon. Gentleman is running two issues together. I shall try to separate them for him, as I tried to do for my hon. Friend the Member for Pendle (Mr. Prentice) a moment ago. In relation to what the Home Secretary has said today about the police force in the hon. Gentleman's area, he will be writing to that police force—as he will to all five regions in which the picture is a little less clear—to set out a process and a timetable for discussions to try to reach consensus on those matters. As new force structures emerge, the precept for the different component parts will have to be merged, and that will need to be done very carefully.

[Paul Goggins]

As part of the consultation exercise on this funding settlement, we received 47 written representations covering 36 police authority areas. All representations have been taken into account in reaching decisions on the funding proposals before the House today. I have already dealt with some of the main points raised, but I will now turn to some other concerns.

A new system of financing for the police pension scheme will come in effect on 1 April. Police authorities will no longer have to meet the cost of paying pensions to retired officers from their operating account. Instead, spending on pensions will be accounted for separately. Each authority will pay both the employer's and the officers' pension contributions into—and pay pensions from—a new pensions account. If there is a shortfall in the authority's account, central Government will meet that shortfall. If the account is in surplus, that will be recouped so that no authority is subsidised at the expense of others.

Under the old system, an increase in the number of retirements in a year could put pressure on operational funds and create volatility in the amount of funding available for operational policing. The new system will ensure that any rise in the cost of pensions brought about by a rise in the number of officers in retirement will not be paid for at the expense of operational policing. In making these changes, we did not want to place any cost burden on the local or national taxpayer. Police grant is therefore being adjusted to take into account the pension deficits or surpluses in 2005–06 and 2006–07, based on forces' own projections and estimates.

A number of forces were unable to provide accurate projections for the provisional grant settlement in December. We are satisfied that those data errors would have been corrected earlier had time permitted a fuller scrutiny. I have therefore responded to representations by taking the amended data into account. In making the changes, I have increased by £14 million the notional grant base on which grant for 2006–07 is established. Without any additional grant, the cost would be spread across all authorities, and would effectively reduce the floor increase from 3.2 per cent. at the provisional settlement to some 3 per cent. now. I have, however, been able to add £7 million to general grant and Welsh support, allowing a final floor increase of 3.1 per cent.

Several authorities are concerned because their police grant reduction was based on a notional pension deficit in 2005–06, a year of historically high retirements and net pension costs. However, I am not persuaded that any reasonable alternative approach would have been fairer overall, so I have not altered the method for calculating the change between the old and new systems. I am confident that when pension pressures rise towards the end of the decade, police authorities will benefit from the changes that we are introducing now.

Mr. David Heath (Somerton and Frome) (LD): Can the Minister tell us how he will deal with additional pension requirements resulting from restructuring, and the redundancy costs involved? Will they be dealt with by central Government or by the relevant police authorities?

Paul Goggins: The new pension arrangement will take account of the circumstances of restructuring. As I have said, the local police force, or authority, will pay the pensions and collect the contributions. If the authority is in deficit because of that, the deficit will be made good by central Government, and if it is in surplus we shall take the money. Under the new system the central contribution to pensions this year is some £300 million: that is coming from the centre to make the system work. I should have thought there would be common cause throughout the House that that was a good move. The fact that a large number of officers retire in one year should not affect front-line policing. I hope that that is acceptable; it is the new system, and it will serve us well in the future.

I have made some observations about the initial costs of force restructuring, but it might be helpful if I emphasised a couple of points. Considerable thought has been given to the handling of the initial costs of amalgamations. We expect force business cases to be robust, and to show how force amalgamations can lead to significant economies that can be reinvested in neighbourhood policing and protective services.

We recognise that some issues need further discussion, and we are working closely with forces and authorities in helping to redefine their business cases. That work is supported by Her Majesty's inspectorate of constabulary, senior police officers, Home Office staff, the Chartered Institute of Public Finance and Accountancy and others. We are also meeting chief officers and police authority chairs to discuss outstanding issues.

My right hon. Friend the Home Secretary made a statement to the House today setting out the initial findings of the police restructuring review in relation to areas where the assessment of protective services has indicated a clear case for restructuring. In other areas, the Home Secretary will continue to review the proposals for restructuring that have been submitted, on the basis of the protective service assessments and the financial and organisation analysis that has been developed. We will continue to work with police forces and authorities in each area over the coming weeks to establish the best way in which to proceed.

Mr. Blunt: Will the Minister confirm that 30 external consultants employed by his Department are working under the other organisations that are assessing the business cases, and that each of them is being paid £1,500 a day?

Paul Goggins: I cannot confirm the precise figure, but we are involving a range of experts so that we can get the assessments absolutely right. We have already been presented with an array of different estimates and figures this afternoon. It is important for the figures to be robust, and we need the best minds to help us analyse them. It would be sensible to invest in that at this stage in order to produce the best possible outcome. However, I should emphasise that such matters have not simply been put out to external consultants. Consultants may have had some involvement, but essentially, these are

issues for the police authorities, the Association of Chief Police Officers and a range of Government Departments. We need to scrutinise the business cases and to make sure that we get the figures right.

James Brokenshire (Hornchurch) (Con): I thank the Minister for his patience in giving way so readily, which I know is his custom. To what extent do the figures on force amalgamations involve the British Transport police? I recognise that the British Transport police are resourced from a different funding stream, but the savings and amalgamations that the Minister refers to could take into account their amalgamation into existing forces. To what extent are they included in the figures and the financing?

Paul Goggins: Nothing that I have said today, or that my right hon. Friend the Home Secretary has said in his written statement to the House today, takes account of the British Transport police and their funding. However, in operational terms it is clearly important that they be part of the wider police family—which they of course are, as indeed are many others. We are trying to place great emphasis in our policing policy on the fact that, in a sense, everybody is part of that family and has a role to play. But nothing that I am announcing this afternoon bears on the funding or financing of the British Transport police.

As I have pointed out, we have set aside some £125 million of police capital grant over the next two years to support forces committing to early amalgamation. This will be allocated in the light of emerging pressures, as authorities coalesce into new structures. As I have emphasised, we will also look to authorities to reshape their existing investments so that they reflect the new structure, and to reap the benefit of future efficiency savings in making their own investments.

Mr. Beith: The Minister has not clarified the position on precept equalisation, and the question is: why should council tax payers in Northumbria, who have a police force that meets the Government's criteria, have their precept raised to a level similar to that applying to forces that are being compulsorily amalgamated because they do not meet those criteria?

Paul Goggins: What matters is that the right hon. Gentleman's constituents, my constituents and all our constituents have effective policing. What does that mean? It means policing that can cope with the threats of terrorism and organised crime—as well, of course, as providing neighbourhood policing. As I have acknowledged, as we bring authorities together there will be different levels of precept. There needs to be a process by which those precept levels are merged into one level, but over a period of time. I can reassure the right hon. Gentleman that my right hon. Friend the Home Secretary has established a working group to look at the fine detail of that process, to ensure that it is used fairly and not as a blunt instrument, which would clearly be unfair. Officials are working on the details, which will be shared with him and other Members as and when such information becomes available.

The significant development in the threat from international terrorism and the consequent increase in the funding of counter-terrorism in recent years has led us to focus on the best way of ensuring effective funding for this vital work. Following consultation, we decided to consolidate existing funding streams for countering terrorism and domestic extremism, which were a mix of specific grants and general grant. Following consultation with key stakeholders, including ACPO, we have created a new specific grant for counter-terrorism and other national security priorities. The counter-terrorism fund comprises £213 million for dedicated security posts, which is transferred from police grant; existing specific grants for counter-terrorism, totalling £96 million in resource and £8 million in capital each year; and the transfer of £50 million from formula grant to specific grant for the relevant part of the special funding for the Metropolitan Police Authority. In addition, on 25 January the Home Secretary announced substantial additional police service funding specifically for counter-terrorism and dealing with domestic extremism. This comes to some £63 million in revenue and £30 million in capital in 2006–07, rising to £110 million in revenue and £35 million in capital in 2007–08.

In drawing my remarks to a conclusion, I would like to mention a number of additional points about the overall police funding settlement for 2006–07. For several years, the Home Secretary has provided additional funding to ensure that Welsh police authorities receive at least a minimum grant increase in line with English authorities. For the coming two years, we have adjusted the Home Office police grant for Welsh police authorities to maintain consistency with the English. That additional support will total £9.3 million next year for Dyfed-Powys, Gwent and North Wales police authorities.

Police authorities will continue to receive funding for specific programmes on top of the general grant. We have tried to minimise the specific grant, thereby maximising the general grant so that police authorities can direct funds at their discretion, but there are still a number of areas in which we want to highlight particular funds. The crime fighting fund was mentioned earlier, and £277 million will be made available to forces in 2006–07 to continue to support the costs of officers recruited through the CFF. A number of forces have asked for greater flexibility, and that fund has been extremely successful in reversing the previous decline in the number of police officers. Strength has grown to historically high levels, we have invested heavily over the past few years to support that growth, and we remain committed to maintaining high numbers.

Neighbourhood policing teams will be rolled out across the country over the next two years and uniformed police officers will play an increasingly key role in those teams. Through the front-line policing measure, we expect to see more of them released from back-office duties into front-line operation as we reduce levels of bureaucracy and put the freed up resource on to the front line. Forces should, of course, determine the right mix of personnel for their own work force. Decisions on police officer strength should be taken by authorities, not by the Government. There will be greater flexibility for most forces during 2005–06 and we look forward to seeing what further flexibility can be offered in 2006–07.

[Paul Goggins]

Most of the funding for community support officers will come from the neighbourhood policing fund. In the year of recruitment it will meet 100 per cent. of salary and direct costs, subject to a cap, and a fixed sum of £2,500 per recruit will also be payable towards start-up costs. Thereafter, funding will be at 75 per cent., and with such support we expect CSO numbers to reach 24,000 in 2008.

Some authorities have expressed concern about having to find some of the funding required for their CSOs, but the Home Office should not be the only source of funding. Community safety is an outcome shared with many partners; other central funding streams, local government, business and other organisations all have an interest. We shall shortly publish some guidance and examples of good practice to help authorities to secure match funding, and any surplus resources secured in this way may be spent as the force sees fit, so long as they are spent on neighbourhood policing.

Michael Fabricant: Is the Minister saying that CSOs should be partly funded by private businesses?

Paul Goggins: I am saying that we are about to publish some guidance about ways in which others who wish to contribute to the funding of CSOs will be able to do so. That is not an enforced measure, but one that will allow businesses or other public authorities to put in resources to make sure that our communities are made more secure. That is not being forced on people; it is something that they want to do, and we will provide good examples and guidance to help them do it as effectively as possible.

In 2006–07, the fourth year of the basic command unit fund, £50 million will again be provided for basic command units, which are at the forefront of local policing. The grant will be targeted towards forces with BCUs in high-crime areas to help reduce crime, in partnership with crime and disorder reduction partnerships. All forces in England and Wales will continue to receive a share of the grant and BCU commanders will have discretion locally to pool their BCU allocations with the new safer and stronger communities fund.

A capital grant of £250 million will be available in 2006–07 to support police capital programmes. That is an increase of £25 million over 2005–06, and it includes provision of £50 million, to which I have already referred, to fund police force restructuring. Forces were notified of capital allocations for next year on 13 January, earlier than in the past three years, which gives authorities more time to take allocations into account when setting final budgets.

We have considered fully the written representations received in response to the provisional funding settlement. The settlement is a good one and builds on sustained investment since 2000–01. Our proposals will ensure that all forces in England and Wales receive a fair share of resources next year at a time of radical restructuring. I believe that we have struck the right balance, and I commend the police grant reports to the House.

5.30 pm

Nick Herbert (Arundel and South Downs) (Con): I welcome the Minister's announcement that the grants will be made over a two-year period, which will help police authorities to plan, something for which my predecessor, my hon. Friend the Member for Sutton Coldfield (Mr. Mitchell), called two years ago, as the Minister may be aware. Given the amount of the settlement, police authorities will certainly need help.

The Minister says that the settlement is generous, but the truth is that the Home Office is giving police forces less money than at the 2001 general election. In this financial year, 2005–06, the Home Office general grant for police expenditure is £4,574 million, which, adjusted for inflation, is less than the £5,094 million given to police forces in 2001–02. I am happy to concede that there will be an increase in the grant over the next two years, but funding will still be lower in 2007–08 than at the 2001 election, when the Government promised that police funding would rise.

Michael Fabricant: Does my hon. Friend agree that the funding pressure will be exacerbated by—in some instances, forced—police mergers? The Minister talked about the provision of an extra £125 million to finance those mergers, yet some estimates are that it will cost as much as £550 million, so there will be a huge shortfall. Will not that make the situation even worse?

Nick Herbert: My hon. Friend is right—the costs of amalgamation will increase the pressures that police authorities will already face as a result of the settlement.

Mr. Blunt: I am grateful to my hon. Friend for giving the House the figures for 2001. That was the end of the Conservative Administration's three-year spending plan, which the Government took on in 1997. In fact, the Government's spending has fallen away from the plans they inherited in 1997 and stuck to for their first three years in office.

Nick Herbert: My hon. Friend is right. The burden has actually been met by local tax payers. As my hon. Friend the Member for Lichfield (Michael Fabricant) suggested, when amalgamations are taken into account, we can see that the real burden of police spending has not been properly quantified. It is being met by council tax payers.

When the Government came to power in 1997, £932 million was being raised for police forces by councils through the local police precept. Today, that figure is £2,335 million—two and a half times as much. In 1997, nearly 85 per cent. of police forces' gross revenue expenditure was financed by the Government. In 2004–05, the latest year for which figures are available, central Government's contribution has fallen to significantly less than 70 per cent. Meanwhile, the amount of police expenditure financed through council tax has almost doubled in real terms since the Government came to power. Council tax now pays for more than a fifth of police force spending, compared with just a ninth in 1996–97.

The Government never cease to boast of the investment, by which they mostly mean spending, that they have put into policing. In her statement on

5 December, announcing the draft grant figures, the Minister for Policing, Security and Community Safety said:

"The Government have put unprecedented levels of investment into the Police Service in England and Wales in recent years."—[*Official Report*, 5 December 2005; Vol. 440, c. 68WS.]

However, as so often, the Government have raised the money by stealth from council tax payers. Every time that the Government seek to claim the credit for putting more police on the streets, we need to remind local people that they, not the Chancellor, have largely footed the bill.

Today, the Home Secretary announced in a written answer, not a statement to the House, that he intended to proceed with police force amalgamations. As my hon. Friend the Member for North Shropshire (Mr. Paterson) pointed out on a point of order, that is an extraordinary way to announce something that has major constitutional implications, as Her Majesty's inspector of constabulary conceded in his report. The allocations for capital results proposed in the December statement already show a fall in real terms in the second year. Moreover, the Home Secretary has announced that £125 million of that funding will be used to meet the costs of police amalgamations, so resources that should be spent on improvements to policing will be used to pay for management consultants, merged IT systems and new headquarters.

Andrew Selous (South-West Bedfordshire) (Con): Does my hon. Friend share the analysis put to Bedfordshire MPs last night, by those members of Bedfordshire police authority who are responsible for finance, that if significant merger costs are imposed on Bedfordshire police but not picked up by the Government, if the police precept is capped, and because the savings will be made some years ahead, it will mean in practice that that will affect the number of police officers on the ground over the next few years?

Nick Herbert: That analysis is absolutely correct. In the absence of the Government funding the costs of amalgamation, only two things are possible: either the police precept must increase or services must be cut. As the Government are saying that the precept cannot be increased—it will be capped—the result is that front-line services will be cut, unless new funding is provided to meet those costs.

As we pointed out last week, the Association of Police Authorities has quantified the cost of amalgamations at £525 million, based on the detailed calculations of each police authority. After the Home Secretary's provision of £125 million, that leaves a gap of £400 million, as was made clear by my hon. Friend the Member for Lichfield. The Home Secretary is providing less than a quarter of the amount needed to fund amalgamation. How will that be financed? Either more than two thirds of the entire capital provision for police forces, which the Minister has just announced, will be spent on amalgamations or, once again, local taxpayers must foot the bill.

The Minister has said that police authorities can finance amalgamations with prudent borrowing. We might have expected that suggestion. The Government are not exactly averse to borrowing, however imprudent doing so might be, but whether or not authorities borrow the cost will be met ultimately by local tax payers. Assuming that police authorities do not cut services, the average police precept would rise by 21 per cent. to fund the amalgamations. That would involve rises of between £15 and £37 on the average council tax bill on a band D property. That comes on top of already planned increases, which we will no doubt hear about later.

Michael Fabricant: I wonder whether my hon. Friend would be surprised to learn that at a recent meeting with the Staffordshire police authority and with the chief constable—John Giffard, who is in some ways the architect of all the mergers—a case was put for the merger for Staffordshire. However, of the 11 Members of Parliament present—in Staffordshire nine are Labour, only three are Conservative—

Kevin Brennan (Cardiff, West) (Lab): That makes 12.

Michael Fabricant: All 11 Members of Parliament present—there are 12 Staffordshire MPs of which nine are Labour and three Conservative—only two MPs were in favour of the merger. All the rest felt, as my hon. Friend says, that a merger would be not only inefficient, but a burden on the council tax in Staffordshire.

Nick Herbert: My hon. Friend is right about the scale of opposition to the merger in the west midlands, not just from hon. Members on both sides of the House, but from local people as well. In opinion poll after opinion poll across the country, local people have emphatically rejected amalgamations.

As I said, the police precept will have to rise by 21 per cent. to fund the amalgamations. The issue is how that fits in with the Minister's insistence that council tax rises should be minimised or else the Government will take capping action, to which my hon. Friend the Member for South-West Bedfordshire (Andrew Selous) referred. On the one hand, the Government are landing police authorities with a huge bill for a restructuring that most of them do not want, but for which the Government refuse to pay; on the other, they are threatening capping if police authorities try to finance the costs themselves. Police authorities cannot win except by cutting services.

The Minister for Policing, Security and Community Safety has dismissed the Association of Police Authorities' estimate of the costs. In that case, let us hear the Government's estimates. Today, the Home Secretary announced that he intends to proceed with police force amalgamations in four regions before he has received that assessment of the costs. He is driving the restructuring through, without local consultation, to an unnecessarily tight timetable and with no idea of what the costs might be.

On the figures of the Association of Police Authorities, the north-east regional force will cost £29.2 million and add more than £30 to Cleveland's council tax bills on band D properties. The three-force option in the north-west will cost £47 million and add £32 to Cumbria's council tax bills. The Welsh national force will cost £59.7 million and add more than £33 to council tax bills in north Wales. The west midlands force, to which my hon. Friend the Member for Lichfield referred, will cost £41.8 million, adding more than £30 to Staffordshire's council tax bills.

[Nick Herbert]

The Home Secretary's written statement this afternoon will cost £175 million—nearly half of the capital provision for next year—and there are still five regions to go, assuming that the Government intend to proceed with amalgamations in those regions, setting aside London.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): The chief constable of Gloucestershire has estimated that the south-west amalgamations will cost an estimated £56 million. My hon. Friend can add that to his figure, so we are beginning to get some large sums. Gloucestershire has, I think, the highest police precept, which went up by two thirds—66 per cent.—in the past three years. Does he agree that it would be unacceptable if the people of Gloucestershire, who have made good progress on the Government's "Agenda for Change", are clobbered yet again with a much higher police precept because of the forced amalgamations that no one wants? Indeed, the chief constable and five out of the six Members of Parliament who represent the region are adamant that they do not want it.

Nick Herbert: My hon. Friend is right. The proposed amalgamations are unpopular in the south-west, as they are in the rest of the country. The cost of £175 million was solely for the four regions affected by the Government's announcement today. The total cost will be £525 million. That will have to be met in part by council tax payers in the south-west, including Gloucestershire. It does not deal with the problem raised in interventions on the Minister, to which he did not respond, of the need for precept equalisation, resulting in much higher council tax increases in some police force areas or additional costs if those differences are to be ironed out.

Mr. Andrew Pelling (Croydon, Central) (Con): Would it not add insult to injury for many of the larger regions to find themselves paying extra tax, following the Metropolitan police's example of pulling resources towards the more urban, metropolitan areas and away from places such as Gloucestershire and Staffordshire?

Nick Herbert: My hon. Friend is right. One of the great concerns about amalgamations is their impact on policing, particularly in rural areas. There is potential for funds and police officers to be drawn away from the community policing that the public want. If £525 million is to be spent on policing in England and Wales, I believe that the public would want it to go towards ensuring proper policing of our streets to prevent crime.

Mr. Clifton-Brown: I want to give my hon. Friend and the House a stark example of what he has just been saying. On a Friday night, one patrol car patrols 500 square miles of the north Cotswolds. That is half the area of the Metropolitan police, which probably has 10,000 police on duty. That is the difference between some of our remote, rural areas and most inner-city areas.

Nick Herbert: Again, my hon. Friend is right. The areas created by some of the regional forces are huge—some thousands of square miles—which raises serious issues of accountability as well as adding to the difficulty in forces of deploying officers across such vast areas.

Two weeks ago the Prime Minister said that it was

"not a question of forcing"—[*Official Report*, 25 January 2006; Vol. 441, c. 1426.]—

amalgamations through, yet the Home Secretary has dismissed out of hand the cheaper and less disruptive option of forces sharing services, in spite of the fact that that has been supported by the Association of Police Authorities and endorsed by the Prime Minister. The Minister mentioned the savings that could accrue through amalgamation, but he will know that the O'Connor report estimated that at only £70 million a year, and there were no supporting calculations to indicate how those savings might be arrived at.

The fact that North Wales police are not being allowed to consider merging with an English force, even though crime patterns would dictate that option, betrays the Government's true regional political agenda. The creation of a west midlands force announced in the statement today is not a merger at all. It is a hostile takeover of West Mercia police, which is one of the top-ranked forces in the country and wants to stand alone.

Before the effect of the amalgamations was taken into account, the Association of Police Authorities and ACPO expressed concern about the levels of funding being provided, as announced today. They estimate a revenue gap of £250 million. That is based on detailed research carried out by police authority treasurers, which shows that the service needs annual funding increases of at least 6 per cent. in 2006–07 and 2007–08, excluding any new costs of dealing with counter-terrorism, which the whole House would support, and police force amalgamations. The Association of Police Authorities and ACPO identified the cost pressures in a joint statement as follows:

"The need to maintain the high number of police officers; pay inflation; burdens imposed by new legislation and Government initiatives; anti-terrorism costs; new statutory and policy responsibilities for the police; and delivering police reform, including the neighbourhood policing initiative, which will bring with it very significant costs".

Dr. Tim Brain, the chief constable of Gloucestershire and chairman of ACPO's financial committee, said:

"Some authorities may face some real difficulties next year. Many Police Authorities held down council tax increases last year, by using their reserves. They will be under pressure to hold down council tax rises again, but this year they will have far smaller reserves upon which to draw. The level of reserves left available may not be sufficient to cover the gap that is emerging.

The Government's intention is for average council tax increases to be limited to less than 5 per cent. otherwise 'capping' action may be taken. This will seriously affect the options available to bridge the funding gap and severe cuts in service look possible. Unlike other branches of local government, we do not have the option of off setting grant by increasing fees and charges for specific services. Some Police Authorities are going to be faced with difficult choices, and for some cuts in service levels may be the only outcome."

Police forces have already made significant efficiency gains and, indeed, they have been congratulated by the Chancellor on leading the way. However, the comments of the chief constable of Gloucestershire have been echoed across the country, as the Minister will know, by

a number of police forces and authorities that are concerned about the settlement. My own authority of Sussex said:

> "Sussex police authority's deeply disappointing . . . grant settlement, finalised last month, means that hard choices are required if the level of council tax is to be within the average 5 per cent. capping limits that have now been set by Ministers. Given the current funding, it will be increasingly difficult to set low council tax increases without impacting on front-line services."

That was echoed by the deputy chief constable of Sussex, who will shortly become chief constable:

> "We have already planned to deliver some £6.8 million of efficiency savings in 2006–07 and 2007–08, but the final settlement will require further savings of £1.9 million in order to constrain the necessary precept increase below 5 per cent."

Despite rightly making the savings that the Government have urged them to make, police authorities and forces still face financial difficulties.

Lincolnshire police authority's treasurer and clerk, Mr. Roger Buttery, said that the force is facing a £4 million shortfall and may have to make some police staff redundant. If that happened, police officers would have to fill staff positions. Mr. Buttery told the *Police Review* that the authority was considering completing only emergency property maintenance and might have to pull out of a successful community partnership with the local council and health authority. Derbyshire police reported that their central Government grant is to be increased by only 3.4 per cent., falling short of the £9.6 million extra that the authority believes is needed to meet current service pressures. Mr. Nigel Thomas, the treasurer of the North Wales police authority, compared its 3.7 per cent. funding increase with the 6.4 per cent. that it needed "just to stand still".

The problem faced by those police authorities stems from the additional costs loaded on to police forces. A major contributor to those additional costs is the ever-increasing central direction imposed by the Government. The police have been subjected to an ever-tighter central grip, with a plethora of targets, plans and agencies designed to regulate and direct them. There is a national policing plan and a police performance assessment framework, as well as public service agreements. Police forces are statutorily required to produce strategic plans and they are overseen by Her Majesty's inspectorate of constabulary, the Audit Commission and the Government's police standards unit. There is a national centre for policing excellence, which shortly will be subsumed by a new national policing improvement agency as a result of the Police and Justice Bill, which has been laid before the House.

The centralisation of the police raises a number of issues in the context of the Government's proposals. First, on the cost of the centralised units, what will be the cost of the national policing improvement agency? Indeed, what is the cost of the police standards unit? Central spending on those units has increased substantially since they were introduced by the Government. Secondly, we must consider the cost of the bureaucracy with which the police must deal, and thirdly, with the opportunity cost resulting from the fact that police officers are not on our streets. It is well known that police officers, according to the Home Office's own figures, spend less than one fifth of their time on the beat, and that it takes six and a half hours to process an arrest.

Michael Fabricant: Is my hon. Friend aware that since 1997 the cells at Lichfield police station have been closed? If, on a Friday or Saturday night, young farmers and soldiers from the barracks or, far more likely, yobbos from Birmingham come to Lichfield and cause trouble, with arrests being made, police officers have to take the arrested individuals to Tamworth, deal with them there and come back again, which takes them away from the streets for a good two hours or more. As there are hardly any police available in Lichfield anyway on a Friday or Saturday night, that effectively means that we have virtually no policing for that period.

Nick Herbert: That is a serious issue, particularly in rural areas where the distances to be travelled can be significant. If a police officer makes an arrest early in his shift he is likely to be taken off the beat for a period of hours. We must address that serious issue if we are to increase the presence of the police on the streets, which is what the public want.

Mr. Pelling: The issue of accountability is obviously important. Does my hon. Friend agree that the diffuse nature of accountability in the Metropolitan Police Service is further complicated by the accountability of the commissioner to the Mayor and the London assembly, the assembly's budget committee and the Home Secretary? Accountability is valuable in principle, but such diffusion of accountability can lead to inefficiencies in our police service.

Nick Herbert: I agree, and I shall come on to the issue of accountability, which is particularly problematic in London for reasons that the House will understand. The Metropolitan Police Commissioner has national policing duties and is appointed by the Home Secretary. He is accountable locally, however, to the Metropolitan Police Authority and the Mayor. As a result of being accountable to so many bodies, his true accountability to local people is considerably weakened, and that issue must be addressed as it is a problem not just for the system but for the commissioner. The confusion of accountability to the MPA and the Mayor will be only partly addressed by the changes that have been announced.

First, therefore, central direction has the consequence of imposing costs. Secondly, initiatives announced by the Government tend to expire, the best example being their street crime initiative, which was set up by the Prime Minister to target the 10 worst-hit areas. It temporarily succeeded in reducing street crime between 2002, when it was initiated, and 2005. Since its expiry, however, Home Office statistics for July to September 2005 show that the number of robberies recorded by the police has increased by 11 per cent. to 23,500, following a 4 per cent. rise in robberies in the previous quarter. In London, half of street crimes last year involved the theft of mobile phones. Recorded gun crime rose nationally by 1 per cent. to 11,000 incidents, and the number of serious injuries from gun crimes rose by 18 per cent. to 470. Recorded drugs crimes rose by nearly one fifth to 41,100, and violent crime recorded by the police rose by

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4 per cent. to 316,000 incidents in the three months to September. All the prime ministerial energy that was directed at securing the initiative and the resources that it received expired and, with them, its success in temporarily reducing crime.

It is not just ministerial effort that can expire with central direction, but funding. The Minister mentioned community support officers.

Mr. Clifton-Brown: Before my hon. Friend moves on from the very important statistics that he cited, may I ask whether he is aware that in many of those categories less than a fifth of all crimes are detected?

Nick Herbert: My hon. Friend is correct. One of the problems that the Metropolitan police face is a relatively low detection rate. Detection rates nationally are poor and have fallen significantly since the 1980s. The fact that only a fifth of crimes are detected shows that resourcing alone is not sufficient to drive up police performance.

The Minister announced additional funding for community support officers. The problem, as he conceded, is that after the first year following their recruitment, the police must fund 25 per cent. of the cost. As a consequence, police forces and authorities have to turn to external agencies—in particular, local authorities—to ask for help. The Minister seemed to suggest that was a good thing. The assistant chief constable of Sussex has written to local authorities, pointing out that Sussex police employs more police community support officers than another shire force, which I welcome. There are 250 of them deployed across the Sussex police force.

However, Mr. Yeo pointed out:

"PCSOs are funded by the Home Office. The funding is tapered and linked to tranches of recruitment over the past 3 three years. Funding for the first tranche runs out in March 2006 and because of capping restrictions we cannot rely on the Police Authority to meet the shortfall. Whilst solutions are being sought, the most obvious is to invite town and parish councils to contribute on behalf of their communities."

That means that there will be further pressure on local authorities to fund PCSOs, resulting in further pressure on council tax. Mr. Yeo continued:

"The full annual cost of employing a PCSO is £27,000—towns and some larger parishes may wish to enter into an agreement with the police in their own right to fund 50 per cent. of a PCSO or negotiate for dedicated additional cover for their area. It is recognised that this is not a realistic option for very small councils and one solution could be clustering, where a number of councils in close proximity arrange to share the cost using an equitable formula."

Mr. James Gray (North Wiltshire) (Con): Does my hon. Friend agree that the problem with the arrangement he is describing is that the decision about whether to have PCSOs becomes an acutely political one? Parish and town councils, which might well have other pressures on their budgets, will annually take political decisions about whether to continue with PCSOs, so their employment might last for one year, two years, or who knows how long. Is that not a fundamentally unsatisfactory way to run the scheme?

Nick Herbert: I agree. The problem is that the initiatives announced by the Government are not fully funded. When funding expires, support for PCSOs may not be universal within a police authority, and local authorities faced with alternative pressures have hard choices to make. That calls into question the neighbourhood policing programme, which commands great public support and which relies on the introduction of PCSOs across the country.

As part of the drive to increase the number of PCSOs, the Home Office pledged to introduce 199 PCSOs in the Bedfordshire and Luton area by 2008, but because of the funding shortfall Bedfordshire police approached Biggleswade town council, a small council, to see whether it was willing to fund extra officers in the town. The mayor of Biggleswade, Wendy Smith, commented:

"It's very disappointing to be told in one breath we're going to give you 199 PCSOs in three years, but in the next breath be told you're going to have to pay £6,000.

For town and parish councils, £6,000 is a lot of money. It could put another 1 per cent. on the rates. We can't just keep putting the rates up."

She went on to say that on the whole there was

"great disappointment and concern that we won't be able to find the sort of money required to ensure Biggleswade is policed adequately."

James Brokenshire: Does my hon. Friend agree that there are parallels with the neighbourhood warden scheme that was part-funded by the Home Office and later withdrawn? I am reminded of my area, where a neighbourhood warden scheme was established in conjunction with the local authority and provided important support in the community. As soon as it was grounded, funding was removed and the wardens were withdrawn. Is there a risk that that could happen to community support officers too?

Nick Herbert: There is plainly a risk that that could happen. We welcome the extension of the police family. The presence of uniformed officers who are not full-time police officers—community support officers or neighbourhood wardens—has been welcomed in many parts of the country. However, against a background of tight financial settlements, will police authorities and local authorities continue to be able to hire the uniformed officers whom the public value?

Mr. Pelling: Can that be seen on a larger scale in the context of the debate in London on the council tax precept? It is difficult to argue against an increase in PCSO and police numbers, and I would support such an increase, but the problem arises when it comes in combination with other increases, such as the Olympic precept, making a 16.5 per cent. increase. Does my hon. Friend agree that there is a need for close scrutiny of the value for money that will be secured from those PCSO teams?

Nick Herbert: I will not be drawn into commenting on the precept to fund the Olympics, but it is true that the public will need to be reassured that PCSOs provide value for money. In that respect, the latest Home Office-sponsored official assessment of PCSOs, which indicated that there was no evidence that they reduced antisocial behaviour in the areas where they operate, by comparison with areas where they did not operate, is, I expect, a source of concern in all parts of the House. We

do not wish the deployment of PCSOs to be undermined, but it is important to demonstrate that they provide value for money for local communities and are doing the job that they are employed to do.

The third way in which increasing central direction will be problematic for police forces is that it undermines the freedom of chief constables to innovate. The existing structure does not allow chief constables to manage their forces flexibly. There are many police authorities and chief constables who would prefer to take different decisions about whether or not to hire PCSOs or police officers, but they are told by the Government that money is available only for certain purposes, and the substantial sums that have been made available for PCSOs are ring-fenced for that purpose. For chief constables who might decide instead to take on fully-fledged police officers, it is not possible to do so.

If we are to ask police authorities and police forces to continue to make efficiency savings as they have done in recent years, and to improve on those savings, we will have to give chief constables more flexibility in managing their work forces. That is not an issue that the Government have been willing to address.

Michael Fabricant: My hon. Friend supports the introduction of PCSOs, and I agree that we would rather have them than have no police presence at all. However, what would he say to my constituent who is a serving police officer in Staffordshire police—I had better not reveal his name—and who says that PCSOs are not real police officers because they have no powers of arrest, and besides if they were any good they would be policemen instead?

Nick Herbert: I would say to my hon. Friend and to the person who made that comment that PCSOs can perform a valuable role in the community in augmenting a uniformed presence and in helping to prevent crime. The absence of their power of arrest, which is controversial, can help them to remain on the streets in their neighbourhoods, which is what is wanted of them, without being detained in police stations for prolonged periods processing arrests. PCSOs also provide a recruiting ground for people who may wish to move on to become fully fledged police officers; and they have succeeded in recruiting from a much broader spectrum of the community, particularly among ethnic minorities, than our regular police force.

For all those reasons, we believe that PCSOs are a welcome development. Indeed, we would like to see an extension of the principle of the police family to provide more wardens and local authority guardians of the kind successfully pioneered by Westminster city council. However, that will depend on funding being available for such positions and, equally, on resources not being wasted on unnecessary amalgamations for no real gain.

Mr. Pelling: Is not my hon. Friend's point about the good calibre of many PCSOs supported by the fact that in the Metropolitan police service 230 of them have gone on to become police officers? Does he agree that there is concern about the speed with which PCSO teams are put together and about the recruitment of the best quality sergeants, who will have a difficult task in managing new members of staff as PCSO teams are put together over a two-year period?

Nick Herbert: Those matters will need to be addressed in a proper assessment of the role of PCSOs. That should be conducted against the background of a general acceptance of the principle of having a more flexible policing structure, with a uniformed presence that does not just mean a regular police officer, but can also mean the extended police family.

Chief constables' ability to innovate will be important if we are to see the efficiency gains necessary to ensure that police forces continue to deliver against difficult financial settlements, such as the one that the Government have announced. There are good examples of local forces showing such innovation and modernising their work forces in a way that drives up productivity substantially. In relation to offender management and custody, Northumbria police have introduced an integrated criminal justice process by developing a range of complementary police support officer roles. A 7 per cent. increase in constable strength at the front line was achieved by releasing police officers from custody and associated duties. Performance has improved, with higher file quality and timeliness; custody-related complaints have fallen by half; and detection rates, which have been a source of concern nationally, have increased by up to 14 per cent.

Similarly, in Surrey the police CID office has been transformed to improve investigation. It was reorganised in order properly to meet public expectations, and the mix of staff was altered to include 60 per cent. of police support officers working with constables in teams led by advance detectives, which has delivered a better service. It has investigated 35 per cent. more crime, halved investigative delays, and tripled follow-up with victims. Moreover, it has improved results. Twenty-five per cent. more offenders are caught, with greater efficiency—in other words, at a quarter less cost. The use of support offices to perform roles that uniformed officers had undertaken can dramatically increase productivity.

Humberside police have reconfigured their major incident rooms by employing police support officers in key roles. That has improved quality, created increased capacity and almost halved costs, which have been reduced by 43 per cent. West Yorkshire police have integrated their investigative support officers and investigation officers into their homicide and major incident teams, again increasing capacity and significantly reducing overall costs.

Some senior police officers estimate that the savings achieved as a result of such work force modernisation could be as much as 20 per cent. It would take a very substantial increase in resources to match that level of improvement. That demonstrates that the input-led approach to policing, which has often been taken, is no longer appropriate when considering their performance. The point, surely, is not that spending on the police has increased: what should matter to us is outcomes. The competing claims that are made for putting police officers on the streets mean nothing if they will not actually be on the streets because they are tied up doing unnecessary jobs.

If we are properly to examine the performance of the police and work out whether it is possible for them to improve their efficiency and make productivity gains—I remind the House that the success of policing under the funding arrangements that the Minister announced

[Nick Herbert]

depends substantially on significant continuing efficiency gains—in fairness to them, and so that the public can judge the effectiveness of spending on the police and of additional spending, it will be necessary to have more robust measures of police performance and of crime.

On the measure of recorded crime that the Government no longer like, one crime is committed for every 38 people living in England and Wales and 10 crimes are committed for every police officer. The Government prefer the British crime survey, but that still shows, comparing the levels of extra resources with the outputs of the service, that productivity has fallen. The survey showed falls in crime in the years before steep rises in police funding, which were of course partly borne by the local taxpayer. The rate of the fall in crime as measured by the survey has been unaffected by spending increases since 1999–2000. The arrest rate has fallen slightly since those spending increases, as have detection rates. The number of undetected crimes has reached more than 4.1 million—about a quarter of all crimes committed.

I therefore welcome the Home Secretary's announcement that the way in which crime is measured will be independently reviewed. We are co-operating with the review team that he announced. That review should go alongside a simpler performance assessment framework so that the police can be properly held to account by the public.

Mr. Owen Paterson (North Shropshire) (Con): I apologise to you, Mr. Deputy Speaker, and to the rest of the House. I had to leave shortly after the beginning of the debate because there was considerable anger locally about the statement on police reorganisation, and I had to address that outside the House.

I go back to the point made by my hon. Friend the Member for Arundel and South Downs (Nick Herbert). Is he aware of the recent study by the Federation of Small Businesses showing that nearly 60 per cent. of businesses questioned were victims of crime during the survey period but that over a quarter did not report the crime because they felt that the police would not be able to catch the criminals? The federation believes that there is massive under-reporting. As the Minister seems to be part of the taskforce with the Home Secretary, will he make sure that he involves the Federation of Small Businesses?

Nick Herbert: I am sure that the Minister has taken note of that. The prevalence of property crime is one of the significant omissions from the British crime survey; I hope that the views of the Federation of Small Businesses will be taken into account.

There must be a measure of crime on which the public, the police and the House can agree and in which they can have confidence. Only then will we be able to judge how successful increasing resources for the police has been and to hold the police to account for their performance. We believe that, in place of the Government's increasingly central direction of the police, there should be the local accountability referred to earlier, and that the operational independence of the police, which is so important, should be preserved.

The pattern of the announcements on police grants in successive years is this: additional resources, the burden of which falls increasingly on the local taxpayer, combined with an ever-tighter central grip on the police. There is an alternative agenda, which constitutes being serious about police reform and work force modernisation and focusing on that as a priority, rather than concentrating on uncosted amalgamations that raise serious issues of accountability and on which local people have not been properly consulted.

That agenda of police force modernisation should be combined with the enhancement of local accountability that I mentioned. That will deliver what the public want: not only the security that they seek, to which Members on both sides of the House subscribe, to deal with very serious crime and the threat of terrorism, but a tackling of the volume crime that touches people's lives daily. People want a police presence on their street; they want to see that the police are not only detecting crime and bringing offenders to justice, but preventing crime from happening in the first place.

Sir Robert Peel's ninth principle of policing stated that the test of its effectiveness is the absence of crime and disorder—and not, therefore, any activity on the part of the Government or police forces. The extra resources announced today have still given rise to serious concerns among local police authorities and forces about their ability to cope, given the level of the funding settlement. It is essential that those resources are matched with better police performance. Police reform, as well as police funding, should be the Government's priority.

6.23 pm

Mr. Paul Truswell (Pudsey) (Lab): What I am about to say will not surprise my hon. Friend the Minister. Our previous debate on issues relating to West Yorkshire dwelt mainly on reorganisation. I make no apology for repeating some of the funding issues to drive the message home.

As my hon. Friend knows, thanks to the Government's funding of record levels of police officers and the introduction of PCSOs in West Yorkshire, volume crime levels there have been driven down substantially. Pudsey and Weetwood division in my constituency has been at the forefront; in the last full year for which figures are available—2004–05—8,383 fewer crimes were committed there, a fall of 19 per cent. Figures for burglary and robbery and for theft of and from motor vehicles fell by even more, and the latest figures for the current year are showing that same downward trend.

Despite those encouraging figures, we still need more resources to maintain the downward trend on volume crime and make a much greater impact on antisocial behaviour and violent crime. We need to sustain that sort of progress, but we also need to meet major challenges. As I have said before to my hon. Friend, in October 2005 Her Majesty's inspectorate of constabulary reported improvements across the board for West Yorkshire police; there was an excellent score for investigating crime, and good ratings for reducing crime, promoting safety and the effective use of resources.

More worryingly, the force's ratings for local policing and dealing with the public, although now improving, were still far short of what the people of west Yorkshire

rightly demand. For example, the handling of calls is a continuing source of concern to my constituents. I regret to tell my hon. Friend that this latest funding round will not enable the progress that I have described to be sustained or the challenges that I have mentioned to be met.

The force's latest estimate of the budget increase needed next year is £17 million higher than the funding available with a precept increase of 5 per cent. Admittedly, that includes growth of funding for issues such as counter-terrorism, quality of service commitment and PCSO funding. However, even without that desirable growth, the funding gap is substantial, and that should not be the case. The funding formula has been revised in a way that reflects policing needs across west Yorkshire, and is much more generous than the funding formulae imposed by the Conservative party that benefited the south at the expense of the north.

Mr. Heath: Parts of the south.

Mr. Truswell: I accept that slight qualification.

The notional allocation from the full application of the formula would have been about £320 million, sufficient to fund the West Yorkshire force's base budget without any significant increase in precept. Unfortunately, my hon. Friend and his colleagues have seen fit to set a floor of 3.2 per cent. As he rightly said, that is a virtually flat-rate increase, as in 2005–05, despite assurances—of which I would remind him if he were listening—that the Government would continue to move towards formula-driven allocations.

Once again, we in west Yorkshire are made to feel as if we are going cap in hand to plead with our bank manager to allow us to withdraw money from our own account. West Yorkshire police loses £14.2 million in 2006–07 as a result of that approach, and receives an overall increase in the general grant of only 3.4 per cent. Figures for 2007–08 show an ongoing loss of £14.7 million. That is the third largest clawback of any force in the country and represents 10 per cent. of the total amount needed to support forces below the floor. It is ironic that three of the forces most penalised by that approach contain, like west Yorkshire, concentrations of deprived populations with particular needs for protective services.

My hon. Friend and his colleagues know what the West Yorkshire force needs. The formula reflects those needs, but the funding simply does not. My hon. Friend made reference to the changes in funding arrangements for financing pensions; originally, the calculation was that the West Yorkshire force would lose something like £2 million as part of that process. I am pleased to hear what my hon. Friend has said, but would be grateful if he wrote to me to confirm that that £2 million funding gap over the pension arrangements initially calculated for the West Yorkshire force has been addressed by the measures that he mentioned today.

If West Yorkshire police authority is to set a budget within the capping constraints that does not seriously impact on service provision and officer strength, extra support will be needed, either through general or specific grant allocations. Obviously, I would like my hon. Friend and his colleagues to review and revise the formula funding elements and the impact of the pension arrangements to which I have just referred. However, there are several discretionary areas, which we have explored before, through which the West Yorkshire force could be assisted without making a special case in formula funding terms.

My hon. Friend will be aware of the excellent work done by West Yorkshire in the wake of the London bombings and their unfortunate connection with Leeds. The Home Office is considering the claim put in by West Yorkshire, and the current estimate of the additional cost of reacting to the challenges following the London bombings is about £5.9 million. Meeting those costs would obviously go some way towards filling the funding gap. The force has also submitted a bid through ACPO's terrorism and allied matters group for funding for a local counter-terrorism unit, similar to the one that operates in the west midlands. That bid is still outstanding and is the subject of a great deal of to-ing and fro-ing between Home Office officials and the force. Any influence that my hon. Friend can bring to bear on resolving that issue, and meeting that bill, would be gratefully received.

At our last meeting, I referred to the designation of Leeds-Bradford airport, and my hon. Friend kindly wrote to explain that a review was taking place and was due to report in the spring. I hope that any recommendations on funding West Yorkshire police, particularly my own division of Pudsey and Weetwood, from which come many of the abstractions necessary to police the airport, are looked on favourably.

To ensure that as many hon. Members as possible get an opportunity to speak, I shall conclude. On the basis of the points made today and previously to my right hon. and hon. Friends in the Home Office, I hope that they will understand why people in west Yorkshire feel a bit like the Bisto urchins; we can smell the gravy, but we cannot quite get a taste of it. I hope that the Minister will be able to address my points, although not necessarily in his summing-up speech as I should be grateful if he wrote to me in detail about some of the issues I have raised.

6.32 pm

Lynne Featherstone (Hornsey and Wood Green) (LD): It would have been helpful if the Government's report had incorporated all the funding in support of the fight against crime. If so, we would know exactly what the Government are doing in the round and where the grant to the police authorities will be affected by movements elsewhere in their funding priorities. We have heard some of the detail today but have not had it before; if we had, we could better have assessed the shortfalls, of which there appear to be some.

Has the Minister taken into account that when, as he announced, extra funding is provided for security forces and counter-terrorism operations, which fall outside the police grant, there is a knock-on effect for local police, who inevitably see their work loads rising, to some extent, as they service and facilitate those extra activities? Hence, there is a need for extra funding to match that increase, as the local police and security forces often work together.

I have been in contact, like other Members, with the Association of Police Authorities as well as the Association of Chief Police Officers. Both have

[Lynne Featherstone]

expressed serious concern about the grants. As the hon. Member for Arundel and South Downs (Nick Herbert) said, they face a funding gap, in broad terms, of £250 million, which would need an annual funding increase of at least 6 per cent. in 2006–07 and 2007–08. That would put many authorities in extremely difficult positions. They would either face cuts or have to raise council tax at a critical time for the country, a time at which we must support our police and enable them to carry out their job properly.

Police budgets now include the need to maintain the higher number of police officers we thankfully have. That increase in officers has delivered many benefits in reducing both the fear of crime and crime itself. All parties have welcomed the safer neighbourhood scheme and the return of policing and patrolling at the neighbourhood level. But the real cost will not be adequately funded by the grant in the report, and there must be a danger that police numbers will be reduced as a result.

Mr. Gray: As I understand her premise, the hon. Lady believes that we are satisfied with the level of policing in local areas and on the ground, and are merely concerned about how the grant will pay for them. She has not been to Wiltshire, where we are deeply unhappy about the level of policing. We are not seeing the police on the streets, and this grant will make that worse.

Lynne Featherstone: The hon. Gentleman is quite right. I am not saying that we are satisfied, merely that all parties welcomed the safer neighbourhoods scheme as a means to bring policing back to local areas. Whether it has come back to his area I cannot say; clearly, it has not.

The real costs will not be adequately funded by the level of grant in the report, and if it is not satisfactory now, it certainly will not be next year. Increasing burdens are imposed by pay inflation, new legislation and Government initiatives, and police authorities are inevitably going to find themselves short of a bob or two—or, indeed, a bobby or two.

Stephen Pound (Ealing, North) (Lab): Stop, stop. The hon. Lady is spoiling us.

Lynne Featherstone: Just a bit of humour.

The Government have introduced masses of new legislation, with all that that entails in what is expected of the police. There is now the burden, which will constantly increase, of enforcing those new initiatives, whether they be drink banning orders or enforcement matters, such as those on home furnishing companies selling cutlery to people under 18 years old. Also, the change that means all offences are now arrestable will, in itself, create more of a bureaucratic paper chain without, despite all the talk about technology, the on-street technology necessary for a modern police force, so that officers can spend more time on the streets. Even traffic wardens have gizmos that send messages back and forward. There are burdens from alcohol disorder zones, increasing numbers of antisocial behaviour orders, policing the one third of ASBOs that are breached, dispersal zones and new powers brought in under the licensing changes. An endless stream of new duties has been imposed on the police, and those new statutory responsibilities, as well as delivery of police reform, including the neighbourhood policing initiative, bring significant costs.

Hon. Members will no doubt speak—they already have, to an extent—on behalf of their own police authorities, but it is clear that a significant number of authorities feel that the increase in funding is inadequate and will cause difficulties in fulfilling expectations and keeping up the standards that the public want. They will struggle to meet ongoing cost pressures.

The Metropolitan Police Authority, on which I served for five years before I came here, is an example. My Liberal Democrat colleagues at the Greater London assembly have consistently asked for more money for London policing, not least because of the considerable extra burden on London caused by national and capital city functions, and so that it does not abstract officers from other areas. I was therefore disappointed to see that the MPA's total revenue grant entitlement had fallen by £1.764 million.

Under the new grant formula, the Met's entitlement increased by only 1.15 per cent. That is why the Liberal Democrats and the Mayor of London have been arguing about the Mayor's failure to persuade the Government to adopt a distribution formula that would give London its fair share. To avoid extreme changes in one go, the Government have used floors and ceilings. At the time of the consultation, the floor was set with a minimum increase of 3.2 per cent. for every police authority, with a formula entitlement of less than that. Hence, the MPA was due to receive a 3.2 per cent. increase, although its entitlement was only 1.15 per cent. As a result of the consultation, however, the Government adjusted the grant upward for some police authorities. Because the total available does not change, they have reduced the floor to 3.1 per cent., resulting in a reduction for the MPA, which will also apply next year. Even if the allocation were to increase, the authority would not necessarily get more money as a result of the floor.

We have heard of other grants today, and the Metropolitan Police Service also bid for about £140 million extra but has got around £30 million. It will all go on extra work and staff, so the service will be no better off. The Commissioner of Police of the Metropolis, who I understand has just arrived at the function that I was meant to be hosting, has said to the MPA that what is not funded will not be done. That is serious for London. Another part of the Met's work involves the security services, including MI5. Funding has been increased hugely, but that puts more pressure on the Metropolitan Police Service.

As for special payments, a report produced about two years ago showed that the MPS costs for the capital's royal and diplomatic protection were up to £45 million a year more than the special payments. Seemingly, despite Mayor Ken coming back into the Labour fold, he has been unable to persuade the Labour Government to recognise the importance of policing to Londoners. Does the Minister agree that the disappointing increase in the grant entitlement to the MPA, of slightly more than 1 per cent., represents either a failure of the Mayor

of London to persuade the Government of London's particular needs, or a failure of the Government to understand London's needs?

I am concerned that the increase in police funding is increasingly being paid for by an increase in council tax. The 6 per cent. increase that the Association of Police Authorities and the Association of Chief Police Officers have termed necessary to meet costs will have to be made up by taking the money out of our pockets through the precept. It was said last year that council tax would have to rise to 12 per cent., but police authorities say that they will have to increase reserves to maintain the capped level. That will not happen two years in a row. In addressing the issues of crime and antisocial behaviour in our communities, the Government have been able to push more and more of the costs on to council tax payers through the precept.

Police forces now have to decide at what level to set their budget and to what level they want to raise council tax. Council tax is not a fair tax. It is not fair on the elderly, who have no chance of increasing their income to deal with council tax increases. That applies especially to women, whose pensions are a scandal. It cannot be right to fund ever-increasing police expenditure in this way. The amount of police expenditure that is funded through council tax has more than doubled. It now accounts for more than 21 per cent. of force expenditure compared to 12 per cent. in 2001–02.

We all agree across the parties that there is a need for more police officers on the street and support for safer neighbourhoods. However, as I speak, the Government's proposals to merge police forces deliver a double whammy for local communities. People will be expected to fork out more council tax to pay for the funding gap. At the same time, they will have less of a say in how their police force is run. Indeed, there will be a triple whammy in that we do not know where the cost of the proposed merger will be lumped. Well, we can all guess.

We are faced with a rushed and expensive merger programme that will cost millions of pounds for our police forces to put in place. We all realise and acknowledge that smaller forces can struggle with complex cases, but they should be provided with a national resource on which they can call, or another form of commissioning on which they agree. They should not be forced into a merger that will seriously undermine local accountability.

It seems that the Government, especially given the written statement today, are determined to push on and, effectively, financially to punish police forces that do not wish to merge. Moreover, the Government are obsessed with micro-managing policing throughout the country. The latest example is the Police and Justice Bill, which is coming down the track at us. I raise the matter because the police grant to police authorities will be controlled, if we are not careful, by the Minister. The Bill will give the Home Secretary power to intervene in the business of local authorities; for example, who sits on them, what qualifications they have and how many members there are. Even more seriously, their autonomy will be removed and their function constrained by suggesting what police authorities should be focusing on in their own communities. That is not only Big Brother, but a rather nasty and controlling influence.

While the grant will be given, local control will be taken away. The Home Secretary wants carte blanche to meddle in the composition of police authorities without having to ask for parliamentary approval. No reassurance is given to those of us who are concerned about the loss of local accountability under the police merger plan.

As we have heard, police authorities have continually and successfully exceeded their annual efficiency and savings target of 2 per cent., including cashable savings of 1.5 per cent. As has been said, the Chancellor of the Exchequer even paid tribute to the police service for its success on efficiency savings. Clearly paying tribute is cheaper than paying.

Separate to the settlement, a total of £125 million in capital funding over two years has been held back by the Government to be handed out to any police authorities volunteering for mergers under the Government's plans. Will the Minister announce where that £125 million is going? I would welcome a statement from the hon. Gentleman assuring us that all the police forces that do not merge will not suffer and will not receive less funding as a result.

The Government's grant proposal is not enough overall. There are some winners, but there are many losers. They will have to make a terrible decision between unacceptable cuts, given that we have a service that is only just recovering from the swingeing reductions in finance that were imposed on it by previous Governments, or increases in council precepts that will hit the most financially vulnerable in our communities.

6.46 pm

Dr. Roberta Blackman-Woods (City of Durham) (Lab): I am grateful for the opportunity to raise specific issues relating to the funding of the Durham constabulary. Will my hon. Friend the Minister acknowledge that that constabulary is facing particular problems with its budget over the next two years, and that substantial cuts in front-line services are likely to occur unless urgent action is taken by the Department to address the problems?

There is particular concern about pensions and how they are funded, not least because Durham has had an historically low level based budget. I shall demonstrate that by referring to a recent communication between the Durham constabulary and my hon. Friend the Member for North Durham (Mr. Jones). It is said that the funding gap for the authority, given a 5 per cent. increase in the council tax precept, will be £6 million in 2006–07, rising to £7 million and then £8 million in 2007–08 and 2008–09 respectively. We can use some reserves in the short term to try to close that gap, but we are looking to reduce our base budget by £8 million over the next three years. That will impact on the performance of the force as it will require a reduction in the number of police officers and police community support officers. Overtime will also be reduced as well as the number of civilian staff, leading to de-civilianisation. In addition, there will be a scaling down of support services. Clearly, we do not wish to see such consequences.

Can the Minister give reassurance to my constituents that the gains that have been made across the county in terms of increased police numbers and a reduction in

[Dr. Roberta Blackman-Woods]

crime levels will not be jeopardised by a failure to take action to solve the current funding problem? Can the Minister give the House an assurance that he will re-examine the funding of the Durham constabulary with a view to ascertaining whether measures can be taken to solve the current problems?

6.48 pm

Mr. Crispin Blunt (Reigate) (Con): It is a pleasure to follow the hon. Member for City of Durham (Dr. Blackman-Woods), the city where I was educated. I am sorry to hear that the hon. Lady's police force is suffering in the same way as the Surrey police force.

I could not help but reflect on the comments of the hon. Member for Pudsey (Mr. Truswell) about the people of west Yorkshire smelling the gravy. I have a pretty good idea of where the gravy train is coming from. Any examination of what has happened to the funding of the Surrey police since 1997 makes the position extremely clear.

I tabled a question to the Home Secretary a few days ago to try to establish exactly what had happened to the funding of the Surrey police per head of population since 1997. The answers were startling. In 1997–98, the Home Office police grant per head of population was £57.80. The council tax per head of population was £19.51. Since then, in cash terms that are unadjusted for inflation, the Home Office grant has fallen to £54.29 per head of population, which has been mirrored by a fall in the national non-domestic rates per head of population from £19.72 to £16.25. The revenue support grant has also fallen from £20.01 to £15.39 per head of population. As my hon. Friend the Member for Arundel and South Downs (Nick Herbert) made clear, council tax has gone up by 192 per cent. in real terms since 1997. It is supporting the funding of the county constabulary of Surrey, the grant for which is bouncing along the floor. Of course, the hon. Member for Pudsey wants the floor to be withdrawn so that West Yorkshire police can go through the ceiling.

We must examine why that has taken place. Surrey police has consistently faced the most stringent financial conditions over the past eight years. On two occasions during my time in the House, I took two delegations of Surrey Members, representatives of the police authority and the then chief constable to see the relevant Minister. I first took such a delegation to see the Home Secretary when he held down the position of Minister with responsibility for the police. I went with the then chief constable, Sir Ian Blair, and I had the pleasure of taking Mr. Denis O'Connor at a later stage. Those two gentlemen have gone on to better and greater things, certainly in the case of Sir Ian Blair.

Mr. Paterson: They did not close the gap.

Mr. Blunt: As my hon. Friend pertinently remarks, my efforts and those of the two gentlemen failed to persuade the Home Office that the financial situation of Surrey police was desperate. They certainly failed to the close the funding gap for Surrey.

I did not hear the Minister make any attempt to explain the fact that an enormous discrepancy remains between real inflation and police inflation. He has made generally welcome changes regarding the provision of police pensions, which will give more certainty, although he has docked 0.1 per cent. off the rise to the police to pay for it. He achieved that by making an adjustment to the floor, so there will be a loss to Surrey police and all other forces receiving floor-level funding. Police inflation remains at 5.7 per cent., which is a different rate from the retail prices index inflation. The difference between the two for Surrey police represents about £4.5 million. Police pensions continue to contribute to police inflation, even with the new arrangements, as do police staff pay, police officer pay, meeting national requirements—such as implementing the recommendations of the Bichard inquiry—and the consequences of legislation such as the Freedom of Information Act 2000. The cost to Surrey police of removing the floor would be some £15.7 million, or about 600 staff. Surrey is the lowest funded police authority in the country when measured by funding per head of population.

The reason why that has happened since 1997 is explained by the detail of the formulae in "The Police Grant Report (England and Wales) 2006/07". The Minister said that he did not really have responsibility for formulae because they were local-government based. He said that they were not really anything to do with the Home Office because they were based on a general appreciation of need. However, sitting inside the formulae are the insidious changes that have been made across the piece to the public services of the United Kingdom, which have had a hugely deleterious effect on those services, especially in the south and south-east of England. A disaster has overtaken the Surrey police and the health service in Surrey. I have the hospital trust with the biggest debt in the United Kingdom, and the Surrey and Sussex strategic health authority is in the realms of financial disaster, too. All those problems are connected to the formulae that are applied to public sector funding.

One or two little vignettes in the report deserve to be brought to the House's attention. I confess that I am no expert on the matter, but I have read the report and attempted to understand it. There appear to be seven separate police crime top-ups in the principal formula. I do not know whether that is because the formula has changed every year since the Government came into office because they decided to make new adjustments each year. One sees that indicators such as single parent households, student housing and a category called "hard pressed" appear more than once in the top-ups. My favourite factor applied to funding is in police crime top-up No. 6: the log of population sparsity. Population sparsity causes a reduction in the amount of money made available to the police, so the more sparse an area's population, the more money the Government remove from its police allocation. To make up for that, there is a police sparsity top-up in the formula to add back money.

The document is enormously difficult to understand. I doubt that the Minister understands all the details because he would need a degree of mathematics to know how the formulae are determined. I would be interested to find out how they are determined, but they are way beyond my A grade at A-level maths—[HON. MEMBERS: "Ooh!"] I have to say that I took the exam in the days

when A grades at A-level maths actually meant something. One would need to be an expert statistician to understand how the formulae are determined.

There is another extraordinary multiplication factor in police crime top-up No. 7. It says that wealthy achievers are to be multiplied by 3.0493—whatever that means—and then subtracted from the funding formula. Having included adjustments in the formulae to take account of student housing, young male unemployment, overcrowded households and all the rest, why on earth is there a need to penalise people who are identified as wealthy achievers? I looked in the document to find out the definition of wealthy achievers. If one wishes to be able to afford to buy a property in Surrey these days, being a wealthy achiever is probably a basic necessity.

Mr. Heath: I hope that the hon. Gentleman is not going to draw attention to the adjustment for terraced accommodation because it has worked rather well for Avon and Somerset constabulary, as it has been considered to be a factor of deprivation for Georgian Bath and Georgian Clifton.

Mr. Blunt: I could also refer to terraced accommodation in Fulham, which is where my London home is. I have a vague idea of what my home is worth—it is a great deal more than it was when my wife and I bought it 12 years ago. I find it very odd that the factor is used in such a way.

I wonder whether you, Mr. Deputy Speaker, or any other hon. Member is able to understand the definition of wealthy achievers:

> "The proportion of household residents living in areas classified as ACORN category Wealthy Achievers, as defined in ACORN data produced by CACI Limited, based upon information from the 2001 Census and the updated ACORN classification released at the end of 2004."

I hope that the House is assisted by that. It would help if the Government, when bringing documents before the House, made them available and simplified them as much as possible so that we can understand precisely what they are doing with these formulae. I suspect that they do not want to do that because if we could see exactly what they were doing with the formulae, the extent of the rearrangement to move money for political rather than operational purposes would be made all too clear.

My particular concern on behalf of the Surrey police authority is that it is caught in the Catch-22 of management options. If it thought that reducing the number of officers was the best way to try to maximise the limited amount of money it has for dealing with crime in Surrey, it could not do that. If it did, it would lose the crime fighting fund of £4 million. If Surrey goes under 1,921 officers, which is what it had on 1 April 2004, it loses another £4 million, even if having fewer officers would be a better way of using its limited resources. The force must have a set number of community support officers by 2008—326, I think—but the funding for that appears to come to an end in that year.

The greatest management tool that will make life difficult for Surrey is, of course, capping. I know from having spoken to the chairman of Surrey police authority and others that it will be impossible for the authority to set a budget below the expected capping limit and sustain current performance. The Government, by imposing the capping limit, will enforce falling police standards in Surrey—that is the situation that we have to face. That is despite the fact that the authority will be plundering its reserves, which are already said to be inadequate by Denis O'Connor in "Closing the Gap".

Mr. Philip Dunne (Ludlow) (Con): Although I do not have the benefit of an A grade in A-level mathematics, I have taken the trouble to look at the papers provided to the House for this debate. There appears to me to have been the most monumental typographical or arithmetical error. I draw the attention of the House to the ministerial statement on 5 December 2005, in which the provisional police funding announcements were made, which indicated that the Home Office police grant would rise from £4.574 billion in 2005–06. The very same number is presented to us at the foot of the table on page 3 of "The Police Grant Report (England and Wales) 2005/06". In the ministerial statement, the equivalent figure for 2006–07 was £4.714 billion, representing an increase of 3.1 per cent. If you look, Mr. Deputy Speaker, at the table on page 3 of "The Police Grant Report (England and Wales) 2006/07", you will see that the figure at the bottom, which is the sum of all the allocations for the authorities, is £4.335 billion, some £400 million less than the figure identified—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I find two things wrong with the hon. Gentleman's intervention. First, it is too long. Secondly, he should be a little more adroit in relating it to what his hon. Friend, on whom he is intervening, has been saying. I call Mr. Crispin Blunt.

Mr. Blunt: I am grateful to my hon. Friend for his intervention because I am sure that, as he has drawn those figures to the attention of the House, Ministers can now draw on some of the services, for which they are currently paying £45,000 a day, from the consultants who are assessing the business case for the amalgamations so unwanted by police forces throughout the country.

Mr. Pelling: Will my hon. Friend give way?

Mr. Blunt: No, I will not, if my hon. Friend will forgive me. I know that others want to speak and I want to get to the end of my remarks as soon as possible

It is suggested that the British Transport police may be wound up and their responsibilities passed to local area police forces. I understand—my source is the clerk, or chief executive, of the British Transport police authority—that the force receives some of its funding from train operating companies. In Surrey, we have the busy Brighton main line, and a number of other important train services pass through the county, but of course none of the money would be passed on from the train operating companies to assist in taking on that policing responsibility. I hope that the Minister will be able to respond to that point.

There is only a faint silver lining to the cloud of amalgamation hanging over Surrey: the county is so poorly funded that it would have a negative dowry if it

[Mr. Blunt]

entered a marriage with any of the surrounding county forces, so they are all fighting not to have anything to do with it. If Sussex, the county of my hon. Friend the Member for Arundel and South Downs (Nick Herbert), was amalgamated with Surrey, an immediate 17.6 per cent. increase in the council tax would be required to pay for that. If we are amalgamated with Hampshire, an extra 15 per cent. in council tax will be required.

That illustrates the extent to which the Surrey police force has been underfunded since 1997. Over the past eight years, successive chief constables and chairmen of the police authority have made a very good fist of sustaining operational performance despite enormous financial stringency. However, the pips have squeaked long enough. Operational performance will be severely threatened if this continues, and I urge the Government urgently to take a serious look at the formula. I know that my hon. Friend the Member for Guildford (Anne Milton) seeks to bring me and other colleagues to see the Minister to discuss the matter in detail.

7.7 pm

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The main issue that Dyfed-Powys police authority has with the settlement is a £2.7 million shortfall. It pleaded with the Government to deal with that—and to be fair, I must tell the House that they met the authority part of the way and, on 30 January, announced a further £1.1 million. The authority still has a shortfall of £1.3 million. Unfortunately, that means a hefty increase in council tax, because that is now the authority's only option.

Dyfed-Powys police force is opening up small police stations, not closing them down. It has an excellent track record, but it will probably be capped because it foresees an increase of 6. 8 per cent. in council tax to fund the shortfall. Without that shortfall, the estimated council tax increase would have been about 1 per cent. I understand that the authority is seeking legal advice. It is far from happy, so the Minister's rather upbeat introduction is not being echoed in Dyfed-Powys.

North Wales has received a 3.2 per cent. settlement, and major changes to the funding formula and pension payments have been protected by the floor grant of 3.2 per cent. Unfortunately, council tax payers in north Wales already pay the highest police precept in Wales, and they face another inflation-busting increase this year. They could end up paying more than 10 per cent. extra this year just to maintain the same level of service. That is one of the four options for the force. The other "standstill" proposal would involve a 6.58 per cent. rise in the bill for policing, with the force having to find an additional £1.8 million. Last week, a police authority committee meeting at Colwyn Bay said that the authority would have to face very difficult choices.

The performance figures for North Wales police are excellent, with the fourth lowest crime rate in England and Wales for recorded offences, at 56.1 per thousand of population. Recorded offences have dropped by 3,688, with a sharp fall in vehicle crime and house burglaries, and the detection rate has reached 43 per cent. This year's draft police authority newsletter boasts, "We are winning"—and I am sure that it is. Serious violent crime has shown an increase slightly below the UK average.

The forecast for the police services budget involves an increase of about 6 per cent., for which the council tax increase is likely to be between 5 and 7 per cent. That is a serious position, and the North Wales police are concerned about it. As I have said, they have been performing very well. I made the point of comparing their performance to that of Dyfed-Powys, and I shall refer to that of Gwent in a moment, before briefly addressing the question of the rushed and ill-thought-out amalgamation.

A great deal of data have been produced comparing North Wales police with other forces, and the reports show that they are performing excellently and investing in the right areas. For example, the police officer to police staff ratio is higher than in most other UK forces. Even so, the £1.5 million cut will mean between 30 and 50 job cuts, although North Wales police already have fewer staff than other forces. This will inevitably put North Wales's good financial and performance records at risk.

Changes have been made to the way in which port security at Holyhead is funded. Obviously, this is a sensitive subject, but just as the Home Office identified a perceived gap in the capacity to deal with level 2 crime in these areas, it has cut its financial investment for that purpose in the North Wales police. The budget for police community support officers—PCSOs—will also be cut in due course. The rate at which the North Wales force is now being funded does not allow it to pay PCSOs at the right grade, which is creating problems for morale, job satisfaction and retention. And all this is in advance of the tapering that will inevitably take effect, cutting off the money from the centre to finance these officers.

The chief constable of the Gwent police force has rightly said that the funding formula is too complex—a point that was echoed just now by the hon. Member for Reigate (Mr. Blunt). Gwent must find £5 million savings, and the suggested restructuring that we are now hearing about might have to be paid for by borrowing. That is another force—albeit a small one—that is doing excellently for its size. There are no problems at all there. Only a few months ago, Her Majesty's inspector of constabulary gave the Gwent, North Wales, Dyfed-Powys and South Wales forces a clean bill of health.

All those forces are doing well. However, the preliminary budget for Gwent for 2006–07 shows an increase over the budget for the current year of £6.1 million, or 6 per cent. That increase, which is in line with those for other police requirements across England and Wales, will be needed to cover pay awards, price inflation, reducing specific grants on Government initiatives, pension costs and unavoidable operational items. Because of the gearing effect, an increase in expenditure of 6 per cent. and an increase in central funding of only 3 per cent. will produce an increase in council tax of 13.6 per cent—and, of course, we expect a cap of 5 per cent., so huge savings will have to be made elsewhere, including job cuts and cuts in services. That is the last thing that Gwent police would want.

I want to talk briefly about the statement that was sneaked out today. That was an abominable thing to do. The press and media in north Wales were briefed about this matter on Friday evening, because a member of the press told me personally that "the game was over"—he used those words. As a Member of Parliament, I was

rung by the BBC at my home yesterday evening, also to be told that the game was apparently over. I find it abhorrent that the Government should brief the media on a Friday, and I should be told about it on an off-hand basis the night before the statement was sneaked out through the Library today.

That is an appalling way to do things, and it simply underlines the fact that the case for the amalgamation has not been made. I pressed the Minister for Policing, Security and Community Safety for weeks to give me the justification for the magical figure of 4,000 officers. I finally received a stupid little graph showing me how it would work. It had nothing to do with policing, and it was absolute nonsense; the case for the amalgamation has not been made.

When the proposal was first announced in September, the Secretary of State for Wales said that the case for the amalgamation would have to be proven. It has not been proven in any shape or form. In Wales, we remain totally opposed to the proposals. Many senior officers and all the police authorities are against them. It would take a chief officer between four and a half and five hours to travel by car from Cardiff to Holyhead; that is absolutely ridiculous.

Mr. Paterson: I entirely endorse the hon. Gentleman's comments about the 4,000 officers. May I add that those of us who live on the border with Wales are also bitterly opposed to having a monster force based hundreds of miles away in Cardiff?

Mr. Llwyd: I hear what the hon. Gentleman is saying. I know that the Dyfed-Powys force is in daily contact with forces over the border, and that they have an excellent exchange of information. The North Wales police have hourly contact with the Cheshire and Merseyside forces, exchanging information and intelligence. A huge and dangerous drugs ring was busted by the police forces of South Wales, Gwent, and Avon and Somerset, working together on Operation Triban, giving the lie to the idea that the existing forces cannot handle organised crime. I presume that terrorism will stop this side of the Scottish border, because the Scottish forces, although the same size as the Welsh ones, are thought to be able to handle terrorism and organised crime. That is nonsense.

Mr. Jim Devine (Livingston) (Lab): Is the hon. Gentleman aware that we are discussing an FBI-type Scotland-wide police force?

Mr. Llwyd: Well, there we are. These proposals have been rushed through since September with a great deal of urgency, and perhaps even the Scots are discussing the idea. I wonder whether they will go down that route.

Mr. Paterson: Is the hon. Gentleman aware that the Scottish Labour party is proposing that Strathclyde police should be broken up because it is too big, and has stated specifically that it is not "going down the English route"?

Mr. Llwyd: I am much obliged to the hon. Gentleman for that information. Perhaps the earlier intervention was not as clever as all that.

I want to finish with two quotes from the part-time Secretary of State for Wales, who said on the BBC website today:

"The argument"—

for amalgamation—

"has been won, but many people didn't realise that"—

whatever that means. A better quote was that the amalgamated force for Wales was

"needed to deal with serious murders".

I suppose he was distinguishing serious murders from the trivial variety. What nonsense this all is!

7.18 pm

Mr. Owen Paterson (North Shropshire) (Con): Thank you very much for calling me to speak in this debate, Mr. Deputy Speaker, and may I repeat the apology that I made at the beginning? I was here for the opening remarks, but there was such anger locally that I was asked to make comments outside the House on the extraordinary statement that has been slipped through in the most skulking and underhand manner by the Home Secretary. I was rung up by my local radio station, BBC Radio Shropshire, at about 1.30 pm. It had already had notification that there had been a statement and asked whether I knew anything about it, which I did not.

My secretary immediately looked on the Home Office website, but there was no mention whatever of such a statement. I then rang the chairman of the police authority, who knew nothing about it. Then I went down to the Library and got this copy, which brought the most unwelcome news that the West Mercia police force is going to be rammed into a monster regional force. Mr. Deputy Speaker, will you pass on to Mr. Speaker the fact that I find it scandalous that such a huge decision is being announced in a two-page written statement placed in the Library?

I congratulate West Mercia on being judged the number one force in the country, according to the widest range of criteria established by the Home Office, although its geographical area is the fourth largest, and it is the largest landlocked force. It is dramatically less well funded by central Government than all the forces that surround it. It receives £94.38 per head, and as we have just heard, North Wales receives £116, while Dyfed-Powys receives £105.24 and Gwent £131.45. We are massively worse off than the Welsh forces.

Let us compare the funding of forces in the north of England. Cheshire is well in with £112.36, Staffordshire receives £107.96, West Midlands receives a massive £167.25, Warwickshire receives £99.69, and Gloucestershire receives £107.52. That is because West Mercia was one of the first forces to—if I may use a ghastly piece of jargon—civilianise. It took police officers away from routine activities such as answering telephones, putting those duties into civilian hands. The force is thus being penalised for its historic efficiency. This is not just a whinge about money. I am trying to draw attention to the fact that West Mercia has still emerged as the number one force in the country—although for reasons that I do not understand, the Minister for Policing, Security and Community Safety rubbishes it at every opportunity, and tries to run down its achievement.

[Mr. Owen Paterson]

Only 10 days ago, I took the chairman of the authority and the chief constable to meet the Minister. They have made a strong case for the view that no financial gains can result from the huge amalgamation of the west midlands forces. As they have said, West Mercia is already an extremely efficient force that has made prudent savings, which it intends to invest in strategic policing measures to deal with issues such as terrorism and serious crime, which were mentioned by the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd). West Mercia proposes to spend £2.9 million of its own funds on an extra 95 officers who will handle those issues; it has a record in that regard. I am pleased to see that my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) has just come into the Chamber, because I was about to say that when the IRA blew up Shrewsbury castle, West Mercia dealt with it. When the IRA blew up Tern Hill barracks in my constituency, West Mercia dealt with that as well. Bizarrely, when the IRA turned up at Weston Park for the summit, West Mercia police were actively involved in protecting the terrorist leaders. They were also involved at Weston Park when President Clinton was there.

West Mercia has been involved at the highest level in key strategic policing issues. For instance, Hereford contains the headquarters of the SAS, which must be a serious target for those who do not have the good will of this country in their sights. The force has handled all those duties most efficiently, and I cannot understand for the life of me why the Government are ignoring the fact that it is so efficient, and also so popular.

West Mercia carried out a survey of public opinion, which is probably unprecedented among police forces. Not one of the Members of Parliament who were consulted—including a Minister and a Parliamentary Private Secretary—and not one county council, unitary council or district council has written in to approve what is going on, but 108 parish councils have written in to support the idea of retaining West Mercia as a strategic force with its own boundaries. Following a telephone survey, 96 per cent. of respondents said that they wanted the force's status to be maintained, because it spent its funds well. That is what the debate is about—efficient policing, and local policing.

Mr. Heath: The hon. Gentleman is making an excellent case for West Mercia. The amalgamations were supposed to be based on a business case. Does he believe that the Government even constructed a business case, let alone examined and judged it, before making their decisions?

Mr. Deputy Speaker: Order. Although the question of amalgamation obviously touches on the debate, it is not the principal subject of it. The hon. Member for North Shropshire (Mr. Paterson) should direct most of his remarks to the orders that we are debating.

Mr. Paterson: I am grateful for that helpful comment, Mr. Deputy Speaker. I will not be drawn too far down the road along which the hon. Member for Somerton and Frome (Mr. Heath) would like to take me. I shall simply say that with some of the funds allocated to it by the Government last year, West Mercia commissioned a survey by Tony Lawrance, professor of statistics at Warwick university. I cannot resist commenting that the force used its public funds wisely. The professor simply said

> "The conclusions drawn in respect of the 4,000 minimum force size almost totally ignore the variability of protective services performance at each force size, and no evidence is provided that this will be small at the 4,000 level."

It is extraordinary that a professor of statistics, who may have an even greater knowledge of mathematics than my hon. Friend the Member for Reigate (Mr. Blunt) with his A grade at A-level, has completely trashed that proposition.

The Government have not answered the professor's point. I have written to the Minister, I have been to see the Minister, but there has been no response to Professor Lawrance's critique.

West Mercia is the number one force. It is the worst funded in my region, but it is not whingeing. It is putting money aside for strategic policing. I consider it scandalous that the Home Secretary did not have the guts to come here today, look us in the eye and answer questions from 13 Members of Parliament, not one of whom supports this outrageous, unprecedented move to create a monster police force that will be the beginning of a national force. We shall have 12 toadies around a table—chief constables beholden not to us as Members of Parliament and not to those who pay the council tax, but to the Home Secretary. He will set the targets, he will provide the pay and the pensions, and that is where the promotion will come from.

Peter Luff (Mid-Worcestershire) (Con): Does my hon. Friend agree that the extra police officers whom we have in West Mercia are a direct result of decisions by the police authority to increase council tax? Owing to monstrous underfunding, we could not pay for them from Government support for our local police service. Local people are prepared to spend extra money on a better police service, and have expressed complete contempt for the idea of a merger between police services. Should not those local people, who have put their money where their mouths are, be listened to?

Mr. Paterson: I entirely agree. My hon. Friend's constituency contains West Mercia's headquarters, and he has worked closely with the chief constable and the chairman for many years.I take my hat off to those two men, who have fought their case bravely and politely. They have an efficient force, the best in the country, although they have the least money from central Government. Their proposal that theirs should be a strategic force on the current boundaries should be respected, rather than being dismissed by the Home Secretary in such a cavalier manner.

7.27 pm

James Brokenshire (Hornchurch) (Con): It is a pleasure to follow that excellent speech by my hon. Friend the Member for North Shropshire (Mr. Paterson), which summed up the anger generated by the police force reorganisations and the way in which they have been handled. I wish to associate myself with the comments about the sneaking through of today's

announcement. It is scandalous that such important issues could not be debated on the Floor of the House when so many Members have a direct interest in them, and in the impact on their areas should the proposals go ahead in the face of strong opposition not just here, but in communities outside the House. I hope that the Minister will convey the sentiments expressed here today to his colleagues in the Home Office, and will reflect on the approach that has been taken.

I want to say something about the impact of today's announcement in London. I note the amount that has been allocated to the Greater London Authority, and the fact that it includes a sum to take account of London's own impact as a capital city and its need to fight terrorism. I heard what the Minister said about the allocation of additional funds to the fight against terrorism, and that is appreciated, but it is not clear to me what will happen in outlying areas such as mine, in the suburbs of London, in terms of general policing.

I listened very carefully to what the Minister said about the importance of safer neighbourhoods, and of focusing on antisocial behaviour. However, I remain unclear whether previous promises—on ensuring that each ward of each London borough has its own safer neighbourhood team to ensure direct accountability and a local link—will be met.

I am fortunate in having a safer neighbourhood team in every ward bar one in my constituency, but I hear that although the plan is to introduce new teams in the next 12 months, resources will be drawn away from what are known as the core teams—the main response teams. I am very worried about what that will actually mean, and it is clear from the report that finances are rather constrained. My hon. Friend the Member for Reigate (Mr. Blunt) gave us an interesting and detailed analysis of the figures; indeed, he took a scientific, mathematical and erudite approach to them—*[Interruption.]* His approach certainly was very academic, although I am not sure whether he needed an A-level in mathematics or in physics to deal with the formulae that have been discussed this afternoon.

I have grave fears about what the additional resources will mean for community policing in London boroughs such as Havering. If resources are drawn away into safer neighbourhood teams, police officers will be taken away from the core teams, yet such teams will be required to serve the needs not only of my area but of the capital in fighting terrorism.

I hope that the Minister can respond the concerns that I have expressed about boroughs outside the centre of the capital. We need to know that we will have the real improvements in policing that my colleagues and I want to see; that we will have better, more effective and more accountable policing; and that we will ensure that local neighbourhoods and communities get the standard of policing that they rightfully deserve.

7.32 pm

Paul Goggins: I shall try, in the little time that remains, to respond to some of the many points that were made by Members in all parts of the House. The hon. Member for Arundel and South Downs (Nick Herbert) began by welcoming the two-year arrangement, and we can all agree that that is a good step forward. However, his suggestion that the additional funding provided by this Government over a number of years was somehow not real money defies belief. We are talking about a 29 per cent. real-terms increase in central Government spending and grant in 2000–01—a period during which, of course, his party was pledged to reducing the money going into public services. Our investment has resulted in a force of more than 141,000 police officers, and we are well on the way to providing the 24,000 community support officers that we promised.

I was pleased that the hon. Gentleman offered strong support for CSOs. As he pointed out, they stay on the street, where people can seek reassurance from them. For many CSOs, such a role is a route into the police service, and they provide a visible force. Indeed, the emerging evidence is positive. The public value CSOs and regard them as more accessible; they also feel that they spend more time in the community. As the research shows, basing a CSO in a mixed neighbourhood policing team can increase public confidence fivefold. So evidence of CSOs' effectiveness is emerging.

Bob Spink (Castle Point) (Con): Will the Minister give way?

Paul Goggins: I am afraid that I have no time to take interventions; I took plenty during the 50 minutes for which I spoke at the beginning of the debate. I mean no discourtesy.

I also welcome the comments of the hon. Member for Arundel and South Downs on reducing bureaucracy. The programme in which we are engaged will put the equivalent of 12,000 police officers back into front-line policing. He gave some very good examples of how reducing bureaucracy can lead to efficiencies. We should not underestimate the scale of the efficiencies that, if we look hard enough, remain to be gained.

We have heard many figures cited this afternoon for financing restructuring. The group looking at this issue—it was set up by the Home Secretary and includes the Home Office, the police authorities and the Association of Chief Police Officers—has had estimates ranging from £430 million to £600 million. It is simply too early to say precisely what the figure will be, but as I said earlier, the financing will come from a variety of sources: the £125 million that, as I confirmed earlier, the Home Office will make available, the reshaping of some existing commitments, and further local investment, which will yield savings in the longer term. By the longer term I mean a three-year period, no more. It is clear that that combination of investment can cover the costs of restructuring.

As my hon. Friend the Member for Pudsey (Mr. Truswell) told the House, he and I have discussed these issues before. His constituents need be in no doubt that when it comes to arguing for policing resources, he always makes an effective case. He celebrated, as I do, the extra 480 police officers serving in his police force and the additional CSOs. We have seen the fall in volume crime as a result. I acknowledge, as I did during his earlier intervention, the gap between what the formula would have given his police force and the actual amount that it will receive. I say again that that is to the benefit of 24 other police authorities; we have to achieve stability, as well as meeting need. I should also point out

[Paul Goggins]

to him that pension costs are covered in the settlement, and that discussions are ongoing about a counter-terrorism unit. The further announcements that the Home Secretary made at the end of January will be helpful in taking that issue forward. We continue to look at the costs associated with post-7 July activity. Stephen Boys Smith is examining airport policing generally, and the question of designation will also be dealt with.

I apologise to the hon. Member for Hornsey and Wood Green (Lynne Featherstone) if I did not make the figures sufficiently clear, but in fact they are very clear: the total amount of central grant that we are providing is £10.574 billion. I am, of course, happy to explain how wider funding assists our policing effort. For example, the £1.5 billion that we are investing in the drugs programme in the coming year will help enormously in dealing with some of the criminality linked to drugs. On the £125 million available to help with the costs associated with restructuring, the Home Secretary has made it clear that he will consider applying some of that funding to stand-alone forces that meet the acceptable standard for protective services. I hope that the hon. Lady will take some encouragement from that. I disagree, however, with what she said about the Government's policing policy hitting the poorest hardest. The central thrust of that policy—neighbourhood policing—is about ensuring that the poorest people in the poorest communities, who are often those most affected by criminality, are given the policing service that they deserve. That goal is at the heart of all that we do.

The police force in the constituency of my hon. Friend the Member for City of Durham (Dr. Blackman-Woods) will gain from the floor that we have put in place—to the tune of some £4.6 million—which will help it to meet the needs in her area. The force in the constituency of the hon. Member for Reigate (Mr. Blunt) will also gain from that floor—to the tune of some £1.3 million. I am glad that he welcomed some of the measures that we are putting in place, particularly those relating to pensions. I am in awe of his A grade in maths, so I hesitate to tell him that some of his figures were wrong. I shall take the opportunity to write to him and to ensure that the correct information is available. The Secretary of State for Transport is reviewing the British Transport police, which is another issue that the hon. Gentleman raised. Doing so is sensible in the context of the Home Secretary's ongoing review, but nothing that I have announced today relates to the British Transport police.

I point out to the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) that the additional £3.7 million for Dyfed-Powys police, the £2.7 million for Gwent police and the £7.2 million for North Wales police takes them to the floor and means that in that regard, they are on an equal footing with the English authorities. I hope that he welcomes that. I am sorry about the way in which he and others found about these developments. However, last Thursday's Order Paper made it clear that the Home Secretary was going to make an announcement. If a journalist puts two and two together and rings the hon. Gentleman up, that is a matter for the journalist and for him. *[Interruption.]* The Home Secretary did not sneak out a statement today; he made a statement that had been advertised on the Order Paper. It was freely available, and hon. Members had access to it.

It being three hours after the commencement of proceedings on the motion MR. DEPUTY SPEAKER *put the Question, pursuant to Order [31 January].*

Resolved,

That the Police Grant Report (England and Wales) 2006–07, HC 845, a copy of which was laid before this House on 31st January, be approved.

MR. DEPUTY SPEAKER *then put the remaining Questions required to be put at that hour.*

Resolved,

That the Police Grant Report (England and Wales) 2004–05: Amending Report 2005–06, HC 847, a copy of which was laid before this House on 31st January, be approved.

That the Police Grant Report (England and Wales) 2005–06: Amending Report 2005–06, HC 846, a copy of which was laid before this House on 31st January, be approved.—*[Paul Goggins.]*

Local Government Finance

7.40 pm

The Minister for Local Government (Mr. Phil Woolas): I beg to move,

That the Local Government Finance Report (England) 2004–05: Amending Report 2006, HC 856, a copy of which was laid before this House on 31st January, be approved.

Mr. Deputy Speaker (Sir Alan Haselhurst): If the House agrees, we will also discuss the other two motions on the police on the Order Paper:

That the Local Government Finance Report (England) 2005–06: Amending Report 2006, HC 857, a copy of which was laid before this House on 31st January, be approved.

That the Local Government Finance Report (England) 2006–07, HC 858, a copy of which was laid before this House on 31st January, be approved.

That the Limitation of Council Tax and Precepts (Alternative Notional Amounts) Report (England) 2006–07, HC 859, a copy of which was laid before this House on 31st January, be approved.

Mr. Woolas: On 5 December, I announced plans to the House for grant allocation to local authorities in England, and today I confirm that the Government will provide for a total grant of £62.1 billion in 2006–07 and £65.1 billion in 2007–08: increases of 4.5 per cent. and 5 per cent. respectively. On top of that, some £24.8 billion and £25.6 billion will be grant distributed by formula, which we are debating today, and those are increases of 3 per cent. and 3.7 per cent. respectively. By 2007–08, that will provide 10 years of above-inflation grant increase for councils. Specific grants will total £37.3 billion and £39.5 billion. They are a very important part of the picture because they include the funding for schools, the Government's top priority.

Before Opposition Members rush to contrast this year's formula grant for their education authorities with last year's, they should bear in mind that a fair comparison of figures must include schools funding. All of the figures I quoted are adjusted for changes in function and financing to give a like-for-like comparison. We have also provided a two-year settlement for the supporting people grant programme. Total allocation in 2006–07 will be £1.685 billion. Allocations of 95 per cent. of grant have been announced for the second year, 2007–08, so an authority's allocation will not go below that, and it may indeed be higher.

Peter Luff (Mid-Worcestershire) (Con): The figures that the Minister has boasted about of above-inflation increases refer to the aggregate of a county council settlement. While it is true that the settlement for education has indeed been significantly above inflation, the settlement for other areas has been below inflation, posing real problems, for example, for social services departments and highways maintenance.

Mr. Woolas: I am sure that we shall come on to the specifics during the debate. My point is that if one takes a like-for-like comparison of total allocation for all councils, they have all received an above-inflation grant increase. For the benefit of the House, I shall detail the floor damping levels to which his authority and representations referred.

In allocating grants in advance to every local authority in England, we have put a premium on stability and predictability of funding. Those are vital to councils so that they can plan ahead for service delivery. We have now announced two-year individual allocations of formula grant for every authority, and more than 90 per cent. of all specific grants that can be allocated in advance have been allocated for 2006–07 and 2007–08. With the next spending review period of 2008 to 2011, we will move towards full three-year settlements.

Changes in grant distribution can be disruptive and I intend to minimise the extent to which that is so in the short term. In the interests of stability, we have made grant floors—a minimum guaranteed increase from one year to the next—a permanent part of the system. Further to that, for the next two years we have set grant floors—minimum guaranteed percentage increases—that are high in relation to the average increase available in formula grant. I shall list those floor figures for the benefit of the House. For 2006–07, the floors will be 2 per cent. for those authorities with education and social services responsibilities; 3.1 per cent. for police authorities; and 1.5 per cent. for fire and rescue authorities. As I have already explained to the House, that figure masks the help we are giving by phasing in recovery of the modernisation grant paid in 2004–05.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): The Minister's new social services formula has had a very detrimental impact on my local authority, especially as we have had a 24 per cent. increase in the needs of the children of Barnsley and a 67 per cent. increase in the needs of young adults. That has caused great concern. Would the Minister be prepared to meet a delegation from the local authority?

Mr. Woolas: I am always prepared to meet with Opposition Members and my hon. Friends to discuss matters. I shall give further details of the impact of the floors—the authority in my hon. Friend's constituency is paying for floors in other authorities. That is the important point of policy that I am now addressing. I shall explain what the floor figures are for the benefit of all hon. Members, as some authorities have not yet been mentioned.

The floor figure for shire district authorities in 2006–07 will be 3 per cent. In 2007–08, the floors will be: 2.7 per cent for education and social services authorities; 3.6 per cent. for police authorities; 2.7 per cent. for fire and rescue authorities; and 2.7 per cent. for shire district authorities. We shall also phase in the changes for children's and younger adults' social services, with specific formula floors in those funding blocks.

Mr. Eric Pickles (Brentwood and Ongar) (Con): Would the Minister address a technical question regarding the floors? For the first time, supported borrowing is being addressed and, from memory, the scale-back on that is 85 per cent. Those quite desirable capital schemes are included for the first time. That often means that a particular floor can sometimes have a negative value.

Mr. Woolas: I want to deal with supported capital and the impact of the floors because the hon. Gentleman and

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a number of delegations I have met during the past few weeks have raised that point. I would argue that it arises from a misunderstanding resulting from the abolition of the notional spending amounts through the old formula spending share criteria.

Consultation on the settlement I proposed to the House on 5 December ran until 11 January, and in the course of that consultation the Office of the Deputy Prime Minister received 336 written representations from councils, right hon. and hon. Members and others. In addition, ministerial colleagues and I met 60 delegations. I shall deal briefly with some of the main points that were raised.

Mr. Bob Laxton (Derby, North) (Lab): As my hon. Friend knows, one of the delegations included me and representatives from Derby city council, which was one of 27 major authorities caught by the miscalculation of population figures by the Office for National Statistics in 2001. Despite the representations made by the 27 authorities affected and the fact that, by my calculations, the sum needed to settle the problem was not large—about £6.4 million—I am disappointed that the ODPM did not see fit to provide that additional sum, as it would have given Derby city council about a third of a million pounds, which would be extremely helpful.

Mr. Woolas: I recognise the point that my hon. Friend makes and congratulate him and his colleagues from the council on their professional representation. I want to make a specific point about the population statistics in relation to comparisons with 2004, 2005 and 2006, so perhaps my hon. Friend will bear with me.

Sir Paul Beresford (Mole Valley) (Con): As the Minister knows, it was generally thought that the standard spending assessment and the formula spending share were equally complicated, but the new distribution system is really confusing and difficult. Could he help by writing to me on this point? In an inner-London council that I know well, the relative needs indicator in the formula for children to social care is 0.00051700040384. That means nothing to anybody expect perhaps a man with a computer, so will the Minister explain what it means and what would happen if he wanted to put more money into that needs sector? How does he know that it will be allocated there and not distributed elsewhere by the formula?

Mr. Woolas: It seems that I have confused the hon. Gentleman with the simplicity of the formula. The abolition of the FSS, whose predecessor was the SSA, has caused some difficulties for local authority officers when advising Members on like-for-like comparisons, but as I said on 5 December, our view was that the FSS no longer served the purpose for which it was designed, if indeed it ever did. That in itself caused great confusion and, as I shall say when I set out my four clear principles for the determination of grant distribution, we have the basis for a much greater understanding of local government finance as we move through the rest of this year and the important debate, in which the hon. Gentleman has a part, on future financing.

David Howarth (Cambridge) (LD): Will the Minister give way?

Mr. Woolas: If I may, I shall go through the principles, after which the hon. Gentleman may be informed of the beauty and symmetry of the formula. Although beauty and symmetry are not words that come to mind that often when dealing with him, I hope that he will bear with me.

Given that we had proposed to phase in change quite slowly, it is not surprising that many local authorities commented on the impact of the damping. A number of authorities on the grant floor complained that they had gained no extra grant above the floor; for example, for capital projects. I reject that argument because the floor gives such authorities more grant than they would receive after the grant formula calculation. Other local authorities above the floor—we have heard about some of them already this evening—complained of the extent to which their grant increase was scaled back to pay for the floor applied to other authorities.

First, of course, the floor has to be paid for, and ultimately one has to strike a balance between the need for stability and allowing larger grant changes to come through. As I have explained, the overwhelming principle in the settlement is to favour stability. Secondly, it is important to note that the real-world pressures on local government exist irrespective of formula changes and are not new, although they may be more transparent—as has been outlined.

We have reformed the grant calculation system and some respondents found that difficult to understand. I readily concede that the system is still complex, but in the past we found that some local authorities were not happy with the idea of a simple system, as in their view it would reduce fairness. My policy is to make the system simpler. For the present, the new system has the advantage of removing the old assumptions about spending and tax levels—the FSS—thus devolving more accountability to local authorities, a policy that Opposition Members say they favour.

The new system is simpler in principle. Apart from the damping that I have already described, grant distribution is determined by three things: first, a relative needs formula; secondly, an amount relative to the tax that can be raised locally based on the property profile in the local authority area; and thirdly, a central allocation per head of population.

The relative needs and resource elements should be broadly familiar to Members, as the system has long contained formulaic estimates of relative need and of relative ability to raise council tax. The central allocation makes explicit what was always implicit in the system—after taking account of differences in relative needs and resources, some of the grant is allocated on a per capita basis. Fuller explanations are of course available to authorities, and to Members, in the supporting information we have provided.

David Howarth: Following the point made by the hon. Member for Mole Valley (Sir Paul Beresford), can the Minister explain how the basic amounts for each block are calculated? Is it part of the needs index or, as it appears to be, a political judgment about the balance between different spending blocks?

Mr. Woolas: The formula allocations of the seven funding blocks are based on an assessment of needs, but

the overwhelming determinant is the amount of formula grant available for distribution, as the hon. Gentleman knows. That is inherent in the system; we can only slice the cake in so many ways. If I may, I will take this opportunity to lay to rest the accusation—although I realise that the hon. Gentleman is not making it—that the allocation, the calculations based on need in the funding blocks and the simpler system cause an unfair distribution, either due to the type of local authority or between regions in England.

In the settlement, we use population projections and estimates supplied by the ONS, as those are the best figures consistently available. Several authorities are pursuing issues about the figures with the ONS, which is the correct course of action, but the change in the methodology for calculating population received majority support in the consultation and provides a better look ahead as well as an assessment of historical trends in population statistics.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Milton Keynes council benefits from a projected population figure, as we are expanding rapidly, but what the Minister gives with one hand he takes away with the other—87.5 per cent. of what we receive is lost through funding the floor settlement, which will amount to £3.5 million next year and £6.5 million the year after. Is not it the case that the floors policy is being funded at the expense of the sustainable communities policy?

Mr. Woolas: My experience of these matters is that Opposition Members who benefit from the floors policy tend to remain mute, while those whose local authorities would gain more money, in addition to the extra money that they have been allocated—let us not forget that point—are scaled back by the need to pay for the floor, as he says, which is why the decision about stability in the system is so important.

Mr. David Burrowes (Enfield, Southgate) (Con): Does the Minister concede that there is great concern about the disparity in the ONS estimated population rates, which are not reflected in authorities such as Enfield, where numbers in all categories are increasing? The number of asylum seekers and refugees has risen, as has the number of properties. Traffic growth has risen. The number of housing benefit claimants has risen. School numbers are up. None of that is properly reflected in the ONS figures, which are based on what is now accepted to be flawed methodology—for example, in relation to port of entry questions and the figures for GP registration, which are, as the ONS itself admits, inadequate. Is not a new approach needed, which would take on board the Local Government Association's suggestion that a commission for statistics should be set up? We need an approach whereby Ministers take responsibility rather than merely conceding that there is a problem.

Mr. Deputy Speaker: Order. This is a strictly time-limited debate, in which many hon. Members are seeking to participate. Of course interventions are the stuff of debate, but they must be short.

Mr. Woolas: Thank you very much, Mr. Deputy Speaker.

The population statistics provided by the ONS are the best, most consistent figures available to us. A number of authorities have made points during the past and the current settlement about the accuracy of the figures, and a number of consultations and debates are going on between local authorities—including, I believe, the hon. Gentleman's—and the ONS.

Several authorities have queried the funding of the new free bus travel for the over-60s and the disabled. I have therefore re-examined the proposals for the distribution of the additional money, on which we consulted extensively last summer. However, I have not found that the proposals were particularly unfair to any type of authority, nor that the extra cost of free fares, in so far as they can be estimated at this stage, place a burden out of proportion to existing public transport spending on any authority. I have therefore concluded that the settlement reflects the fairest way available to share out the money. It takes account of factors that reflect support for the disabled and the needs of areas where take-up is likely to be highest. With colleagues in the Department for Transport, we will monitor the effects and consider issues of the efficiency and effectiveness of the current arrangements for bus travel in the future.

Mr. David Anderson (Blaydon) (Lab): On Wednesday, during Deputy Prime Minister's Question Time, my hon. Friend the Member for Tyne Bridge (Mr. Clelland) specifically asked whether discussions were ongoing about free travel in Tyne and Wear. We were told on Wednesday that those discussions were still ongoing. Unless I have got it wrong, my hon. Friend now suggests that they are not. Can he please advise us?

Mr. Woolas: Discussions are still going on with the passenger transport executive and other authorities. My remarks relate to the funding formula distribution. My hon. Friend's area faces the problem because it involves a cluster of five local authorities with a passenger transport executive, and discussions are taking place there. We have been able to find £1.7 million for the metro in Newcastle upon Tyne, but that is a separate subject.

Mr. David Clelland (Tyne Bridge) (Lab): Will the Minister give way?

Mr. Woolas: I shall give way briefly on that point. I think that you would want me to conclude my remarks, Mr. Deputy Speaker, so that hon. Members on both sides of the House can have a chance to contribute.

Mr. Clelland: The £1.7 million that the Minister mentions came from the Department for Transport, not from the Office of the Deputy Prime Minister. On the point that he makes about ongoing discussions, that is not my impression, having spoken to the director of the passenger transport executive only an hour ago. There have been no further discussions since the meeting that he had with the Minister last week.

Mr. Woolas: Let me be very clear, to help my hon. Friend and the House, and repeat what I have said about the settlement. Of course my remarks relate to the distribution of the formula grant. I have not found that

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the proposals were particularly unfair to any type of authority, nor that the extra cost of free fares, in so far as they can be estimated at this stage, place a burden out of proportion to existing public transport on any authority.

Mr. Adrian Sanders (Torbay) (LD) *rose—*

Bob Spink (Castle Point) (Con): Will the Minister give way?

Mr. Woolas: I hope that the hon. Gentleman will be able to catch your eye, Mr. Deputy Speaker, but I need to reach a conclusion for fear of being unfair to the House.

I should just deal with a misconception promoted by several authorities controlled by the Conservative party. There is no political or geographical bias in the system, contrary to what has been said, and no taking from the south to give to the north, or vice versa.

Following consultation, I am broadly confirming the grant distribution proposals that I made on 5 December for both 2006–07 and 2007–08. I have made fairer the adjustments necessary to reflect a change in financing for certain capital projects from supported borrowing to capital grant. In particular, that will help authorities with large building schools for the future programmes. Similarly, where fire and rescue or police authorities have provided evidence that we should do so, we have amended the adjustments necessary to introduce the change in funding arrangements for fire and police pensions. As is usual, we have made corrections to the data used, where that was justified during the consultation.

Very few comments were received on the two amending reports for the 2004–05 and 2005–06 settlements, and I confirm my proposal to make those reports. They will enable us to take account of revisions made to population estimates by the ONS and provide a firm basis to move forward on multi-year settlements.

I can assure hon. Members that we are committed to ensuring that local authorities can deliver effective local services without the need to impose excessive increases in council tax. That is the framework for the settlement, which takes account of the joint work that we undertook with the Local Government Association to look at the pressures that councils face in the next two years and the ways that local and central Government can manage those pressures together.

The joint work with the LGA identified some real pressures over the next two years, particularly in respect of waste management and social services. That is why we provided an extra £305 million in 2006–07 and £508 million in 2007–08 in formula grant above what was previously planned. I make it clear that that extra funding is in addition to the funding provided by Government to meet the net new burdens principle. It gives councils the funding to continue to provide the services that local people need, taking into account the pressures identified by the LGA. There is no need for councils to threaten cuts in service for vulnerable members of society.

We have also agreed to work jointly with local government in a number of respects, including working with the LGA in the context of CSR07—comprehensive spending review 2007—on pay, adult social care and waste. We have also reaffirmed our commitment to discuss with local government the new burdens and measures to mitigate them.

Ms Sally Keeble (Northampton, North) (Lab): My hon. Friend says that there is no need for local authorities to cut services to the disadvantaged or for them to raise council tax. Is there any reason, therefore, why Conservative-controlled Northamptonshire county council should have issued redundancy notices to more than 700 staff, including all 197 of its youth workers, and threatened to charge disabled people for servicing their stair lifts?

Mr. Woolas: I do not wish to enter into specifics—I am more than willing to do so in the wind-up if I have time—but local authorities have received above-inflation grant increases for eight years, and for some 10 years by the end of this settlement period. Although the Government recognise in our work with the LGA the pressures on local government, it is incumbent on all councils to balance their budgets.

Given the substantial investment we have made in local government, we expect all authorities to budget prudently and not place excessive demands on their council tax payers. There is no excuse for excessive council tax and spending increases, and we will not allow authorities to impose excessive increases. We will consider the principles on which capping would be based after councils have set their budgets. We have made it clear that we expect the average council tax increase in England in both 2006–07 and 2007–08 to be less than 5 per cent.

Local government should be under no illusion: we will use our capping powers to deal with excessive increases, as we have done in the past. I am broadly confirming my proposals for alternative notional amounts, which are notional figures used for capping purposes to give a like-for-like comparison of budget requirements between years.

This is an excellent package for local government, as it continues the record investment in councils made by the Government and adds a step change in the stability and predictability of local finances, which has been welcomed by the Conservative-led LGA, and it will therefore enable councils to plan service improvements. I commend the settlement to the House.

8.9 pm

Mr. Eric Pickles (Brentwood and Ongar) (Con): The House is grateful for the Minister's explanation of the change in the grant mechanism. It will long remember that with gratitude. I suppose that it is a matter of deep sadness to him that nobody in the Local Government Association or in any of the councils thought that the change was good or supported it. I accept that the odd one or two might have supported him, but by and large two thirds of local authorities came out against it. *[Interruption.]* The Minister says that if local government is against it, it must be a good thing. I look forward to his next meeting with the LGA, which I am sure will be fruitful.

At the time of the settlement, the Minister said that the

"Government is providing local authorities in England with stable and predictable funding ... This is enough money for local authorities to continue to provide effective local services to communities".

With great respect to the hon. Gentleman, that makes me wonder how in touch he is with local services—something that was implied in some Labour interventions. Most councils are receiving a near-inflation increase when their costs are spiralling. Just over half of social services authorities are receiving a below-inflation increase. Many local authorities have had the goalposts shifted, and the only increase they receive is on paper.

Again, I hope the hon. Gentleman forgives me when I say that what sticks in the throat is the sanctimonious lecturing about costs and council tax levels. That comes from the worst Department in the Government. What a title to have; it is an achievement in its own way considering the competition and what the Government have done to dairy farmers, poultry breeders, the armed forces, motorists, train travellers and, most recently, policing.

In the past few weeks, the Department has been described in various ways. MORI said that it is a pantomime horse—in fairness, I think it was only the rear of the horse. Nine out of 10 regeneration experts have no confidence in the Department's plan. The Select Committee on the Office of the Deputy Prime Minister accused it of exaggerating the Government's achievement. More than £168 million were wasted on consultants to demolish 168,000 terraced houses. The Department is accused of operating in a climate of bullying. The ODPM is a byword for incompetence. No wonder the Deputy Prime Minister was forced to admit recently that his Department's left hand does not know what its right hand is doing. From my perspective, I am not sure that that is entirely true. I think that the left hand has finally woken up to what the right hand has been doing for years and does not like it.

Sir Paul Beresford: Does my hon. Friend agree that there is at least one positive thing? The Minister and his Department recognise that the new formula does not fit the reality of local government needs and expenditure. All those below the floor were lifted to the floor, and yet 87 per cent. of those above were capped to fund them.

Mr. Pickles: My hon. Friend makes a good point, which I shall develop later.

The ODPM has no moral authority to lecture councils on savings or council tax levels. It might make a nice innovation next year if local authorities went through the books of the ODPM and it was accountable to local councils. I am sure that we would find some savings then.

Bob Spink: As my hon. Friend is talking about moral authority and the ODPM, will he say what impact the below-inflation rise of social services budgets will have on those who rely on them, whose need is growing way above inflation? Alternatively, what impact could that have on the council tax payer?

Mr. Pickles: Given that the Government have backed a crude and universal cap, there is only one way for the argument to go. The most vulnerable will be hit this year. There is no other way to go. My hon. Friend knows that some councils will try to ameliorate the problem by cutting into reserves and spreading the money around, but given that we know what the position will be next year, and that we have a clear idea of the year after, I am afraid that cuts are inevitable. As a result of the way in which the school grant operates, it is inevitable that those cuts will hit the very people my hon. Friend wants to protect.

This is a Government who by stealth intend to abolish district and county councils and to waste upwards of £3.5 billion in the process. Instead of showing the courtesy to the House of making a statement outlining their intentions, they prefer to govern by leak and PowerPoint presentation to chief executives. Instead of asking councils for their opinion, they prefer to sideline them by having cosy chats with officers. We know why. The last time the Government consulted on reorganisation, they were defeated by a massive no vote. I doubt they will make the same mistake again, but the voice of the people must be heard and their democratically elected representatives must be heard.

Some £3.5 billion is too much to pay for a Department that no one would miss if it were abolished tomorrow. Some £3.5 billion is too much to pay for this gulag of despair to be seen to be doing something. If we have £3.5 billion to spare, I would rather it were spent on services that improve the quality of life of our citizens, including, to pick up on my hon. Friend's point, our most vulnerable citizens.

David Taylor (North-West Leicestershire) (Lab/Co-op): Having worked for a large shire county throughout the Conservative period in office of 1979 to 1997, I kept a close watch on their policies and attitude to the general public, and the conversion to the merits of listening to the people is so moving that it would bring tears to a glass eye. What consultation took place, and what vote were people given, on the major restructuring of local government in 1996–97?

Mr. Pickles: Why restrict it to that? Why not go back to the reforms of 1881? Why not say something about the reform of corn laws? The hon. Gentleman has to understand that it is 2006 and we are into the third term of a Labour Government. Let him grow up and accept his responsibilities. There is no use going down memory lane, when he was a young man in short trousers. Let him address the reality now.

Michael Jabez Foster (Hastings and Rye) (Lab): Will the hon. Gentleman give way?

Mr. Pickles: In a moment because I intend to refer to the hon. Gentleman. He does not look too pleased about that.

On the settlement, most councils are receiving only an inflationary increase in grant. Half of social services authorities are receiving an increase that is below inflation. The spending pressures identified by the LGA as part of the "funding the black hole" exercise on pressures in the period leading up to the settlement have not gone away. However, I will not go through those because hon. Members no doubt remember them well.

[Mr. Pickles]

Most councils have tough choices to face. In an effort to bridge the gap, local authorities will seek efficiency savings, apply, where appropriate, reserves and balances, and bear down on costs. That is sensible. However, for many the choice will be between council tax increases and cutting services. The contrast between the 6.4 per cent. increase in the ring-funded dedicated school budget and the 2.7 per cent. increase in the formula for authorities with education and social services responsibility is stark. That will lead to great tensions in implementing the integrated children's services agenda at a local level.

An analysis of 56 councils across England shows that almost eight out of 10 of those who are consulting on draft budgets are struggling. The main reasons for that are that half of social services run by councils received a grant increase of less than 2 per cent.; that an increasing number of vulnerable older persons need extra care; that there are inflation-busting increases in private sector contracts and fuel bills; and that there are increasing volumes of waste collection and disposal each year.

The ending of the safeguarding children and additional access and systems grants paid in 2004–05 and 2005–06 exacerbates that pressure. A number of councils are proposing job cuts and service cuts, such as increasing the eligibility criteria for elderly care services. The travel concessions, about which the Minister spoke so eloquently, will not put additional pressure on local services only if no additional passengers are attracted to the scheme.

Let us see the effects in a balanced sample of local authorities. I will take two Conservative-controlled councils, two Labour and one Liberal Democrat.

Sarah Teather (Brent, East) (LD): Why only one Liberal Democrat council?

Mr. Pickles: The hon. Lady's party does not control very many, but no doubt she will talk about a few—although, in these loving times, we are on her side.

In Conservative-controlled Cambridge county council, council tax is likely to increase by just under 5 per cent. To achieve that, budget cuts of £1.7 million are the only option. Key services, notably road maintenance, public transport and home care for the elderly and disabled, will suffer cuts. Surrey county council, which is also Conservative controlled, has been severely affected by the Government's new grant formula and has announced that 661 out of 7,000 staff will go in order to keep the council tax increase below 5 per cent.

Derby city council announced in November a budget deficit of £2.3 million, which could rise to £4.5 million. That is expected to lead to increased charges and closures of many facilities, including public toilets. In order to deliver a 4.9 per cent. council tax increase, Lancashire county council needs to save a staggering £16 million in services or direct cuts, plus £4.3 million in efficiency savings. There are proposals to close nine libraries and to replace daily fresh meals to pensioners with weekly deliveries of frozen meals. York city council, which is run by the hon. Lady's party, proposes to make four special needs teachers redundant as part of more than £800,000-worth of cuts in education and children's services. The council has to make savings of £6 million.

That is a pretty sorry state to be in. If the Minister will forgive me, I must say that I was not entirely satisfied with his answer on supported borrowing.

Mr. Henry Bellingham (North-West Norfolk) (Con): My hon. Friend mentioned Cambridge. Is he aware that if Norfolk county council had carried on providing exactly the same level of services with the money that the Government have given it, it would have had to put up the council tax by nearly 7 per cent., which is obviously unacceptable to people on fixed incomes? It is ultimately delivering a council tax increase of under 5 per cent., which will make it extremely difficult for many hard-working staff and vulnerable people in receipt of different services. Does my hon. Friend agree that in that respect the Minister's expression "parallel universes" comes to mind?

Mr. Pickles: My hon. Friend makes a good point. I had the joy of visiting his constituency some time ago and he was at pains to point out a number of villages that suffer from levels of deprivation that one would see in many cities. Part of the problem in his constituency is that it lacks the critical mass to be able to qualify under the grant distribution system. We have the ridiculous situation of deprivation being recognised in many cities but not being recognised in areas such as that my hon. Friend represents. It seems to me that if you are poor, you are poor, and the Government should recognise that.

In case people think that this is just a county problem, we have advice from Mr. Steven Pick, who is the chief director of finance in Barnsley. He said:

"Achieving a 5 per cent. tax increase will require a shift in our position—likely to have implications for all services."

Ted Lush, the corporate director of finance and property services in Stockport, said:

"The budget will be the most difficult ever faced. All areas will have their spending reduced."—*[Interruption.]*

The Minister scoffs at that, but that is the view of a professional. He is not a party member; he has no axe to grind. All he has to do is represent the people of Stockport and to help them out.

Mr. Woolas: I emphasise that the needs formula does take into account sparsity and deprivation in rural areas. The percentage increases in grant in Norfolk, for example, are 4.8 per cent. and 8.4 per cent. the following year. Is not the process that the hon. Gentleman is describing that of local authorities ensuring that the budgets balance in future years and that the pressures on councils, which I conceded and helped the Local Government Association to analyse, cannot be blamed on above-inflation grant increases from central Government?

Mr. Pickles: The hon. Gentleman does himself no favours in making such points. It is parallel universe time. At a time when the number of vulnerable elderly is growing significantly and people are living longer—

which is a pleasing thing—but in a vulnerable state and require additional sums, pressures on a county such as Norfolk have to be understood.

Michael Jabez Foster: Will the hon. Gentleman give way?

Mr. Pickles: I will give way to the hon. Gentleman later; he has a big place in my speech and I want to give him star billing. I will come to him in due course. Let us move on to supported borrowing. I want to make some progress so that my hon. Friends can speak.

Dr. Brian Iddon (Bolton, South-East) (Lab): Will the hon. Gentleman give way?

Mr. Pickles: In a moment.

Part of the formula grant is to pay for borrowing for local authorities' capital programmes. That is allowed for in authorities' relative needs formulae, but it is largely counteracted by the effect of the dampening mechanism, which means that authorities on the grant floor receive no more money than the minimum increase for their class for supported borrowing, and authorities above the grant floor have their increase above the floor scaled back to pay for the floor.

The goalposts have moved in 2006–07 by the scaling back factor of 85 per cent. for education and social services. That was a particular problem for authorities in wave 1 of the building schools for the future programme, but it does have wider implications. I want to look at two authorities—both recently elected Conservative county councils. This may be of interest to the hon. Member for Northampton, North (Ms Keeble), whom I advise to read the *Hansard* of Prime Minister's questions last week, during which my hon. Friend the Member for Northampton, South (Mr. Binley) pointed out to the Prime Minister that when it was Labour controlled Northamptonshire county council received a 6 per cent. increase, but that this year it was only 2 per cent.

Let us look at what has happened to Northamptonshire because of the effect on borrowing. The council received an overall grant increase of £2.5 million, which is 2.1 per cent., to fund all services, including financial capital investment. After taking into account the cost of capital investment, just £750,000, or a 0.6 per cent. increase, is left for all other services, which may explain why service charges are going up in Northamptonshire.

Ms Keeble: Will the hon. Gentleman give way?

Mr. Pickles: Let me give the hon. Lady the other example, as she might feel that Northamptonshire has done reasonably well compared with Oxfordshire county council, which has also recently become Conservative controlled. The increase in grant for Oxfordshire county council is £1.9 million. If one strips out the supported borrowing, one is left with a decrease of £1.4 million or minus 2.2 per cent.

Ms Keeble: The hon. Gentleman is confusing two councils—Northamptonshire county council and Northampton borough council. The county council received £115 million extra from the Government for its school building programme—a record allocation. On the other hand, Northampton borough council, I regret to inform him, has been dubbed the worst council in Britain and it is, indeed, Conservative controlled.

Mr. Pickles: As for the hon. Lady's point about Northamptonshire county council, if she is expecting us to be helpful in future she should show a little gratitude for our intervention, as we are here to help.

Ring-fencing is necessary because the Government want to control everything but, sadly, can manage nothing. In "Strong Local Leadership: Quality Public Services", the White Paper which was published in 2001—not very not long ago—they made a commitment to reduce the amount of ring-fenced grant to under 10 per cent. of the total grant. That seems ambitious, as ring-fenced grant now accounts for more than 50 per cent. of the total grant. That increase is a result of the dedicated schools budget, which was necessary because the Government got into a terrific mess. If I had another name, I would say that they were in a terrific pickle in 2003, when they made a promise to schools that, frankly, could not be met by the grant distribution. The dedicated schools grant is an important symbol, showing that the Government do not trust local government.

In questions to the Deputy Prime Minister last week, I raised the issue of the supporting people scheme. I was sorry that it was dismissed out of hand, because it is a great crisis for local government. Expectations have been raised, but they cannot be met, exposing the most vulnerable to a reduction in their quality of life. To enable Ministers to understand their plight, may I cite a report by Derby city council on the supporting people programme that was published late last year? It predicts a funding shortfall of £534,000 in 2005–06, which will rise to just over £1 million in 2006–07, and to well over £1.5 million in 2007–08. The council proposes to allocate £500,000 from corporate resources to fund the projected shortfall, but the continued use of reserves to fund such deficits is not viable. It says:

> "However, the severity of cuts required to achieve a balanced budget will inevitably mean that some valued services to very vulnerable people will be adversely affected."

The hon. Member for Hastings and Rye (Michael Jabez Foster) is fearless in standing up for his constituents. No doubt, the Friary centre is a valuable and important resource in his constituency, but the local council and East Sussex county council are about to reduce its funding. In the 3 February edition of the *Rye Observer*, which is on my regular reading list, the hon. Gentleman says that the decision is "blatantly wrong". Echoing Baroness Thatcher, he says it is "wrong, wrong, wrong!" It is

> "wrong because the need is manifest . . . it is not unaffordable".

He obviously reads the information distributed by the Whips, because he says that there has been a 2.1 per cent. increase in the social services budget. However, I have a rebuttal from the leader of that fine council, who is known to many Conservative Members as one of the leading experts on local government finance. He says that there has been

> "no increase in grant for social services, roads, libraries, etc. for the last three years and only 0.6 per cent. for the 2006/7 year which starts in April."

[Mr. Pickles]

That is why the centre is closing. It is not a matter of councils wanting to close facilities. It is because the Government have set a 5 per cent. limit, and have not allowed a single increase.

Michael Jabez Foster: If the learned leader of East Sussex county council uses such economics and believes that the increase is only 0.6 per cent. that is why the council is in such a pickle. The truth is, it is 2.1 per cent.—the 0.6 per cent. relates to his total budget, not the grant, so he is obviously seeking to mislead. Even if that were not the case, there is absolutely no reason why he should close such establishments unless they have got into a financial pickle. Of course, they need more, but that is not the reason for the closures.

Dr. Iddon *rose—*

Mr. Pickles: Would the hon. Gentleman do me the courtesy of allowing me to reply to the hon. Member for Hastings and Rye? I regret inadvertently starting the pickle analogy. Peter Jones, the leader of the council, is a man of considerable experience. He has taken the council out of a difficult situation, and his record in local government is second to none. The hon. Gentleman's special pleading is not persuasive.

Mr. William Cash (Stone) (Con): Does my hon. Friend agree that the precept, for example by the police authority, is a matter of the gravest concern when it hits the fan at the level of the council tax? In the case of Staffordshire—which, it was announced today, disgracefully, will be part of the merger in the west midlands—the precept is deeply resented and will have consequences for the financing of the county's constituent authorities. We fear strongly and, I believe, rightly that that will have the effect of increasing the costs, as well as centralising the system, against the wishes of the people of Staffordshire, including my constituency.

Mr. Deputy Speaker (Sir Michael Lord): Order. If the hon. Member for Brentwood and Ongar (Mr. Pickles) wants to respond to that, will he please do so very briefly, as we have already had the debate on police grants this evening.

Mr. Pickles: I agree with every word that my hon. Friend the Member for Stone (Mr. Cash) said.

Dr. Iddon: Will the hon. Gentleman give way?

Mr. Pickles: I must make progress, as I want to leave time for my hon. Friends and other hon. Members.

Let us turn to pensioners. Now would be a good time to explain what happened to the pensioners' discount. That was intended to protect pensioners from the massive increase of 76 per cent. in the council tax under Labour, but now, when the council tax is to rise even more, the discount is thought to be unnecessary. Why is that? Will the Chancellor announce it again in March? It is not in the books. Was it just an election gimmick? If the Minister said something about it when he winds up, we would all be grateful. Many pensioners are wondering how they will find that extra £200, which they had counted on.

The Government have managed to achieve the nearly impossible for the public—below-inflation increases for most services outside education, and above-inflation increases in council tax. Truly, this is a new minimalism for new Labour: more is less, less is more—another increase through Labour's favourite stealth tax. Only by the occupant of the rear end of the pantomime horse is it regarded as addressing the needs of local government. Sadly, its melodious clip-clop will be heard stumbling through the rest of the year and making all our lives a misery.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. Before I call the next speaker, may I remind the House that there is a 12-minute limit on Back-Bench speeches, which applies from now?

8.36 pm

Mr. Neil Turner (Wigan) (Lab): Labour Members would have listened with growing incredulity to the speech of the hon. Member for Brentwood and Ongar (Mr. Pickles), had he continued. I shall give him one reason for that incredulity. He mentioned Cambridge county council having to make cuts of £1.6 million. That council has a population of about 737,000. In the 1980s and 1990s, when I was a member of Wigan council, which has a population of 300,000, we were required to make cuts of £10 million by the Conservatives—not just in one year. Year on year, we had to make such cuts. It would do Opposition Members some good—those on the Front Bench as well as those who intervened earlier—if we had a few choruses of "mea culpa" before they continue their comments.

There has been a remarkable growth in the amount of money given to local government by the Labour Government, and that is the case again this year. I have problems with this year's settlement—not with its size, but with the way the cake is sliced up. The major problem is with the formula. The new formula recognises need, particularly for social service. I welcome that. A formula based on evidence that recognises need will lead to a fairer distribution.

However, a damping mechanism has been introduced, especially in relation to social services, so that all the gains that were made by many of the authorities in the organisation that I chair, the special interest group of municipal authorities, have been damped out. I am not opposed to damping in principle. It is right, for the reasons to which I alluded in my opening remarks. When I was on the council, I would have preferred damping to massive cuts year on year. We could have achieved much more. In this case, however, the damping is far too harsh. In SIGOMA authorities such as mine, about £250 million will be taken out of our social services. We have a floor of 2.7 per cent. That protects councils that are currently over-resourced in social services at the expense of councils such as mine that are under-resourced, and will continue to be so for some considerable time.

I regret that during the consultation period the Minister did not take on board the case made by SIGOMA authorities and others for reducing that

damping to some degree. Had he been able to reduce it even by a small amount, that would have led to about £35 million going back into SIGOMA and other authorities, including county councils. That would have significantly improved their ability to serve their people.

It is not just a question of damping in social services. On top of that, we have damping in the overall budget, with floors of 2 per cent. and a reduction of about 85 per cent. on the amount of money that authorities receiving more than the floor should get to pay for that.

I cannot understand why we have those two elements of damping. The local government settlement is about how the Government divvy up the amount of money that they have: it does not relate to the amount of money that each local authority will spend on any one element within it. Local authorities have the freedom to make those choices—they do not have to spend the amount of money on social services that is allocated by the Government—but a double damping effect places a tremendous imposition on them. It is imperative that the Minister considers this in great detail. It will not be an issue over the next year, because that is fixed, but when he comes to deal with the next settlement it is essential that that double damping is taken out; otherwise, we will have major problems with local government settlements in future.

The result is that there will be quite severe cuts in the number of services provided. Those cuts are not likely to fall on particular individuals, because all good local authorities will ensure that they deal with the essentials. However, where individuals are supported by social services, the bar of access to services will start to be raised, and the charges levied by authorities will be increased. We will end up with a postcode lottery. Authorities that have a higher rate for historical reasons, and therefore benefit from the damping, will be able to provide services that authorities such as mine, which are suffering from the damping, will be unable to provide. One authority will be unable to provide the services that another authority next door is able to provide. I am sure that Members on both sides of the House, including the Minister, would agree that that situation is wholly unacceptable and must be dealt with.

Another issue that affects local authorities in the SIGOMA areas is that most of us have primary care trusts that are seriously underfunded. The underfunding of PCTs in SIGOMA authorities amounts to £215 million. That is in addition to the £250 million that we have lost because of the damping. As a result, PCTs have no resources available to help local authorities with their social services budgets. People will not get the level of support that they need. Instead of being treated at home in dignity, close to their families, they will become more dependent and eventually have to go into acute hospitals, putting increasing pressure on the NHS. In many local authorities, it is not unusual, as Tom Jones might say, for social services and PCTs to pool resources in order to provide joint funding for those purposes. However, in SIGOMA authorities there is a single pot with two gaping holes that are pouring out £250 million and then another £215 million from those services.

It is essential that Ministers set a time scale to end such damping. Without that, the whole formula that we have set up—I think it a good formula and agree with it—will become worthless; Ministers might as well throw straws in the wind to decide on the amount of money. The whole thing will become discredited and the whole point of it would be brought in to disrepute.

The following two things are essential in the next round of local government settlement. First, we must have a single damping mechanism on the total amount of money that goes to local authorities. Secondly, we must have a definitive and transparent time scale, so that the damping that I mentioned can be eased out. I do not want authorities to have to make savage cuts. However, they need to understand that, because of their needs, they are over-resourced in comparison with other authorities and the Government need to take account of that.

I say to the Minister that if future settlements do not include those two things, a lot of Labour Back Benchers will be seriously discomfited.

8.46 pm

Sarah Teather (Brent, East) (LD): The local government financial year has a kind of ritual about it. It is a bit of a dance, with a touch of stand-off here, a bit of flattery there and a complex move somewhere else, all designed to distract the eye.

Contrary to popular wisdom, the new year actually begins around October, as the Local Government Association and council leaders begin to set out their stall of doom about council service cuts and council tax rises. The Government then fight back with a macho swipe at wasteful councils and warn them that they must stay within their budget this year or face the wrath of the cap. Then there is a stand-off, a bit of a public argy-bargy, a spot of name-calling and a public falling-out.

At the last minute, the doughty Minister trawls around his colleagues with a begging bowl to find a few extra coppers to forestall the crisis. He announces his Christmas bonus to councils in December and tells them that they need to thank him for it. However, councils protest that it is still not enough and charge their MPs to explain the difficulties to the House in January. Then councils fix their budgets, cut some vital services, hike up the council tax and the voters protest; so Ministers cap them. Councils then cut a few more services and we begin the annual dance of the pantomime horse all over again. *[Interruption.]* I had to get the pantomime horse in; there was a race to get it in first.

In December, the Minister announced that a few extra scraps would again be thrown from the master's table to grateful local councils, so why do councils still moan? They complain because it is the very system that keeps them in chains, and until the Government are willing to tackle that, we shall be forced to repeat the same moves, year after year.

In the meantime, the Government have introduced some reforms, but as the hon. Member for Brentwood and Ongar (Mr. Pickles) said, the local government community was united in opposing them. The Government had a consultation about the change to the formula, but everybody said that it would be a bad idea; they introduced it anyway. The problem with the new formula is that, far from making things simpler or more transparent, it increases the potential for ministerial discretion in the allocation of funding.

[Sarah Teather]

For example, why does Northumberland get nearly £100 per capita of grant more than Somerset? There may well be a perfectly legitimate reason, but the Government should be willing to make those reasons public and transparent and to debate them.

Another side effect of this year's settlement is that, on the whole, districts have done better than expected. That may be a coincidence, but I cannot help wondering whether it has something to do with the Government being desperate to avoid last summer's capping embarrassment, when they employed the full machinery of legislation to make an example of a set of tiny district councils, an example that for the most part provided little more benefit to the average council tax payer than the cost of a pint of beer.

However, some developments are to be welcomed and it is important that we do so. As the Minister said, the Government have done much work to identify spending pressures with the LGA, and that is to be welcomed. We also welcome the shift toward three-year settlements, with the two-year settlement in this instance being fitted in with the three-year spending reviews.

However, technical difficulties arise from a move to longer settlements. The Government will use projections from the 2004–05 mid-year population estimate to calculate funding through to 2007–08 and projections are, of course, based on historic trends, which poses problems for areas where population growth is speeding up, and for some northern cities, which have managed to stem population decline but where projections imply it is continuing.

Fundamental questions also remain about the data source. The Office for National Statistics has finally admitted that, for many inner-London councils with high migration levels and very large ethnic minority communities, its population figures and methodology are fundamentally flawed. My own borough has battled with that. Brent council estimates that the ONS may underestimate its population by as many as 20,000 people, when compared with Greater London assembly estimates. The implications are real, since for every 1,000 fewer individuals in the calculation, the estimated lost revenue approaches £500,000. Will the Government look at ways of ensuring that projections are informed by the most up-to-date data available?

There are some glaring omissions in the statement. The Government have included no amount for the cost of their latest policy wheeze—council structural reorganisation—and I wonder whether the House should assume that that will not be implemented until 2008–09, or whether it is to go entirely unfunded? The Cambridge academic Michael Chisholm calculates that the cost will be up to £3.5 million. The Government may dispute the figure, but they surely do not claim that the process will be entirely free.

The fundamental problem with the settlement, as with last year's and the year's before, is that it provides little freedom for councils to do their job properly. If we believe in local government, we have to give councils the freedom to raise and spend their own money. That means drastic local government financial reform, not a bit of tinkering with the formula.

Mr. Adrian Sanders (Torbay) (LD): My constituents are extremely confused. They know that there was a 3.5 per cent. increase in grant funding from the Government, which was one of the most generous for many a year. Yet our Conservative mayor proposes cuts of 10 per cent. across the board. Who is telling the truth? Was there an above-inflation increase, or is there really a 10 per cent. cut? If we can find out the answer, we shall know who is accountable for the cuts, or for unnecessary cuts.

Sarah Teather: My hon. Friend raises a number of points, notably about the opacity of the funding formula and the gearing effect and balance of funding, which I shall come on to discuss.

This year, with the dedicated schools grant, which some hon. Members have described as the biggest symbol of the Government's lack of trust in local government, ring-fenced grants now total around 50 per cent. of the whole grant. If budgets are tight, that pushes pressures on to other areas. The total grant may well be above inflation, but non-schools grant increases are below retail prices index inflation, and well below wage inflation, which pushes up the cost of delivering council services much more quickly than RPI inflation does. The pressure is greatest on social services, with some authorities already stating that they may have either to increase charges or increase the qualification criteria for care, a point alluded to by the hon. Member for Wigan (Mr. Turner). The latter policy led, of course, to the now infamous case in Gloucestershire, where Richard and Beryl Driscoll were separated. I know, Mr. Deputy Speaker, that my hon. Friend the Member for Cambridge (David Howarth) wants to catch your eye to speak about some of the specific effects of pressures on funding for social services and supporting people in his constituency, so I shall not speak about that in more detail.

As councils struggle to balance their books and pay for programmes in non-ring-fenced areas, it is council tax payers who bear the brunt as their council tax goes up again. If it goes up by 5 per cent. again this year, the average band D council tax payer will pay £1,275 a year, which is a total increase of 85 per cent. since Labour came to power. If it goes up by 5 per cent. again the following year, the figure will be £1,339, which is up 95 per cent. since 1997. In that time, inflation and the state pension have gone up by 29 per cent. and wages by 53 per cent. We can see the mismatch quite clearly.

Voters protest about council tax partly because it has risen so quickly, but also because it is fundamentally unfair. It does not relate to the ability to pay. As was pointed out in the Lyons report, the initial public view on taxation was that linking tax liability to individual ability to pay was the fairest form of taxation.

It is now more than three years since the Minister's predecessor, the right hon. Member for Greenwich and Woolwich (Mr. Raynsford), set up the balance of funding review, which promised to solve the local government finance system once and for all. However, we are still no nearer a solution. As is proven by the reams of briefing papers that Members need to get through a debate such as this, we have in Britain the most impenetrable, opaque and confusing grants mechanism in the world.

We need a new system of local government finance that is based on fair local taxes, localised business rates, local income tax and a simple grant mechanism, without ring-fencing, passporting or capping. We need a new system that will let local government do the job that it was elected to undertake. We need also a new system that will stop the nonsensical ritual of financial crisis. I live in hope.

8.57 pm

Mr. Eric Illsley (Barnsley, Central) (Lab): I shall keep my remarks brief because many of the issues have been raised that I wanted to take up about metropolitan authorities. It has been a disappointing settlement for the metropolitan authorities, and that relates to damping. The met authorities are deeply disappointed by what appears to be the new settlement's lack of effective change. The authorities have received the lowest increase in grant—2.4 per cent. compared with the national 3.1 per cent. For the metropolitan authorities, that equates to about £250 million. There are 17 met authorities that will have a floor increase of 2 per cent.

The metropolitan authorities represent about 24.5 per cent. of national need. Their local tax base, unfortunately, allows them to deliver only about 22.2 per cent. of assumed local funding. That equates to 26 per cent. of total Government grant. That means that metropolitan authorities will receive only 27.3 per cent. of resources. That is a difference of £670 million to all the met authorities.

The damping effect that will stem from the settlement is in addition to damping that has occurred in the past. In 2003–04, there were the changes to the education funding formula. Damping was introduced and met authorities lost an estimated £180 million. Changes were made to the funding formula of primary care trusts; again, that was in 2003–04, under the pace of change policy. That was £200 million less than the needs agreed by Government. As for joint funding issues, I was told on Friday that Barnsley PCT might now have to provide the funding to meet the debts of Sheffield PCT because of the political problems of our strategic health authorities. That would be a funding disaster for the area.

Council tax revaluation, if delayed indefinitely, would have resulted in losses to metropolitan authorities. And so it goes on. The new social services formula builds on that. I shall give an example of how such damping has an effect on my area of Barnsley. There is the housing subsidy settlement of 2006–07. My area has suffered from poor housing subsidy settlements in the past. The formula did not reflect our need to spend. In 2004–05, the Government recognised this iniquity and introduced a new system of allowances. However, the pace of that change has been determined by the level of transitional protection to authorities, primarily in London, which were the losers following the 2004–05 changes. My local authority welcomed the 2006–07 draft settlement as it was proposed to move substantially towards our target allowances for housing subsidy.

However, following consultation, additional transitional protection has been given and the top 16 gainers from that protection are all London authorities. As the national pot for management and maintenance allowances is fixed, money is being taken from authorities such as Barnsley to meet the cost of extra transitional protection for London authorities. My local authority is thus £350,000 worse off under the final settlement compared with the draft settlement.

As my hon. Friend the Member for Wigan (Mr. Turner) pointed out, it is difficult for areas such as ours to make up any shortfall or address damping under the grant. We do not have wealthy local authorities. They do not receive income from tourism or charges for provision. We thus face pressure when trying to address the situation, which results in cuts to services because we cannot find the extra funding that we need. The authority will not challenge the capping rules set out by the Government, or implement way-out council tax increases, so services will be cut. I can tell my hon. Friend the Minister that redundancy notices were issued in the education department in Barnsley on Friday. Redundancies will occur because Barnsley will have to lose about 200 posts as a consequence of what the hon. Member for Brent, East (Sarah Teather) called an annual ritual. We face cuts and redundancies under our local government settlement, as we did in the bad old days of the previous Government.

May I put forward a suggestion that has been made by the metropolitan authorities to try to resolve the damping situation in social services? It is proposed that an additional £305 million will be provided in 2006–07 and £508 million in 2007–08. Could £100 million of the 2007–08 settlement be brought forward to alleviate the effects of damping in the 2006–07 financial year? That would reduce the impact of the situation on social services and address the problems of four London authorities, 41 metropolitan districts, 22 county councils and 18 unitary authorities? A total of 85 authorities could benefit if £100 million were brought forward, and that would give them time to plan for the shortfall.

As I pointed out, my local authority is once again facing cuts to services. We cannot find the funding to provide the services that are required of us with the grant that is being put forward, so we have to look at cuts, which is why redundancy notices are being served as I speak. In line with the representations that the Minister has received from the metropolitan authorities, will he remove the social services damping to some extent, fund the cost of the overall floors, implement a form of funding to take account of the effects of population decline and put in place a funding mechanism to compensate for the lack of revaluation?

9.3 pm

Mr. David Curry (Skipton and Ripon) (Con): There is always a familiarity to these debates. The Minister stands up like the captain on the bridge scanning the horizon saying, "Well, the weather's absolutely fine and the horizon's quite clear. There might be a very slight swell, but no one need feel the slightest bit seasick." At the same time, down in the engine room, the chief engineer is saying that a horrible clanking noise is coming from the engines, and soon smoke begins to appear. The two views of the settlement are totally dislocated. We have just heard the view from the engine room—the northern metropolitan authorities—from the hon. Members for Wigan (Mr. Turner) and for Barnsley, Central (Mr. Illsley). They said that there are

[Mr. David Curry]

real difficulties with the settlement and they are the ones who have got it right. Despite the undoubted passion with which the Minister made his speech, he is simply looking at the horizon through opaque spectacles.

Three things are noteworthy about this settlement. First, education spending has now become totally divorced from the rest of local government expenditure. It is distributed by a different Department and according to an entirely different formula; indeed, in many ways it is the opposite formula to the one used by local government. The formula rejected by local government has now been adopted by the Department for Education and Skills, so we are back to the dear old happiness of joined-up government.

The Office of the Deputy Prime Minister has lost a huge chunk of its empire. I never cease to be amazed when I hear Labour Back Benchers chuntering about how the education White Paper has got it all wrong, and local authorities need a much greater, enhanced role supervising the way that education operates. At the same time, they have simply watched the Deputy Prime Minister's authority in this matter draining away. They are rather late in closing that stable door.

The second point about the settlement is that, in fact, schools do rather well, even though the Government have resorted to rather a crude method of buying off the argument because the events of 2003–04—you will remember, Mr. Deputy Speaker, that some local authorities were not given sufficient additional grant in total to fund the increases that they were supposed to give to education—are burned into their consciousness.

Michael Jabez Foster: Has the right hon. Gentleman made any assessment of what the situation would be if the Conservatives had won and given local government a zero increase in real terms?

Mr. Curry: I know that the hon. Gentleman is under pressure, but as my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles) pointed out from the Front Bench, we are quite a long way into a Labour Government. The formula has been changed about five times already. This is a Government who said that they were going to find a completely new way round local authority funding, and all they are doing at the moment is sitting there waiting for the Lyons report to come in, rather like Polynesian natives waiting for the cargo boat to arrive.

Because education has done quite well, the rest of local government has done quite badly—we have to be honest about that. There are tough measures for social services, highways, waste and amenities, and that is accounting for the smoke and mirrors of the Gershon review. Curiously enough, the name "Gershon" did not pass the Minister's lips this evening.

The third point, which in many ways is the most important of all, is that, on any reading of the Chancellor's expenditure plans, the future looks pretty tough for all areas other than his three, or two and a half, chosen special areas of health, education and overseas development. After the public expenditure boom, we are now heading for the bust. That means, inevitably, council tax will become much more acute as an issue, rather than less important.

What has been happening? We now have two settlements. In fact, if one counts the police settlement separately, we have three. There is the revenue support grant and the dedicated schools grant, which flows from that debacle in 2003–04. The schools grant rises by 6.4 per cent. in 2006–07 and 6 per cent. the following year, and the grant for other council services rises by about 3 per cent. The schools money is based on existing expenditure—just 5 per cent. and a tiny bit more for London—plus an allocation by formula.

What is interesting is that the Deputy Prime Minister has derided notional spending assessments, such as the standard spending assessments, because they are misused and people dare to extrapolate the level of council tax. Heaven forbid that we should dare to extrapolate by how much the Government might require councils to increase their tax. All those have been dropped, but nobody has passed the message down the road to the Department for Education and Skills. Local authorities whose spending was below the schools' formula spending share will now get extra grant to enable them to move towards it.

I suggest, if I may, that Ministers look back—I know that they constantly do so; the Minister for Local Government is always looking back—to see how their predecessors used to fulminate against need assessment. Lord Hattersley is a wonderful example of the fulmination against need assessment. Believe it or not, need assessment is now enthroned as the basic principle of local authority funding. But that has brought about what I regard as happy ironies. In 2003–04, as my hon. Friend the Member for Brentwood and Ongar will remember, the Government were accused of manipulating the system to direct money towards their friends in the north. The fact is that because population has emerged as one of the few remaining quantitative elements in the determination of the grant, money is now moving back down from the friends in the north. The Minister, for once, is right for the wrong reasons: this is not manipulation in favour of Labour councils; in many ways, Labour councils will feel the pinch of this settlement rather more than other councils. All I can say is that that is ironic, and that it is nice to see the chickens coming home to roost.

We now have a system with so many floors, ceilings and damping mechanisms that the whole thing looks rather like the design for the house of horrors in Hitchcock's "Psycho", and the Minister was rather like the corpse in the cellar, judging by the passion and enthusiasm that he put into his speech this afternoon.

Where are we heading in the long term? The Institute for Fiscal Studies has calculated that the pre-Budget statement indicates a real increase in public expenditure between 2007–08 and 2010–11 of just 1.8 per cent. Once the Chancellor has made provision for his favoured services—health, education and international development—all the other services will have to fight over an increase of about 0.8 per cent. a year. That will include the bulk of the services that now fall under the revenue support grant.

That means that council tax bills will rise, to the extent that they are permitted to do so under the capping procedures, and that there will be cuts in services. It is no good the Minister simply asserting blandly that there is no reason for anyone to cut anything. We all know that the inflation that affects local government services

is entirely different from the broad, RPI-type of inflation, because so many local government services are demand led. So this will hit the services which, by their very nature, find it hardest to marshal a lobby. Social services tend to be fragmented because they involve a host of relatively small-scale support services for families, carers, elderly people and children, for which demography and social change are fuelling increases in demand. They will feel the pain, together with the smaller services that bear crucially on people's quality of life in their immediate environment.

Of course a two-year settlement is welcome, because if councils can have nothing else, at least they can have a certain amount of predictability of their own misery. That will give them some assistance. No doubt, in two years we shall have reached the Chancellor's next cycle of public expenditure, for whose review letters are now dropping into the postbags of the various Secretaries of State. Perhaps we shall also have received the long-delayed, much-deferred and much-hoped-for Lyons review.

The Government talk incessantly about joined-up thinking, yet it is amazing how dislocated the whole process of the grant has become across the public services. Their motto seems to be: "Keep your heads down, chaps, and hope". The Minister made a speech today that put that into language, the poetry of which has entirely overwhelmed me. Local government is going to face some very difficult times.

This is an inevitable settlement; there is no point in pretending that the Government are going to dish out a great deal more money. We all know that the chickens have come home to roost in regard to public expenditure. Local government had better batten down the hatches and prepare for some years of this, and council tax payers had better prepare themselves for council tax increases to go on rising steadily, because we are locked into this syndrome and there is no escape from it.

The Government must regret some of the wonderful promises that they made in their early years about how they were going to introduce an entirely new structure in local government funding. It was as though they were just waiting to discover the north-west passage. As I have said before, we shall discover, unless Lyons proves to be a remarkably efficient icebreaker, that there is no such thing as a north-west passage in local government finance and that, for the time being, we are stuck with this.

9.13 pm

Mr. David Clelland (Tyne Bridge) (Lab): It is a great pleasure to follow the right hon. Member for Skipton and Ripon (Mr. Curry). He has some knowledge of these issues, and I recall that he was one of the better Conservative Ministers for local government. However, what he has just said has demonstrated that, while Ministers and Governments may change, the civil service trundles on, and what he said about inflation was astounding in its audacity. I remember him and other Ministers standing at the Dispatch Box saying exactly what our Minister has said today, reading from exactly the same script. They said that local government had had a bigger-than-inflation increase and that there should therefore be no problem. I have been hearing that speech for the past 20 years, and it has not changed.

Michael Jabez Foster: This is only a suggestion, but were not the Ministers wrong on those occasions? In those days, they were cutting public spending.

Mr. Clelland: I accept what my hon. Friend has said, and also what was said by my hon. Friend the Member for Wigan (Mr. Turner). At least local government settlements have gone the other way since 1997, and authorities have benefited from some improvements.

My hon. Friend the Member for Wigan also spoke of inequalities in the system, and those are what concern us in the north-east. The system is based on a flawed formula: we know that, because the Government commissioned the Lyons report in an attempt to come up with a different system and a new formula. The north-east continues to come out worst whenever a settlement is announced. This year the Minister has announced an average settlement of 3 per cent.; the average settlement in the north-east is 2.7 per cent. Along with that, we have to compete with our next-door neighbours in Scotland, who benefit from the Barnett formula. It is somewhat ironic that the Federation of Small Businesses in Scotland produced a report today showing that the north-east of England is at the bottom of the league according to a series of key social indicators, while in most instances Scotland is above the average.

The Minister has announced a 3 to 3.5 per cent. increase, but Gateshead in the north-east has ended up with 2.5 per cent., even less than the north-east average—although according to all the indicators it needs support from central Government, and although it is a beacon council that the Government constantly cite as an example of good local government. Westminster, with all its high-value properties and high incomes and all the advantages of the lucrative business that surrounds it, has received an increase of 2.9 per cent., which is set to rise to 4.6 per cent. next year. Gateshead's increase is set to rise to only 2.7 per cent. How can that possibly be equitable or right?

Ministers have tried to resolve some of the problems. They have made adjustments in an attempt to iron out some of the anomalies. As the settlement demonstrates, however, the inequities have not been removed. I believe that that is because Ministers have found the system to be so skewed that ironing out the unfairnesses in one fell swoop would require a huge shift of resources from authorities that were favoured under Tory Governments in the past, with all the political consequences that would ensue.

Ministers have therefore introduced what my hon. Friend the Member for Wigan describes as damping. The aim was to avoid the political fallout, but it also means that the full benefits of a fairer system, and of the changes that Governments have made, are not passed on to the local authorities that need them most. It is estimated that that has cost metropolitan authorities £250 million in social services funding alone, and a further £180 million has been lost to metropolitan education services.

Those inequalities have been further aggravated by a new factor in the formula: households with residents aged over 90. Unfortunately, the north-east is very low

[Mr. Clelland]

down in the league when it comes to health inequalities, and few of our households contain residents over the age of 90. We therefore cannot benefit from that change in the grant, but our old people still need support. Indeed, they may need even more support because of the health equalities to which I have referred.

Young people are also affected. After all that the Government have said about "Every Child Matters", how can it be right for councils in London to receive up to three times more for each child than those in the north-east? What possible justification can there be for that?

The right hon. Member for Skipton and Ripon mentioned the population issue. It is a key factor in grant distribution, but it too can work to the disadvantage of the areas in greatest need. If half the people move out of a street, we do not see half the paving stones being removed or half the street lights being turned off. The same services must be provided, even if the population has been halved. Falling populations are tied too closely to the allocation of resources, and too little consideration is given to the continuing need for services even when a population is in decline. Indeed, the need may be greater in such circumstances: it is often the economically active and the skilled workers who depart, leaving behind vulnerable people who require even more support.

The projected figures show that the population in the north-east is actually rising by 2,000 a year, but according to figures from the Office for National Statistics—as was acknowledged earlier, they are incorrect—the population is falling. So as a result of the population factor, we are suffering yet again in terms of grant allocation.

The other issue, which I am afraid the Government have ducked, is revaluation. Revaluation is important in an area such as mine. Ministers often talk about the difficulties of being in government—about how being in government is about making tough decisions and not being afraid to make unpopular decisions—but they backed away from revaluation only too quickly.

The Minister mentioned the free bus travel scheme that is due to be introduced in April—an issue that I have raised in the House several times. The Chancellor of the Exchequer announced a £350 million fund to pay for the scheme and, by all accounts, that should be enough money to finance a free bus fare system across the country. However, some genius decided that the money should be distributed through the revenue support grant system, which is in no way related to the specific issue of the concessionary fare-travelling public. I do not know which civil servant made the suggestion or which Minister took that advice, but both should be surplus to requirements. The result was that this issue got lost in the system, and areas such as Tyne and Wear, where the population is relatively low but the use of public transport and concessionary travel is relatively high, therefore lost out. However, areas with greater car ownership—where more people travel by car and fewer travel by public transport—got more money than they need to run free bus services. Tyne and Wear ended up with £7.5 million less than it needs to run the scheme.

I have raised this issue with the Minister in the past few months and, to be fair to him, he has listened carefully and done the best that he can to resolve it; however, it has not been resolved. He referred earlier to the extra £1.7 million that Tyne and Wear has been allocated by the Department for Transport, which will help to provide free fares on the metro light rail system. We cannot have free fares on buses and not on the metro, because if we did, the metro would suffer a loss as a result of people switching to the buses. Secondly, a lot of people, particularly in the east end of Newcastle, rely on the metro rather than the buses, so it would be unfair to them if they had to pay and others did not; the situation has to be equal.

Funding free travel on the metro cost £1.7 million, but we are still more than £5 million short of the money needed to run the free bus service. That means that at next Wednesday's budget meeting, the passenger transport authority will have to cut concessionary fares for young people generally, and specifically concessionary fares for those attending college. I have been a Member of this House for 20 years and a public representative for some 34 years. I do not know how many advice surgeries I have run in that time, but it is certainly a lot. Last Saturday, for the first time ever, at two separate advice surgeries two completely different representations were made on the same issue by people who were completely unconnected. They were pensioners, and they told me that they did not want something that the Government were going to provide: they did not want free bus travel in Tyne and Wear to be provided at the expense of concessionary fares for young people. However, this is what we are having to do because the Government have failed to resolve this issue.

I appreciate what the Minister said about the legal problems that the Office of the Deputy Prime Minister faces in trying to dish out money to different local authorities. I said some time ago that if Ministers cannot resolve this issue, we will ask the Prime Minister to do so. He has responsibility across the whole of government, and not just for one Department. But I am now told that I cannot speak to the Prime Minister because discussions are ongoing. Well, I hope that the Minister can resolve this issue, because so far as I am aware, discussions that might resolve it are not in fact ongoing. The ODPM has given us the definite answer that no further money will be forthcoming. The problem therefore remains, so I hope that the Minister will unblock the situation and allow us to have our meeting with the Prime Minister.

The Government hope that the Lyons review will point the way in solving the problems associated with local government finance. However, there is absolutely no way that any review can come up with a solution that will produce a fair system that does not involve a massive shift in resources between regions, nations and local authorities—that is, unless the Government provide huge extra resources to correct the anomalies that have been allowed to build up.

I await with interest the outcome of the Lyons review, but I am not optimistic that Ministers of any Government will ever have the guts to do the right thing.

9.25 pm

Sir Paul Beresford (Mole Valley) (Con): One of the nice things about following—admittedly, one step behind—my right hon. Friend the Member for Skipton

and Ripon (Mr. Curry) is that he fires the traditional shots across the bow, so I can afford to be more parochial, which also means that my speech can be shorter.

The Minister, as ever—although it is not a failing restricted to this Government—described the figures as a tremendous increase, while ignoring the fact that, as has already been pointed out, education has been removed. He also ignored the fact that the percentage is based on the change that was introduced with the FSS—the formula spending share. To be parochial, that change meant that Surrey county council lost £39 million year on year. So any percentage increase dates back to that loss, and I suspect that some of the officials who guide the Minister on such matters are very aware of that, because they live in Surrey.

The changes were so dramatic that the Government had to introduce floors and ceilings as buffers. The ceilings have gone, but the chop for those well above the floor is dramatic. It affects those well above the floor in order to raise others to the floor. The new system coincides with the dedicated schools grant, which removes education funding from the normal grant. The new grant system, as I pointed out earlier, is extraordinarily complex, and needs a brain capable of rocket science to manage it. It is impenetrable. The Minister is giving me looks of surprise, but even if he has the intellect to handle it, what I am saying will be no surprise to anyone else who has tried to struggle with it.

Surrey county council's formula grant was drastically reduced on the introduction of the FSS, to £101.4 million. Without the buffers it would have been reduced to £65.1 million—a potential reduction of 39 per cent. Fortunately, the Government have recognised that such a cut would be a tad too far, so they have introduced the buffers and the actual grant will be £103.4 million. However, because of the requirements built in by the Government for the minute-by-minute handling of local government such as inspections and comparative performance assessments, the limiting of the council tax rise for the coming year to 5 per cent., and the possible lowering of the floor in future years, Surrey county council will have to introduce some £50 million of cuts over the next two or three years.

I accept that many local authorities can make efficiency savings, and I hope that most of Surrey county council's savings will come from such a source. However, given the size of the cut, it cannot all be found from efficiency savings. Constituency letters about the potential impact of the cuts are already pouring in.

When I was a Minister dealing with these issues comparisons were always thrown at us, and I wish to pick up an example given by my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles). He mentioned that Labour-run Lancashire county council would have to make cuts in the next financial year. However, Conservative Surrey has a grant per head of population of £95.85 and Lancashire has a grant per head of £191.96—more than twice that of Surrey.

I remind the Minister of his second principle, because he should look carefully at the ability to pay. I have raised that issue already in the debate on the revaluation, and I suggested an alternative approach. The present approach is a duplication of that under the FSS, and hidden in the formula is the spread of properties over the council tax valuation bands. That is not a fair way of making the calculation. Surrey receives the second lowest grant of the English shire counties, yet it is the second most expensive area of England in which to provide services. To put it more simply: the value of properties is spread across the higher echelons of the bands, because they are more expensive to buy and maintain, with bigger mortgages that cost people more, so they are less able to afford the huge council taxes that are required because the grant has gone down.

Unusually, I am not asking the Minister to change Surrey's grant. That would be a hopeless request and a waste of my time. If the motion is put to a vote it will roll through, with Scottish MPs behind it. I am asking him to look ahead and think again about his second principle. Will he look at ability to pay—I hasten to add, before there are squawks of encouragement from the Liberal Benches, that that would still be on the basis of a property tax—and recognise that we need a mixture of an understanding of property values and the cost of living? The cost of living in Surrey and London is much greater than in the rest of the country, so that proposal would give a much fairer balance and might stifle the protestations about local income tax from some corners of the House.

9.31 pm

Michael Jabez Foster (Hastings and Rye) (Lab): It is not new for East Sussex county council to whinge; it does so annually. Indeed, back in the 1970s I took part in the whingeing, although then we had some cause. In the four years to 1997, our real-terms funding was minus 7 per cent., and that included education. There is a history—and that situation occurred not long ago. Even more recently, at the general election, the Opposition offered us a zero increase in local government funding. If that had come about, we should be experiencing real problems.

This year, East Sussex county council received an extremely good education settlement—and not minus 7 per cent., but a 2.1 per cent. funding increase, to deal with everything else. As the hon. Member for Brentwood and Ongar (Mr. Pickles) pointed out, the council's Tory leadership suggests that the increase was only 0.6 per cent. That is wrong. Let us at least get the facts correct: it was 2.1 per cent., more or less in line with inflation.Given such an increase, it is shameful that the council is trying to destroy many important local government services, especially social services. I am grateful to the hon. Member for Brentwood and Ongar for mentioning that the only day-care centre in Rye for older people is to be closed.

I am honoured to be president of the local branch of Mencap, but funding for its active art provision for about 60 adults with learning difficulties is to be completely withdrawn. One of the cruellest cuts of all will affect Rethink SOS, which helps people in the first weeks after they have attempted suicide. As far as the service is aware, no one has tried to take their life again. That may be luck, but the service has been vital, and its funding, too, will go completely. Furthermore, £500,000 is to be withdrawn from care for carers. The Government may have made a mistake in not ring-fencing the care grant, as they originally proposed, because the Tory council is now able to cut it, as well as funding for respite care. That shows what caring

[Michael Jabez Foster]

Conservatism means in East Sussex. At least we have a test bed—we know what Tories do when given the opportunity—so that will be a lesson, despite what the new leadership suggests.

Such things might have been necessary if the funding had been cut, but with an inflation increase in grant and a double-inflation increase in the council tax proposed, they are simply unnecessary. None the less, is 2.1 per cent. enough? Cuts are not necessary this year because the county council can look to balances and other funds, but I have to tell my hon. Friend the Minister that in the longer term, it would not be possible to maintain such services if an increase of 2.1 per cent., covering inflation only, were provided.

The reason is very obvious. East Sussex has a growing elderly population—many people are over 85 years of age—and the formula is flawed. The Minister well knows about that because he has been gracious enough to listen to the arguments made by East Sussex county council—or perhaps he did not quite hear them, but he certainly listened to them—and there is certainly a need for additional funding for people over 85. That is very important, but it has not been fully taken into account.

Moreover, East Sussex has particular needs because of the cost of labour. We are just outside the home counties, but we compete with them for labour. My hon. Friend will say that the area cost adjustment has been spread, thus making it fairer, but it does not feel like that in East Sussex; the truth is that the current formulation of the ACA allows counties way outside the London area to benefit, and we lose out.

Mr. Woolas: May I draw to my hon. Friend's attention something that I announced in the statement of 5 December? During this round, the intention is to review the geography of the ACA, given the points that a number of councils made in their representations.

Michael Jabez Foster: I should have given my hon. Friend credit for that. I said earlier that he listened but did not hear, but he obviously did hear, and I am grateful to him for indicating that there may be some hope for future years, which is, of course, what we are talking about.

The formula also has another flaw. My hon. Friend has mentioned that the property value arrangements have changed, but it seems to me—he may want to respond to this in his reply—that property values are still taken into account. For example, a pensioner or postman on precisely the same income living in an expensive property in Hastings or East Sussex will have no greater income than a similar person living elsewhere, but the property value will be taken into account in determining the needs element under the formula.

I repeat that this year, East Sussex county council has no reason to make the draconian cuts that it intends to implement—but next year and the year after, there may be an argument for doing so unless the formula is reassessed. I want to ask my hon. Friend a question. How is it that a pensioner in Hastings—the 30th poorest town in Britain—is worth £657 per capita, whereas the sum will be as great as £1,000 or more in other parts of the country? There is no justification for that, and I very much hope that my hon. Friend will think again about the grant settlement in the near future.

I thank my hon. Friend for the fact that the borough council in Hastings, where a concentration of need exists, has done extremely well. I am grateful to him for that money, which the council has been able to spend extremely wisely in improving local services, but the difficulties are magnified in a poor area in a not-so-poor region or county, and we need to find a way to deal with that problem. I ask him to tell his friends in the Department of Health that we need to keep our primary care trust, lest a wider spread of the resources create the same problem.

9.39 pm

Anne Main (St. Albans) (Con): I am pleased to follow the hon. Member for Hastings and Rye (Michael Jabez Foster), who drew on the nub of my argument, which is that it is possible to have areas of relative deprivation in places such as St. Albans, and it is hard for people in those areas to pay high council taxes.

St. Albans is a constituency that is stereotyped as being wealthy, but it has areas that are characterised by having poor housing, poor health outcomes and poor future prospects. We endure high housing costs. I stress "endure" because many young people are struggling to get on to the high housing costs ladder. As a result, we have long waiting lists for social rented housing, significant levels of homelessness and overcrowding. For many, the council tax is an enormous growing burden that they struggle to pay.

As we know, the council tax is divided into four categories: parish, police, district and county. The residents, however, do not see it like that. They make no distinction and just see the final figure that lands on their doormat. Since 1997, council tax bills in St. Albans have increased by 96 per cent. A standard band D household could expect to pay £634 in 1997. The same household would now expect to pay £1,242.

What is the major cause of this grief? I talked to both county and district councillors, and the main holes are in their county, district and policing costs. A constant complaint is that a huge number of extra responsibilities and duties have been placed on authorities in each sector, but the funding does not reflect that. A person might ask, "Do I have a profligate county council?" Labour Members implied that some Conservative county councils either keep money to themselves or throw it away.

Conservative-controlled Hertfordshire county council is rated as excellent. It is one of the best in the country and has received a four-star rating for the fourth successive year. Hon. Members should accept that it knows what it is talking about. Hertfordshire county council is on the grant floor, so any rise is 2 per cent., which nowhere near reflects the costs and demands placed on its services. The leader of the Conservative county council, Robert Ellis, tells me that to keep costs down, it has doubled the efficiency savings that the Government required it to make. It is being very prudent. However, the margins are now tight.

Hertfordshire has pressed the Government—I am sure that the Minister is aware of this—for a realistic level of funding. The headline statistics make worrying

reading. In the financial year 2006–07, the formula grant is nearly £150 million—an increase of just 2 per cent. Hertfordshire is one of five authorities with the lowest increase out of 14 other comparable shire counties that also have fire responsibilities. The average of all authorities in England is 3 per cent. For 2007–08, the formula grant is a little over £151 million—an increase of 2.7 per cent, but lagging well behind the rest of England, which will get an average of 3.8 per cent.

What do those different figures mean for my constituents? I am told that with a grant floor it will be very difficult for Hertfordshire to invest in new capital projects, such as schools and transport. That comes at a time when the building schools for the future programme and local transport plans mean that there will be a high expectation of local authorities delivering significant new investment. However, Hertfordshire believes that it will have to cut key front-line services.

Hertfordshire has one of the highest incidences of people with learning disabilities in local authority-supported residential care. The demand for that service is one of the main reasons for the council spending above its funding limits for personal and social services. However, the calculations take no account of the relative needs of people with learning difficulties, so yet another funding expense will land on the taxpayers' doorstep.

The recent Buncefield disaster will have a major cost implication of £2.5 million for the authority, despite the Bellwin formula settlement. That disaster alone will equate to an extra 0.65 per cent. increase in council tax. My district council will also have an ongoing cost as a result of Buncefield. Talking to it today, it said that it will have to monitor the water and environmental impact for years to come and there will be no additional funding. As I said, council tax bills have risen by 96 per cent.

It would be easy to add fuel to this particular roaring fire because we have a Liberal Democrat-run district council. On top of all the other woes for my constituents, it felt it necessary to appoint an additional diary secretary, at £33,500 extra per annum, and a new chief executive, who we have always managed without, at an additional £100,000-plus per annum. On top of that, the councillors have just awarded themselves a pay rise of 33 per cent. I do not want to get carried away with or distracted by those figures. There are serious issues of additional Government-imposed responsibilities that are not funded adequately.

One particular extra duty that the Government have placed on the district council is a higher recycling target. We all welcome the push to encourage greater recycling, and to be fair the Government have supplied capital funding to acquire new wheelie bins, public service vehicles and so on, but no extra funding has been provided to run the additional recycling rounds. That means an extra £100,000 burden. The head of finance at St. Albans district council today told me that he estimates conservatively that that will cost the council £400,000 in addition to the standard refuge collections.

I am also told by officers in the licensing department—I have mentioned in the House before the fact that St. Albans is supposed to be one of the towns with the most licensed premises in Europe—that the Licensing Act 2003 has meant that additional staff are needed to deal with inspections and to man a noise nuisance helpline, which the council feels obliged to run 24 hours a day. That means an additional £80,000 net of the fee in extra costs to the council.

Another area of concern is the disabled facilities grant. I am told by my council that year on year it has had its contributions cut. I would welcome the Minister's response to that, but that is what I have been told. This year the council will receive a £25,000 real-terms cut. Demographics are changing. In St. Albans, more and more elderly and disabled people are staying in their own homes, and we welcome that. Rightly, the council wishes to try to help them to stay in their homes and to live valuable, long lives. However, the Government have also increased the eligibility criteria, which will come into effect from 1 April. That will give additional responsibilities to the local council at additional costs. More people will be eligible for help. One thing that has come through is that families of disabled children will no longer be means-tested. That can be welcomed, but the effect of it and other changes is that the budget will need to rise in St. Albans from £250,000 to £1 million in 2006–07. How are we to fund that? My council says that it will use the proceeds of the sale of council houses.

To return to the early part of my speech, I have massive lists of people and full surgeries of those who want houses in the social rented sector. Perhaps there is not the reinvestment that the Government would like, but the council is having to fund this budget deficit. Instead of money from council house sales being ploughed back into providing much needed accommodation, it will have to be diverted into building extensions and adapting housing for disabled people who qualify for grants. As more and more elderly and disabled people are living in their own homes—private homes, I might add—the majority of grants from the public sector will be diverted to residents, who I accept are needy, in the private sector. A rather perverse and, I would imagine, unforeseen method of wealth distribution is happening in St. Albans.

The Government give a per capitation figure for the eastern region to deliver disability grants, but as has been said, there are certain cost implications in certain areas. With the high cost of building and employing staff in St. Albans, that figure will not go anywhere near to covering the cost of allowing elderly and disabled people to have their homes extended to facilitate their living at home. My council is very worried, and to quote the words of one officer today:

"We have just about reached the limits of our ability to tax the public".

I do not have time to address the £5 million year-on-year, real-terms deficit that my chief constable told me and other Hertfordshire MPs only last month he has had cut from his budget, or the £17 million rebranding exercise that may happen as a result of police amalgamations, which will also land on the tax payers' doorstep. Needless to say, that will all add to high bills for my constituents.

My council is calling on the Minister for support for capital investment delivered through capital grants. That is exactly what it has written to him about. It wants a fairer and more transparent grant system that recognises the true cost of extra demands on services and which, more to the point, the person in the street can understand and see as reasonable and fair.

9.49 pm

Mr. Richard Benyon (Newbury) (Con): The few words I wish to say may sound a little parochial, but many right hon. and hon. Members across the country will identify with them.

The change to a new system of local government finance will have two main effects including, first, a continued shift of resources from constituencies such as mine in the south-east to other regions. Secondly, a system has been created that seeks to disguise—*[Interruption.]* I hope that the Minister is listening, because that system seeks to disguise the unfairness that the shift causes in the provision of vital services by the councils that lose out.

Mr. Woolas: I think that the hon. Gentleman was in the Chamber when the right hon. Member for Skipton and Ripon (Mr. Curry) confirmed that there had not been a shift in resources from constituencies such as the hon. Gentleman's to constituencies further north.

Mr. Benyon: I will prove to the Minister that there has been a shift from areas such as West Berkshire. Whether those resources have gone north, south, east or west, I shall leave the Minister to work out, as his Department has contrived a very confusing system.

My right hon. Friend the Member for Skipton and Ripon (Mr. Curry) is quite right—we cannot look at the issue properly if we include the schools money, and the figures that I will use are for non-schools grant. Many authorities receive two and, in some cases, three times as much grant per head as councils such as West Berkshire that do worst in the system. As if the situation were not iniquitous enough, some authorities enjoy annual increases far above those received by West Berkshire. Middlesbrough, for example, has received a 5.7 per cent. increase; Stockton-on-Tees, 4.9 per cent.; Hull, 4.8 per cent.; and Hartlepool, 4.2 per cent. West Berkshire, however, must make do with a below-inflation settlement of 2.1 per cent. In short, a system that is already grossly unfair has been made more unfair with each passing year.

The predictable reaction to that unfairness from the Government is to claim that those disparities are simply a reflection of greater deprivation elsewhere, but that argument is flawed. If we use the indicator of average weekly income, the Government's own statistics show that average income in a relatively well-off area such as West Berkshire is 50 per cent. higher than in council areas with the very lowest incomes in the country. How can that disparity justify Government grant levels 300 per cent. higher in other areas?

The change to the new funding system has hit West Berkshire and a number of other south-east councils particularly hard for another reason. For many years, West Berkshire council, along with neighbouring councils such as Wokingham, were short-changed by a system that imposed ceilings on grant levels. Although demographic trends meant that the Government calculated that West Berkshire required large increases in grant to meet service needs, those were curtailed to pay for grant increases to other councils. Last year, as hon. Members will recall, the grants ceiling was removed for one year. West Berkshire received an overall increase in grant of 11 per cent., and it began to offset the years of bad settlements that it had previously received. A year later, under the new system, West Berkshire is no longer at or, indeed, above the grant ceiling, but is on the floor, with a below-inflation increase in its non-schools grant of 2.1 per cent. How can a council be assessed as requiring a massive increase in grant one year, but receive a grant below inflation the next?

I try not to be cynical, but one can understand why people ask if it is more than a coincidence that the funding system has been changed just as it was finally about to start to address long-term inequalities in funding for some authorities in the south-east, where the Labour party has virtually no presence.

There is a final aspect to the changes in this year's funding system that should not go unnoticed. We live in the world of the relative needs formula. The effect of this change is to render an already complex and opaque system virtually unintelligible. That is helpful, if the system is designed to move resources from one area to another without any genuine justification or accountability. Despite half-hearted Government protestations to the contrary, the old system of formula spending share effectively set out what the Office of the Deputy Prime Minister thought local councils should spend in cash terms on various services.

Not surprisingly, the old system produced some uncomfortable statistics for the Government. The last set of figures for social services FSS in 2005–06, updated for the last time in this year's release of information, showed that West Berkshire came 146th out of 150 authorities in the amount of funding the Government expected it to spend on social services per head. Effectively, the Government expected West Berkshire to provide social services by spending just £197 per head of population, compared with up to three times that sum in other councils.

Clearly, that was always nonsense, brought about by the inequity of the funding system. West Berkshire has the same demographic pressures as other councils, with an ageing population, increased cases of dementia, and so on. The needs and unit costs of social services clients are not radically different because they live in West Berkshire rather than in inner-London or places further north. Why should services to some of the most vulnerable people in our society be underfunded by the Government simply because those people happen to live in an area which, by Government calculations, is moderately better off than other areas?

The truth is that an elderly or disabled person in need of social services provision living in Newbury has just the same requirements as someone in a similar condition living in Newcastle, but the Government believe that my constituent is only a third as important as somebody living in another area. Unsurprisingly, the new system of relative needs formula provides no monetary statistics. The Government say that is because the old system was misrepresented, but it is precisely because the old system exposed such unfairnesses that it has been changed.

There are two other areas that are worthy of consideration in such a debate. First, West Berkshire receives back far less in business rates than it contributes. That is another example showing how resources are shifted surreptitiously from one area to another. It is not a system that is understood by the

electorate out there. Secondly, the people of West Berkshire have thankfully taken the only course of action open to them that can mitigate the effects of Government underfunding: they have elected a Conservative administration, which in its first year—*[Interruption.]*

I hear a scoff from the Liberal Democrat Benches. The Liberal Democrats controlled that local authority, and they were happy to see the people of West Berkshire caught in a pincer movement between a Government who fiddled the funding and imposed the Chancellor's savage stealth taxes on them, and a Liberal Democrat authority that ramped up council tax year on year to pay for ridiculous spending and pet—*[Interruption.]* I certainly blame both, because I had to live under them for too many years. I am happy for the Liberal Democrats to see our figures.

The people of West Berkshire have now elected a Conservative administration which, despite the appalling settlement that it has received, has identified pensioner poverty as a major problem that is being exacerbated by council tax. The administration wants to keep council tax down. It has recognised the effect of council tax on young families as well. It has managed to achieve a record settlement, even in the climate that the Government have created. I am enormously proud of the Conservative administration running West Berkshire council. It is doing its best to provide quality services within a system of Government grant that is unaccountable, whose logic is untenable and which creates a disparity of funding that is totally unfair.

9.59 pm

David Howarth (Cambridge) (LD): I want to raise two topics with the Minister: first, the supporting people programme, the grant for which has fallen by 1.7 per cent. nationally; and secondly, the transparency and rationality of the grant formula.

As the hon. Member for Brentwood and Ongar (Mr. Pickles) said, the supporting people programme is admirable. Its aim is to help people to live independent lives at home. They include those who have been homeless and rough sleepers, ex-offenders, people with disabilities, people at risk of domestic violence and people with drug and alcohol problems, as well as several other vulnerable groups such as Travellers and people with HIV and AIDS. The programme provides funds in order to, for example, help people to access their correct benefit, ensure that they have the right life skills to maintain tenancies and provide advice on home security. Finding a place for someone to live is often not enough: unless they are given help in maintaining a new and stable lifestyle, they may be in danger of slipping back into their former lives.

The problem is that funding for the supporting people programme was cut last year, is being cut this year and looks as though it will be cut again next year. The origins of the cuts lie in the Treasury's belief that the programme is too expensive. However, the cost to the public purse, through the health service, the criminal justice system and the benefits system, of failing to reintegrate vulnerable people is also very high.

I understand that the Government are consulting about the future of the supporting people programme, and I hope that they will decide to give it the funding that it deserves. I have two comments for Ministers to consider in the course of that consultation. First, as the hon. Member for Wigan (Mr. Turner), said, there is an interaction with health spending. That is particularly true of mental health spending. There is a serious problem with the provision of mental health services in many areas. In my own constituency, cuts of 13 per cent. in mental health funding have been proposed. Some of those cuts—to day centres, for example—affect precisely the same people as cuts to the supporting people programme. All I ask is that the Department of Health and the Office of the Deputy Prime Minister work together to ensure that these most vulnerable people are not hit twice by separate Government policies.

Secondly, there is an interaction with spending on homelessness. I note from the figures before us that the special grant for tackling homelessness is rising just as the special grant for the supporting people programme is falling. That rise is welcome in itself, but Ministers should remember that the homeless are among the most important of the groups that are helped by the supporting people programme. I would like an assurance from the Government that they are not merely shifting resources around from long-term help in supporting people to short-term help for the homeless. The supporting people programme is a crucial part of dealing with homelessness. The policy of moving people through gradations of housing until they are able fully to support themselves is absolutely right, but it will not work unless people are helped to stabilise their lives. Emergency services for the homeless usually win more headlines, but long-term success depends on such programmes, and they need to be maintained.

The other issue that I want to raise is that of the lack of transparency in the system of calculating grants for local authorities. In December, the Minister said that the settlement was purely cash based and did not involve any assumed council tax levels for each authority, as in the past. That caused much amusement in local authority circles. No system for the allocation of grant to local government can be purely cash based, because all systems start with the national control total and work backwards. The formula is a way of distributing a fixed budget. Anything else would cause chaos in central Government finances. If one proceeds as the Government have, all that one does to get the figures to add up is to introduce a bit of trial and error by running the formula repeatedly, using slightly different figures, until the right totals appear.

The Government's purpose in shifting to the new system appears to be purely to avoid having to publish the assumed council tax figures for each local authority. They complained that the figures were misunderstood and that local authorities were using them for inappropriate purposes. The Minister mentioned standard spending assessments, which were misused. That is true but they were mainly misused by central Government. The SSA constituted a method of working out the share of the national total but it was used to criticise local government for spending too much or too little.

It was the other way around with assumed council tax. The assumptions were understood only too well and the Government appeared desperate to disguise them. To do that, they produced a system that is, according to

[David Howarth]

the Chartered Institute of Public Finance and Accountancy, more complex and much less transparent than the previous system. However, it is not clear that the Government have even succeeded in hiding their assumptions about council tax amounts and the way in which they calculated the figures. Finance officers in councils throughout the country are busy working out what the Government's assumed council tax for their council must have been.

Mr. Woolas: They would anyway.

David Howarth: Yes, but there is a question of wasting their time. The attempt to hide the assumed council tax in relative shares of spending does not work because the Government ultimately have to publish absolute figures for the total grant and a specific negative amount to represent the total national council tax base. That means that it should be possible to reverse-engineer the formula to return to the assumed council tax levels. The Government should save people the time and effort of working that out and simply publish the figures, which they used to do.

The other, perhaps more serious, problem with the formulae as they are currently presented is that they mix technical assessments with political judgments. Whether a formula successfully predicts the amount of need for a specific service or the cost of providing it in different areas is a technical matter—a sort of exercise in amateur sociology and economics that can be checked against the research. However, the balance of funding between different blocks—hidden in the "basic amounts" in the formula—and, I suspect, different sorts of council, is a political decision. The Minister is right to say that there is no bias in different regions except accidentally at the end, but I stress that the decisions about the balance of funding between different sorts of council are political.

I believe that we should be considering two reports, not one. There should be a technical report that provides evidence for a specific way of predicting need and cost, and a political report that gives the Government's reasons for opting to support particular services and sorts of council.

A Government who even suppressed the assumed council tax level are unlikely to want more openness in the rest of their activities in that field. However, a Government who were committed to a clear and open debate about their priorities would welcome openness.

10.8 pm

Mr. David Amess (Southend, West) (Con): We live in an unjust country. The Government are unjust and I blame local government's powerless state on the Labour leader. Since he took power in 1997, he has shown little or no interest in local government.

What is the point of anyone becoming a councillor nowadays? The centralising Government tell local authorities everything that they should to do. They tell them how much to spend and what they can raise. Central Government direct every facet of local government. What on earth is the purpose of anyone standing for local government?

A deputation from Southend council met the Under-Secretary of State, Office of the Deputy Prime Minister, the hon. Member for Poplar and Canning Town (Jim Fitzpatrick), last month to explain to the Government Southend's serious financial predicament and to try to get more help from him. As the Minister knows, when the national census was conducted, 20,000 people in Southend were left off it. That means funding for 20,000 fewer people. The Minister is always courteous when he meets us and has been sympathetic, but my colleagues and I are not going to shut up and wait until 2011 for something to be done.

Mr. Philip Hollobone (Kettering) (Con): In Northamptonshire, we have the reverse problem. The population will increase massively as a result of the Office of the Deputy Prime Minister's growth area agenda, but the population assumptions in the local government finance settlement are based on historic census data and do not include the projections provided in the growth area assessments.

Mr. Amess: There we are; I was exactly right when I said we live in a very unjust country.

We have a serious situation in Southend, with 20,000 people left off the census. We cannot wait until 2011 for that to be addressed. The Minister also knows that Southend pier has been burnt for the third time, that we are suffering cliff slippage and that Southend, West—the constituency I am proud to represent—has the most people in the country aged between 100 and 112.

Mr. Nicholas Soames (Mid-Sussex) (Con): A[illegible] Tories.

Mr. Amess: They certainly are good Conservatives.

All that brings huge financial difficulties. At the meeting with the Minister's colleague, we brought to his attention the fact that Southend had received a 2 per cent. increase while the average across the country was 3 per cent. We also brought to his attention the fact that if the local authority increased local council tax by more than 5 per cent., capping would take place. If we follow the Minister's instructions, Southend will have to make cuts of £11 million—on top of £25 million of cuts over the past five years.

I end with a gentle warning to my hon. Friends. It is normal when one takes a deputation to a Minister asking for more money not to expect any change. But this settlement takes the mickey. Following our delegation—my hon. Friend the Member for Rochford and Southend, East (James Duddridge), members of Southend council and me—the grant was not left alone; it was actually cut further. As a result of our delegation—

Mr. Woolas *indicated dissent.*

Mr. Amess: The Minister shakes his head, but as a result of our deputation—my hon. Friends must bear this in mind, until we enter office—we have actually had our grant cut by £34,000. That really is taking the mickey. I am desperately disappointed with what the Government have done.

10.13 pm

Mr. Andrew Pelling (Croydon, Central) (Con): I shall keep my remarks short as I know that the Minister wants to reply.

Despite what the Minister had to say, quite a few Opposition Members have spoken on behalf of authorities whose allocation of moneys is on the floor. I should not want to cut across what the hon. Members for Wigan (Mr. Turner) and for Barnsley, Central (Mr. Illsley) had to say, but I assure the House that in London, having a social services grant on the floor does not necessarily mean living a life of luxury. Within my local authority there is, unfortunately, a need to close down an industrial organization that has given jobs to 85 disabled members of the community. There has also been the acceleration of closures of old people's homes. The Minister and my hon. Friend the Member for Mole Valley (Sir Paul Beresford) raised the issue of affordability. That is an important issue, especially within the context of London.

Within my constituency, there was a recent analysis by Barclay's that showed that the real standard of living—when account is taken of the costs of living in London—in Croydon, Central is within the bottom 100 constituencies in England and Wales. The neighbouring constituency of Croydon, North is within the bottom 30. Careful consideration must be given to the allocation of moneys to constituencies in outer London, which are showing great signs of a decline in the quality of public infrastructure. That is recognized by the Mayor of London.

Within Croydon, there are real issues with specific grants that go into the overall revenue settlement; for example, concessionary fares and importantly, for Croydon and Hillingdon, unaccompanied asylum-seeker youngsters.

Briefly, I pay tribute to the London borough of Sutton, which is controlled by the Liberal Democrats. There is a desire there to work on a cross-party basis to lobby on behalf of that borough's interests. The approach taken was a great success for the borough in terms of achieving its position in the area cost adjustment in falling within a west London council definition. Unfortunately, the London borough of Croydon has not fallen within that process. If I had some criticism of the Labour authority in Croydon, it would be its unwillingness to operate in a bipartisan approach to the Minister that involves both the Labour and Conservative parties. That is both before my election to the House and afterwards.

I suppose that, on a party political point, that will not be a problem for me after the coming local elections. However, it is important to take a constructive approach. When it comes to area cost adjustment in terms of west London councils on the provision of education, children's services and other elements within cost adjustment, we find that the boroughs are being funded at a rate of 6 per cent. higher than other boroughs within outer London. It strikes me that that is an unjustifiable effect of the operation of the ACA within the funding formula.

Overall, it will have cost Croydon council £40 million relatively in funding over the three-year fixed period that has been locked in by the Government. There seems also to be a contradiction in funding within London on schools. The average funding for secondary schools within Croydon is £3,300 per pupil whereas in many London boroughs the funding will be £5,000.

I concede that there have been problems within Croydon, given its fascination for council tax referendums that allowed the opportunity for increases of 2 and 3 per cent. in the run-up to the previous local elections. Obviously, that led to a great deal of trouble for the local authority in increasing its council tax by 27 per cent. immediately after the local council elections. Unfortunately, that will operate as a distinct handicap for the Labour party in trying to retain control of Croydon council at the upcoming elections. The residents of Croydon will easily remember 27 per cent.

Croydon is going through dynamic change. Many of the wards within Croydon have the highest populations of black and ethnic minority communities, and it is important that we serve those communities. The political agenda within London, understandably within the context of the Olympics and London 2012, has been to concentrate resources on the development of the Thames Gateway area.

Funding that comes to London through learning and skills councils also discriminates strongly against southern London. In the review of area cost adjustment for subsequent years, I hope that the Minister will give serious consideration to the need to take account of the real costs of operating in London. Boroughs such as the London borough of Croydon require greater equality of treatment. The director of finance of the London borough of Croydon recently said that we operated within an ACA that put us in a valley of payments, or low point, compared with neighbouring Bromley and Sutton.

Serious consideration should be given to the real dynamic changes that are taking place in Croydon's population. As many other hon. Members said, especially the hon. Member for Hastings and Rye (Michael Jabez Foster), we must realise the problems that are caused when areas with distinct deprivation are not well supported through the overall allocations. That problem applies especially to the London borough of Croydon because its northern parts and some areas of Croydon, Central, which I represent, have many facets and styles that are similar to those of inner-London areas.

Unfortunately, as the Minister will be aware, there was recently a great deal of publicity about the fact that our main station in Croydon has the highest rate of reported crime of any outer-London rail station. That in itself is an indication of the some of the decline that has taken place in the London borough of Croydon, which ought to be addressed through the future allocations of resources to Croydon. When the Minister winds up the debate, I hope that he will provide us with some positive remarks about how the area cost adjustment for Croydon will be reviewed in future years.

10.22 pm

Mr. Woolas: With the leave of the House, Mr. Deputy Speaker, I shall reply to the debate.

I thank hon. Members on both sides of the House for their contributions to the debate and will try to respond to their points about the settlement. Over the past few weeks, I have been keeping a private tally of the most

[Mr. Woolas]

ingenious arguments that hon. Members have made for why their constituencies are being unfairly treated and good contributions to that competition were made this evening. Hon. Members representing some of the wealthiest areas in the country said that they should be rewarded for living in wealthy areas. Conservative Members said that money is being given to northern Labour areas, while we heard from Labour Members representing northern areas that money is being given to southern Conservative areas; I make no comment about that.

The winner of the competition has to be the hon. Member for Southend, West (Mr. Amess), who complained that the delegation that he led to meet Ministers from the Office of the Deputy Prime Minister resulted in a reduction in his area's grant. I am highly tempted to save that one until the next general election and put out a performance review grant. Unfortunately the hon. Gentleman is not in the Chamber, but the truth is that the reason for the changes was entirely due to statistics. I am well aware of Southend's difficulties due to the fire at its pier and have previously commended the hon. Gentleman on his campaign about population statistics. I referred to that general issue during my opening remarks when I said that the Government rely on the most robust figures available, which are those from the Office for National Statistics.

The hon. Gentleman also criticised the Government for using historical trend population figures. May I re-emphasise the fact that the changes that we have made in the settlement take account of future projections, as well as historical changes, to take on board points made by hon. Members on both sides of the House during the consultation and recent meetings?

The hon. Member for Southend, West said that his council was implementing cuts of £11 million. I wonder why Opposition Members have such short memories. A cut is a reduction in the cash available to spend on services; a cash reduction or a reduction after inflation, if one wants to define it like that. A cut is not a smaller increase than was hoped for. *[Interruption.]* Opposition Members, who are incredulous at that point, need to get back to the days when they were a party of sound finances. It is not credible to stand before the electorate in May, in the context of increased grants from the Government year on year, over 10 years, and complain about cuts. That is just not tenable.

That is not to say, as I said in my opening remarks, that the Government have not recognised that there are pressures on councils, particularly as a result of an increasing elderly population, increases in the costs of waste recycling and increases in other areas, above the net new burdens identified by the Local Government Association and ourselves, which were provided for in this settlement. Opposition Members cannot have it both ways. They cannot say that the reductions in services in some specific areas of council expenditure are due to this settlement; they are not, and it is not credible for them to argue that point.

Mr. Pickles: Surely the hon. Gentleman has something better to offer us than "Yah boo sucks". Surely he recognises the growing pressures and burdens on local authorities. Things are closing down from Rye to Rugby. Things are closing down from Lancaster to Surrey. Things that were funded last year are not being funded. Is it all just a conspiracy to make the hon. Gentleman look bad?

Mr. Woolas: With respect, the hon. Gentleman repeats the mistake that I just warned him against. I am more than happy that he carries on doing so. He needs to listen to his own electorate. They will not put up with what they see as public sector profligacy. This Government have provided above-inflation increases and investment in local government for 10 years. That is a fact that he cannot deny, and no amount of Central Office press releases will change that. It is also the case that the Local Government Association, very responsibly led by a distinguished ex-council leader in Sir Sandy B[illegible]e-Lockhart—not a Labour member, but a Conservative councillor speaking on behalf of all councils—entered into a process with the Government to identify any net new burdens. We did that, and we reached agreement on it. We also identified pressures on local councils over and above inflation.

There are two points that the House has to recognise. The first is that those pressures exist for central Government as well. They do not stop at the county border. The pressures from the increased elderly population, the demands on health and other services, exist for central Government, and it is incumbent on us to ensure that resources are fairly distributed and that budgets balance. One cannot then say that the pressures on councils are the fault of the settlement; they are not. Where there are real pressures, and we have acknowledged them, it is because of the real world.

If the hon. Gentleman wants to intervene again, I will allow him to do so briefly because I will be fascinated to hear what he has to say. My second point is that if local government wishes to be a partner in governance of this country, it has to accept its responsibility in balancing budgets. It is to no one's gain for it to say, month after month, year after year, in the context of a 79 per cent. real terms increase in council expenditure, that the Government should provide more; from where?

Mr. Pickles: Given the nearly 80 per cent. increase in council tax, how can the hon. Gentleman lecture anyone about profligacy when his own Department has wasted £168 million on consultants and when the level of financial competence in the Department is a disgrace? If the Office of the Deputy Prime Minister cannot run itself, how can the Minister possibly lecture others?

Mr. Woolas: I would make two points in response to that intervention, which notably failed to answer the challenge that I put to the hon. Gentleman. My first point in response to his allegations is that, when he sees the figures on the Gershon efficiency savings, he will find that my right hon. Friend the Deputy Prime Minister's Department is leading the field, along with the Department of Health, in that regard. Secondly, I challenge him again to tell the House what his policy is. If he is saying that a 79 per cent. above-inflation increase in grant is insufficient, and that he does not wish to see above-inflation increases in council tax, what is his

policy? The fact is that there is no policy on offer from the hon. Gentleman, unlike the hon. Member for Brent, East (Sarah Teather), who has an alternative.

Dr. Iddon: Is not the policy of the hon. Member for Brentwood and Ongar (Mr. Pickles) quite clear? He mentioned it earlier when he was whingeing about the dedicated schools' budget. That is where the money would come from, as it always has when the Conservatives have been in power.

Mr. Woolas: My hon. Friend makes a valid point.

The hon. Member for Brent, East once again blamed the system for the increases in council tax. She acknowledged the increase in grant, but criticised the increases in council tax and blamed the balance of funding for the problems. The problems faced by councils—hers in particular; I have met a delegation from her council—are to do with the real-world pressures of an increased elderly population, increased costs of waste disposal and recycling, and increased costs as a result of other demographic changes. Those pressures cannot be wished away by a change in the formula or in the balance of funding. They can be, and are being, addressed by a strategy, agreed in conjunction with the Local Government Association, of addressing those underlying causes.

Both the Opposition parties argue that Her Majesty's Government should recognise a separate level of inflation for local councils, over and above the level for central Government expenditure. That is not a tenable policy; it is economically illiterate. Were we to adopt an inflation level for local government that recognised the demands placed on local government, it would become a self-fulfilling prophecy, and people would be back again next year arguing for even more money. The public would, quite rightly, not accept that.

Mark Hunter (Cheadle) (LD): Will the Minister reflect on his use of the word "profligacy" in relation to local government? Is that really his view? Does he not think, with hindsight, that councillors of all parties up and down the country might find his use of the word offensive in that context? If he does think that his use of the word was valid, will he tell us which services currently provided by councils should no longer be provided?

Mr. Woolas: I chose my words deliberately, as hon. Members would expect, and I expected such a response from Opposition Members. The hon. Gentleman cannot have it both ways. He cannot blame the Government for the pressures on local councils while recognising the 79 per cent. above-inflation real-terms increase in grant that councils have received. If he wants me to enter into a debate about the council of which he was leader, I shall be happy to use the word that he accused me of using.

Mark Hunter: It is a four-star council.

Mr. Woolas: It is indeed. I might also ask the hon. Gentleman to tell us what the staff complement figures are now and what they were 10 years ago. The silence is illuminating.

The hon. Member for Croydon, Central (Mr. Pelling) asked us to look again at the area cost adjustment. I announced in the debate, and in a statement on 5 December, that the geography was certainly something to be looked at following arguments presented across the political spectrum. I cannot, of course, offer the hon. Gentleman a commitment to solve the problem.

My hon. Friends the Members for Wigan (Mr. Turner), for Barnsley, Central (Mr. Illsley) and for Tyne Bridge (Mr. Clelland) made important points about the impact of "damping" and the need, as they saw it, for a timetable to reduce it. I am grateful for the positive way in which they raised those issues. It confirms the falsehood of the accusation that this is a new distribution formula heavily biased towards Labour areas. No doubt my hon. Friend the Member for Wigan sees some irony in that, but I am grateful to him for acknowledging that he has some sympathy for the floor as a policy. The floor relating to non-schools expenditure on education authorities provides the protection that he wants. Authorities such as his and mine would have been in severe difficulties without the double floor applying to the formula spend element and the overall grant.

The right hon. Member for Skipton and Ripon (Mr. Curry) raised points about wider Government policy and priorities in education, health and development. He acknowledged that while this was a tough settlement it was inflationary on the whole, and was good enough to praise the Government for their increases in other areas. The hon. Member for Mole Valley (Sir Paul Beresford) presented—as he often does—the argument against the full resource equalisation in the settlement. My hon. Friend the Member for Hastings and Rye (Michael Jabez Foster) welcomed the floor. He criticised his county council's priorities, while recognising the difficult decisions that it had to make. He welcomed the 5.8 per cent. settlement, and the 7.2 per cent. settlement for Hastings borough council.

This local government settlement will ensure above-inflation increases in grants for 10 years running. It provides stability and predictability through a two-year settlement, and builds on the policy of investing in local services. It does so in a fair way, recognising the needs of different types of authority across the country in a manner that is not politically partisan, despite the accusation that has been made. I commend it to the House.

Question put and agreed to.

Resolved,

That the Local Government Finance Report (England) 2004–05: Amending Report 2006, HC 856, a copy of which was laid before this House on 31st January, be approved.

That the Local Government Finance Report (England) 2005–06: Amending Report 2006, HC 857, a copy of which was laid before this House on 31st January, be approved.

That the Local Government Finance Report (England) 2006–07: Amending Report 2006, HC 858, a copy of which was laid before this House on 31st January, be approved.

That the Limitation of Council Tax and Precepts (Alternative Notional Amounts) Report (England) 2006–07, HC 859, a copy of which was laid before this House on 31st January, be approved.—*[Mr. Woolas.]*

DELEGATED LEGISLATION

Mr. Deputy Speaker (Sir Alan Haselhurst): I propose to put together the remaining motions relating to delegated legislation.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

Constitutional Law

That the draft Charities and Trustee Investment (Scotland) Act 2005 (Consequential Provisions and Modification) Order 2006, which was laid before this House on 6th December, be approved.

That the draft Gaelic Language (Scotland) Act 2005 (Consequential Modifications) Order 2006, which was laid before this House on 6th December, be approved.

That the draft Scotland Act 1998 (Transfer of Functions to the Scottish Ministers etc.) Order 2006, which was laid before this House on 6th December, be approved.

Industrial and Provident Societies

That the draft Friendly and Industrial and Provident Societies Act 1968 (Audit Exemption) (Amendment) Order 2006, which was laid before this House on 12th December, be approved.

That the draft Community Benefit Societies (Restriction on Use of Assets) Regulations 2006, which were laid before this House on 12th December, be approved.

European Communities

That the draft European Communities (Definition of Treaties) (Cooperation Agreement between the European Community and its Member States and the Swiss Confederation to Combat Fraud) Order 2006, which was laid before this House on 19th December, be approved.—*[Joan Ryan.]*

Question agreed to.

COMMITTEES

Science and Technology

Ordered,

That Dr Ian Gibson be discharged from the Science and Technology Committee and Mr Jim Devine be added.

Defence

That Mr Desmond Swayne be discharged from the Defence Committee and Mr Adam Holloway be added.—*[Joan Ryan, on behalf of the Committee of Selection.]*

Swimming Facilities (Disabled People)

Motion made, and Question proposed, That this House do now adjourn.—*[Joan Ryan.]*

10.39 pm

Natascha Engel (North-East Derbyshire) (Lab): I submitted my request for an Adjournment debate on swimming facilities for disabled people in order to highlight a specific issue: the imminent closure of a swimming pool in Chesterfield, which will leave many people who live in Staveley, in my constituency, without anywhere to swim. But the campaign to keep Middlecroft leisure centre open seems to have touched on issues that go way beyond the local. To put the Minister in the picture, Liberal Democrat-led Chesterfield borough council has announced that it will close Middlecroft swimming baths at the end of this May. They will be replaced by a fitness centre a couple of miles down the road—a centre that has no swimming facilities. The council is talking about providing a new swimming pool in the area, but there are no definite plans.

The fact is that Middlecroft will lose its pool and residents will have nowhere to swim. Those residents—angry parents and anxious elderly and disabled swimmers—have formed the Middlecroft leisure centre action group. Their slogan—"You can't learn to swim in a gym"—reflects the fact that in a rural area and a coalfield community such as ours, the nearest swimming pool is many miles away and in practice is not accessible, especially for those who do not have a car. The national curriculum now specifies that all children should be able to swim 25 m by the age of 11, so this closure will put a huge burden on Derbyshire county council, which will have to bus children from school to swimming pool and back again. That time could better be spent learning to swim, and that money could better be spent on sport or education.

However, the real reason that I asked for this debate is the plight of the Spireoaks swimming club for disabled swimmers, which is based at the Middlecroft swimming baths. Spireoaks is not huge. It has some 20 members with a wide range of disabilities—from cerebral palsy, autism and Down's syndrome to epilepsy. It is run by the incredibly dedicated and determined husband-and-wife team of Dorothy and Brian Wibberley. They set up at Middlecroft more than 11 years ago and have enjoyed success after success. Most recently, 16-year-old Tom Harrison, who has a brain injury, won bronze at the "Double Dutch" open championships in Holland. Dorothy and Brian were delighted when they heard that the 2012 Olympics and Paralympics are to come to the UK. The club planned to have at least one Paralympic medal winner from Middlecroft and Staveley.

Despite Dorothy and Brian's 11 years of service, Chesterfield borough council did not even bother to write to them to explain that the pool is to close and that they will lose their training ground.

Mr. Jim Devine (Livingston) (Lab): Such behaviour by the council is indeed unacceptable, but does my hon. Friend not find it even more embarrassing that there is no Liberal Democrat representation in the House for this important debate?

Mr. Deputy Speaker (Sir Alan Haselhurst): Order.

Natascha Engel *rose—*

Mr. Deputy Speaker: Order. The hon. Lady must sit down. Remarks such as those that the hon. Gentleman just made are generally disapproved of. This is an Adjournment debate—the personal property of the Member who has raised it—and it entitles the hon. Lady to a ministerial response; it is not an occasion for party political matters. Whatever the content of the speech, it is the hon. Lady's, and the presence of other hon. Members in this House is an irrelevancy.

Natascha Engel: Thank you, Mr. Deputy Speaker.

I cannot understand the massive lack of ambition that leads to a local council closing a swimming pool shortly after the announcement that we will be hosting the Olympics and Paralympics. What message does that send to local people in Staveley and Chesterfield? The UK's Sydney Paralympics swimming team came home with 62 medals—out of a total of 131 medals awarded. We in North-East Derbyshire want to build on that record. We want to encourage able-bodied and disabled children to be the swimmers and winners of 2012, but how can we even think of competing if Chesterfield is to close its swimming baths?

It is not as though Chesterfield is flooded with pools. Once Middlecroft is closed there will be only one other pool in the borough, and that is already heavily oversubscribed. We should contrast this approach with that of North East Derbyshire district council, which manages four 25 m pools and plans to upgrade them, rather than to close them.

However, the context of this debate is wider than my constituency and Chesterfield: it is about health, wealth, leisure and community. As Duncan Goodhew says:

"Swimming is the best all-round sport for our health. It is the least discriminating, certainly in age and ability and it has the highest appeal in the nation."

He is not joking. More than 22 per cent. of the nation swims at least once a month. It is the single most popular sport in the country. When Tessa Jowell, the Secretary of State for Culture, Media and Sport, visited a school last week and asked the children—

Mr. Deputy Speaker: Order. I am sorry to interrupt the hon. Lady again, but it is not the practice to refer to other right hon. and hon. Members by name. They may be referred to by constituency or, in the case of the Secretary of State, by the office that she holds.

Natascha Engel: I apologise, Mr. Deputy Speaker. When my right hon. Friend the Secretary of State visited a school last week and asked the children to which sports facility they would most like to have access, the answer was, of course, swimming pools. Children, including those in Staveley and Middlecroft, love swimming. No matter how poor their parents are, they can afford the £2.30 for a swim.

There is also the very serious issue of water safety. Learning to swim will obviously lead to fewer people, especially younger people, drowning. That is of particular concern in Middlecroft. Once the pool is closed, the nearest water will be in the Poolsbrook country park. Come the summer, kids—swimmers and non-swimmers—will jump straight into unsupervised lakes and ponds. Their parents are right to be worried.

If we can keep Middlecroft open and carry on getting kids to swim from an early age, the health benefits will be massive. They will be less likely to suffer from heart disease or strokes, and they will be far less likely to become obese. In a high-deprivation area like Staveley, there is also a high level of drug abuse. It does not take a genius to work out that involvement in sports will make it less likely for a child to get involved in crime and drugs. As we have already established that swimming is the most popular and most accessible sport of all, is it not irresponsible to be closing down a pool in Middlecroft?

Middlecroft is not rich, but it is a tight-knit community and the swimming pool is more than just a leisure centre. It is where people meet and socialise. It is the heart of the community. The pool is getting a bit old and everyone would probably rather have a 50 m competition pool with wave machines and top-of-the-range gym facilities. The pool may not be perfect, but it is all there is.

My right hon. Friend the Minister for Sport was kind enough to come to Middlecroft on Friday to receive a petition with 2,500 signatures demanding that the pool stay open. He was amazed that the council is closing a perfectly good swimming pool. The problem is that swimming pools, their location, and whether they stay open or are closed, are in the gift of local authorities. But swimming pools are too important for local authorities like Chesterfield to make irresponsible decisions on closure.

The London Pools Campaign is a group formed from six different swimming bath campaign groups. In Derbyshire and other more rural parts of the country, forming umbrella pool campaign organisations is far more difficult. In fact,the issues are arguably far more difficult, because a swimmer in Staveley does not have the option of jumping on the tube to another pool. However, the proposals I make tonight owe a lot to the London Pools Campaign and to David Sparkes, the chief executive of the Amateur Swimming Association.

The Government have no power over local authority decisions on pools, but they do have a responsibility to ensure a strategic policy on pools, and local authorities should be forced to sign up to it. The strategy should be co-ordinated at city or county level, with a proper inventory of facilities. It should ensure that everyone has fair access to swimming, especially children, disabled people and women. We should aim for free swims for under 16s, over-60s and disabled people. We should ensure that opening times are convenient, prices are affordable, crèche facilities are available and that new pools are built where they are most needed.

Chesterfield borough council should not be allowed to close any pool without having first opened a suitable alternative swimming facility. If that is not possible without releasing funding from the sale of the old pool, the Government should look into providing bridging loans. No one has a problem with closing pools if a new one is opened first. Everyone has a problem if a pool is closed and replaced by a small fitness room, because children cannot learn to swim in a gym.

10.48 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): I congratulate my hon. Friend the Member for North-East Derbyshire (Natascha Engel) on her success in securing this, her first Adjournment debate. As my right hon. Friend the Prime Minister said in the House the other week, investment in community facilities should be a priority. The Government are committed to increasing sports participation, especially for disabled people, and swimming is one of the three most popular forms of physical activity for that group. The decision that my hon. Friend describes is therefore all the more surprising.

Access to good-quality sporting provision, including swimming pools, is an essential part of enabling people to lead healthier lives and to participate in sport. Concern about that issue has been reflected in the debate tonight. One of my Department's key targets is to increase participation in sport by priority groups, including disabled people, by 3 per cent. by 2008. However, one of the obstacles preventing people from taking part in sport is the lack of good-quality facilities, which applies as much to the disabled as to other sections of the community. Our aim is that

"most people should be no more than 20 minutes travel time from a good quality, multi sports environment, such as schools, sports clubs and leisure centres".

There is a challenge. There is a clear deficit in funding for sporting facilities, alongside the failing condition of existing stock. The average age of local authority facilities is about 25 years. The national stock of sports centres requires about £550 million to bring their condition up to a good acceptable standard, even without upgrading to take account of modern trends in sports participation and current demand.

The Government are taking a number of positive steps to address those issues. All over the country, responsible local authorities are joining us in the crusade, not presenting road blocks. More than 4,400 swimming facilities in England are open to the public; 72 per cent. are owned by the local authority or education sectors and more than half are pay and play facilities. Since 2004, 131 pools have opened across the country. More local authority pools have opened than closed.

Since 1997, the Government and lottery distribution bodies have invested more than £3 billion in physical activity and sport, and £249 million of lottery investment has gone to swimming—the largest amount given to any sport. Local authorities will be investing about £1 billion in developing sports services and facilities over the next three years.

We need a strategic approach, however. The problem is that many pools are old; they were built 25 years ago, are in the wrong location and cost a lot to keep open. We are challenging local authorities to put sport and swimming provision at the heart of what they do. For the first time ever, we will be monitoring local authority performance in sports provision through the comprehensive performance assessments, and we are committed to supporting local authorities in their efforts.

Before I turn to my hon. Friend's concerns, I want to set out the overall position. Swimming is one of the three most popular forms of physical activity for disabled people. According to research, disabled people regularly say that they would like to do more swimming. It is essential that we do all we can to provide opportunities for them to participate. Obligations under the Disability Discrimination Act 1995 require all service providers to take reasonable measures to remove, alter or provide reasonable means of avoiding physical barriers to accessing and using their premises. The Disability Rights Commission has statutory duties to monitor and keep under review the implementation and enforcement of the DDA and to advise the Government on the operation of the Act.

In August 2005, the Minister for Sport, my right hon. Friend the Member for Sheffield, Central (Mr. Caborn) wrote to all local authorities reminding them of their responsibilities under the Act in the context of leisure and tourism facilities. In addition, across central Government, we know that many other organisations are involved in trying to improve the range and quality of swimming opportunities available to disabled people. For example, the English Federation of Disability Sport—the national body responsible for developing disability sport—receives more than £1 million per annum in funding from the Exchequer through Sport England.

A number of local authorities have introduced free or discounted swimming for specific groups, including people with disabilities. It is important that, as local authorities assess where their sporting facilities, particularly swimming facilities, should be located, they have regard to deprivation and the context for poor people. It is also important that they can develop to those facilities at reasonable cost and in a reasonable time. I hope that that assessment is being taken seriously in Chesterfield.

Mr. Dennis Skinner (Bolsover) (Lab): Bolsover is next door to Chesterfield, and we were promised a swimming bath. The lottery people were going to provide some of the money several years ago. We have not got a swimming bath in Bolsover. We would love to have one. We will help those people in Chesterfield if we get one. Will the Minister have a word with the people who run the lottery and the Minister for Sport to see whether we can get that swimming bath back on the road again? The money could be there if we got some from the lottery.

Mr. Lammy: I had a little feeling that my hon. Friend might raise that issue—he has done so in the past—so I tapped my right hon. Friend the Minister for Sport on the shoulder this morning and asked him what was happening in Bolsover. He is happy to consider the proposal with the lottery providers and to take it forward, but he told me that it is important that the people in Bolsover come forward with a business case.

Mr. Skinner: They have done that.

Mr. Lammy: If my hon. Friend feels that that has been done recently, I will bring that to my right hon. Friend's attention in the next few days.

In the light of all that has been said, the situation in Derbyshire is serious, and the Government are monitoring it. I have heard what my hon. Friend the Member for North-East Derbyshire said, and I am

strongly of the view that there should be no diminution in services for the people of Derbyshire. It is clearly important that the council have regard to the existing facilities that people rely on, and the gap that will be created if the council moves to any new arrangement. My right hon. Friend the Minister for Sport visited my hon. Friend's constituency on Friday. He takes the situation seriously, and he is monitoring it. He intends to go back to the constituency, because he joins my hon. Friend in the concerns that she has raised.

I have been informed by the council that the pool in Staveley needs to close for health and safety reasons and that it has offered to provide alternative facilities, but in considering any alternative, it must bear in mind the concerns that people have been raising, such as their ability to travel the distances to other facilities and, particularly, the concerns of the disabled in the area.

Natascha Engel: The borough council has said that it will provide alternative facilities, but the problem is that once the pool has closed, people will not have a swimming facility for a number of years, and access to the nearest alternative facility is not good enough. How can we ensure that the pool does not close in the first place, until an alternative has appeared?

Mr. Lammy: My hon. Friend has raised the issue at the highest level, and the Prime Minister saw fit to comment on it last week. The Minister for Sport has visited her constituency. The Government are committed to sport. More local authorities are opening facilities than closing them. On which side of the debate are my hon. Friend's colleagues in another party? They need to contemplate that decision in the days ahead. No doubt constituents will look at that future offer, and if there is no such offer they will go in a different direction, for which I would applaud them.

Swimming remains one of our major success stories at Paralympic level. It is especially important for the disabled, many of whom look forward to practising, training and being involved in the Paralympic games. Our competitors at the Paralympics won 62 medals at Sydney, of which 15 were gold, and 52 in Athens, of which 16 were gold. That placed the UK at the top of the ranks for swimming, with only China achieving more medals in the pool. That is why hon. Members raise the subject, why our constituents care about it and why local authorities are responding to them. This country should be proud of its record. To maintain and improve it, it is important to invest in facilities so that we have first-class athletes, and young people can take up the sport of choice that they say they prefer above all others.

We are under no illusions about the scale of the challenge ahead as we try to ensure that we have facilities fit for the future, which will support our elite athletes. As I have outlined, however, there are many positive messages across the country about swimming, in particular swimming for disabled people. We have good facilities and, moreover, a talented and aspiring generation of disabled swimmers. We need to do everything we can to encourage more people to follow that example. That has to start with local authorities, including the one in Derbyshire, ensuring that there is good local provision that meets the needs of all sections of its communities.

I thank my hon. Friend for obtaining this important debate. I hope that political colleagues will take what has been said seriously and that her constituents benefit from first-class swimming facilities without the pause in provision that it appears others want them to experience.

Question put and agreed to.

Adjourned accordingly at three minutes past Eleven o'clock.

House of Commons

Tuesday 7 February 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

FOREIGN AND COMMONWEALTH AFFAIRS

The Secretary of State was asked—

Burma

3. **Julie Morgan** (Cardiff, North) (Lab): What steps he is taking to help restore democracy in Burma. [49000]

The Minister for Trade (Ian Pearson): The Government are working closely with our European and international partners to promote political reform in Burma. We have consistently made it clear to the regime that it must release Aung San Suu Kyi and other political prisoners as a first step to restoring democracy.

Julie Morgan: I thank the Minister for his reply. In view of the continuing human rights violations, the drug trafficking, the outflow of refugees and the continuing house arrest of Aung San Suu Kyi, what can he do to work towards a binding resolution by the United Nations Security Council to ensure democracy in Burma? Members of the National League for Democracy are being imprisoned and harassed. Is there not something more that he could do to get a resolution at the Security Council?

Ian Pearson: My hon. Friend is right to point to the human rights abuses that are going on daily in Burma. She will be aware that the UN Security Council met on 16 December and that Burma was discussed at that meeting. At present, there is no consensus within the Security Council even to put Burma on the agenda, let alone to secure a resolution, but I assure her of the Government's commitment to do all that they can to press for further progress. I am pleased to be able to note the progress that has been made through some of our lobbying efforts with the Association of South East Asian Nations. She will be aware perhaps that, just before Christmas, ASEAN put out a statement. The fact that ASEAN is showing concern about the political situation in Burma and is perhaps prepared to do something about it is welcome.

Bob Spink (Castle Point) (Con): Will the Minister pay tribute to the Thai Government for their actions and help for internally displaced people from Burma? Will he press the Thai Government to go further and to issue identification documents to all those displaced people from Burma?

Ian Pearson: My right hon. Friend the Foreign Secretary met the Thai Deputy Prime Minister last week. We certainly acknowledge the work of the Thai Government in making a welcome home for those fleeing from persecution in Burma. The Foreign Office has a project working with the Thai authorities to assist in that process. It is a difficult issue. More and more people are fleeing the country because of the despicable nature of the regime, but I assure the hon. Gentleman that we will take what appropriate action we can to help the situation.

Vera Baird (Redcar) (Lab): I have every reason to believe that ASEAN's move was largely due to pressure from the British Government. I compliment my hon. Friend on that. May I ask him about the EU common position on Burma, which I am sure he agrees is one of low impact—arguably, of no impact? The sanctions against the regime are patchy, weak and of no practical consequence and very little symbolic consequence. We hoped that change would come during the EU presidency, but now the common position is due to be renegotiated. Will he do his level best to ensure that the EU adopts real, significant, biting sanctions against that abysmal regime?

Ian Pearson: I thank my hon. and learned Friend for her words of welcome about the UK's lobbying efforts. Not just the UK but many other countries have been talking to ASEAN about the need to do more on Burma.

The EU common position is due for renewal in April this year. We believe that there have been no improvements in the situation in Burma over the past 12 months and therefore there is no case for weakening the sanctions, but let us be clear. Our policy of sanctions is deliberately targeted on the Burma regime and its cronies. We do not believe that economic sanctions that would harm the Burmese people are appropriate. They are already suffering enough as a result of that despicable regime and sanctions that affected their livelihoods would be inappropriate.

Iran

4. **Bill Wiggin** (Leominster) (Con): What assessment he has made of Iran's support for terrorist groups; and if he will make a statement. [49002]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): We remain very concerned about Iran's approach to terrorism and the nature of its relationship with Lebanese Hezbollah and Palestinian Islamic Jihad. We also continue to investigate Iran's links to extremist groups in Iraq. We have repeatedly pressed Iran to renounce all support for groups using terror and violence. I raise these concerns whenever I have the opportunity to do so, most recently in my meeting with the Iranian Foreign Minister in London last week.

There are of course even wider anxieties about Iran's current behaviour, above all in respect of its nuclear programme. Last Saturday, the International Atomic

Energy Agency's board of governors decided to report Iran to the Security Council for non-compliance with its obligations but to allow a further month before any action was to be taken by the Council. That resolution attracted wide support, including from Russia, China, India, Egypt, Brazil, Sri Lanka and Yemen, which I hope will underline to the Iranian leadership the strength of feeling internationally on this matter and encourage them to take the opportunities offered by the resolution.

Bill Wiggin (Leominster) (Con): What assessment has the Foreign Secretary made of Iran's support for terrorist insurgency groups in Afghanistan's Helmand province?

Mr. Straw: I have seen no evidence of Iranian support for insurgent groups in that province. As is often the case, Iran's record can vary very much, in apparently contradictory ways. Overall, Iran has worked responsibly in respect of its relations with Afghanistan. Iran has good reason for doing so and suffers grievously from the trade in opium; it has been suggested that there are more than 2 million heroin addicts in Iran, fuelled by drugs from Afghanistan. For the time being, on the issue of drugs and in its relationships with Afghanistan, Iran's interests are the same as ours. However, in respect of other terrorist groups to the west of the country, the picture is a different one.

Andrew Mackinlay (Thurrock) (Lab): Will the Foreign Secretary take this opportunity to reaffirm the United Kingdom's support for the Iranian resistance people in Camp Ashraf in Iraq, bearing in mind that they have protected person status under the Geneva conventions? Will he confirm that he will resist any attempt by the Iranian Government to make the coalition or the United Kingdom falter upon that commitment?

Mr. Straw: I am sorry to disappoint my hon. Friend but the answer is an emphatic no. The MEK/MKO organisation is a terrorist organisation that is proscribed in this country following a decision that I made as Home Secretary in 2000, which was endorsed by Parliament. We have a consistent position on terrorist organisations. As I repeatedly make clear to my Iranian counterparts, it is they who have a contradictory position. They ask us to take a firm position in respect of terrorist groups that threaten Iran, and we do; at the same time, Iran is supporting terrorist organisations that threaten Israel. That is unacceptable.

Mr. Brian Binley (Northampton, South) (Con): On the basis of his answer, will the Foreign Secretary give examples of where the People's Mojahedin Organisation of Iran and its allied bodies have taken any terrorist action against western interests in actual terms?

Mr. Straw: I would need notice of that question. However, like any other organisation similarly proscribed, the MEK/MKO has had every opportunity to make strong representations to the Proscribed Organisations Appeal Commission. As it was subsequent to my leaving the Home Office, I cannot remember whether it has done so. If it has, its objections have been overruled. The decision was made by this House on the basis of my recommendation, endorsed by my successors.

Mr. Denis MacShane (Rotherham) (Lab): Iran supports terrorism, wants to see the extermination of every Jew from the face of the earth in its region and soon will possess a nuclear bomb. My right hon. Friend has tried with might and main to find a diplomatic solution, but we are on a glide path to a serious confrontation. In that regard, 35 years ago the main enemy of the United States—it had an ideology that America opposed and supported action that America opposed—was China but, in a great diplomatic coup, President Nixon went to China, recognised China and world history was turned. Does my right hon. Friend think that the time has come for the United States to offer diplomatic recognition to Iran—a personal opinion, please?

Mr. Speaker: Order. I hope that the Foreign Secretary will be more brief than the questioner.

Mr. Straw: I think that that is a matter for the United States, Mr. Speaker.

Mr. Nick Clegg (Sheffield, Hallam) (LD): In considering what a long-term solution might be to the relationship between the outside world and Iran, does the Foreign Secretary believe that there is a case for some form of security assurance for Iran? Of course, such an assurance was one component in the draft agreement between the United States and North Korea in September 2005. If he does believe that, can he confirm what reflections the EU3 have made on what such a security assurance might look like, and what discussions he has had with his opposite numbers in Washington on that point?

Mr. Straw: On the first question, yes, I do, and what is frustrating, to say the least, is that security assurances—I point out to my right hon. Friend the Member for Rotherham (Mr. MacShane) that they could have led, over time, to a normalisation of relations with the whole of the international community, including the United States—and all other such issues were on the agenda following the decisions and agreements that we reached in Geneva at the end of last May. They were included in the detailed document that we submitted to the Iranians, on time, in early August, but, infuriatingly, the Iranian Government decided on 2 August to reject whatever we said before they even saw it. That is the cause of the current difficulties.

Mr. William Hague (Richmond, Yorks) (Con): Will the Foreign Secretary accept the Opposition's strong support for the work that has been done to achieve a united position among the permanent members of the UN Security Council, including China and Russia, on reporting Iran to the Security Council? In the event that Iran does decide to reconsider Russia's nuclear proposal in the coming weeks, is the Foreign Secretary confident that that scheme, which the British Government have endorsed, will be robust enough to prevent Iran from pursuing a covert nuclear weapons programme while appearing to co-operate with Russia?

Mr. Straw: First, I thank the right hon. Gentleman for his endorsement of our work; the fact that there is broad all-party consensus on this issue helps our hand

when we negotiate within the EU3 and with international colleagues. Our being able to get agreement last Monday from Russia and China on the next and most difficult step—a report to the Security Council—has been very important. As I said earlier, I hope that that gives the Iranian leadership pause for thought.

The Russians have made it clear that their proposal, by which they would enrich uranium, is not an addition to uranium being enriched at the Natanz operation in Iran but an alternative to it. If that happens, and the IAEA is able to continue with the kind of inspection regime that the additional protocol provides for, I believe that we could be pretty certain that Iran was not doing anything of a covert nature. But in the absence of those two conditions, it is very difficult to accept such a move.

Mr. Hague: If Iran does not pursue the Russian offer, how does the Foreign Secretary see the situation developing in Security Council discussions over the next few months? Will it be possible, for instance, to propose an end to all exports of military technology and hardware from other countries to Iran, and to achieve such a position in the coming months? If it will not, what genuine hope is there of applying real and concerted pressure on the Iranian Government in the future?

Mr. Straw: First, we hope that the Iranian leadership—notwithstanding their rhetoric, which has been extreme—will think carefully in the next three to four weeks about where they are taking their country, because if they take this path they are heading toward international isolation, which is not the direction in which they ought to be travelling.

Secondly, if we end up with a report to the Security Council and its considering the matter, the first stage will be a Security Council resolution exerting its authority in support of IAEA processes. There are people who say, "If you do that and nothing else, you won't be able to achieve anything." I do not agree with that. We can see from the experience with Syria in the past 18 months that although international pressure and the authority of the Security Council—without sanctions—has not achieved everything, it has achieved a great deal. But if those steps fail, extensive discussions will have to take place with our partners on whether article 41 measures would be appropriate. The right hon. Gentleman will excuse me if I do not anticipate those, but I make the obvious point that what we can agree in the Security Council will depend above all on the consensus that we can secure among the permanent five members.

Cuba

5. **Jeremy Corbyn** (Islington, North) (Lab): What recent discussions he has had with the US State Department on relations with Cuba. [49003]

The Minister for Europe (Mr. Douglas Alexander): Ministers have not had recent meetings with the US State Department about Cuba. However, official-level meetings, in which there are candid exchanges of views, have covered Cuba. We share US concerns about the deteriorating human rights situation in Cuba. But, while the US favours sanctions and isolation, our—and European Union—policy is for constructive engagement with the Cuban authorities and civil society, including on human rights.

Jeremy Corbyn: Can my hon. Friend confirm that in November last year officials from his Department entertained Mr. Caleb McCarry, who is the head of the State Department unit that is designed to undermine the independent Government of Cuba? Can he confirm that it is the British Government's policy not to undermine Cuba, but to work with and respect Cuban sovereignty and independence? Many Back Benchers are concerned about the policy, so will he—and my right hon. Friend the Foreign Secretary—agree to meet a delegation so that our views can be aired in detail?

Mr. Alexander: Our long-standing policy, and that of the European Union, is one of constructive engagement in pursuit of a peaceful transition to a pluralist democracy on the island of Cuba. I can confirm that a meeting took place with Mr. Caleb McCarry, as the US-Cuba transition co-ordinator. That meeting took place on 7 November 2005, when the individual was on his way to a conference in Brussels where he met many European partners. It is entirely normal for Foreign Office officials to meet equivalent officials in the US State Department to discuss matters of mutual interest. On my hon. Friend's final point, I will pass on his representations to the Minister with direct responsibility for Cuba and ask that such a meeting be facilitated.

Michael Gove (Surrey Heath) (Con): The Minister will be aware that the European Parliament recently awarded its Sakharov prize to the Women in White, a Cuban human rights organisation that has campaigned for the freedom of political prisoners still held captive in that Marxist holdout in the Caribbean—[HON. MEMBERS: "Hear, hear!"] Given the strength of feeling on these Benches, will the Minister meet a delegation of those of us who believe in democracy, pluralism and freedom in Latin America? Will he agree that the best thing that the Government could do is to emulate what the Thatcher Government did to Andrei Sakharov and make heroes and examples of those who have struggled for freedom in Cuba, and ensure that pressure is applied to guarantee political prisoners the freedom that they—*[Interruption.]*

Mr. Alexander: I did not manage to hear the entire question, but I got the point. The authentic voice of the Henry Jackson Society has been heard in the Chamber this afternoon. I fear that Lord Triesman will have a busy diary after my appearance at the Dispatch Box today. I am certainly happy to pass on the hon. Gentleman's representations.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Will the Minister cause his officials to say to the US Administration that they would be better placed to lecture Cuba on human rights if they were to ensure that the detainees in the Guantanamo Bay base had the same rights that they would have if they were held in the US?

Mr. Alexander: I assure the House that the US Government have been informed at all levels of our differences of opinion about the detainees at Guantanamo.

Afghanistan

6. **Mr. Nick Hurd** (Ruislip-Northwood) (Con): If he will make a statement on opium production in Afghanistan. [49004]

The Minister for the Middle East (Dr. Kim Howells): Last year saw a 21 per cent. reduction in the area of opium cultivation in Afghanistan. But, as President Karzai said at the London conference last week, narcotics along with terrorism are the gravest threats facing Afghanistan. That is why we support Afghanistan's national drug control strategy and why we must work with the Afghan Government to combat the narcotics trade at every level. The strategy recognises the scale and complexity of the challenge, and sets out a clear long-term plan for tackling it.

Mr. Hurd: An Afghan farmer earns 150 times more for 1 kg of opium than he does for 7 kg of wheat. Is it not time to wake up to the economics? Instead of continuing to fail by tinkering at the margins of the supply side, would not £50 million of British taxpayers' money be better spent tackling demand for heroin in the UK?

Dr. Howells: I very much agree with the hon. Gentleman that we must do much more to tackle demand for heroin, just as we have to try to help the Government in Colombia by tackling the demand for cocaine in this country. However, the approach must be multifaceted. We should not just be trying to address the demand; we must also take down the drugs mafia in Afghanistan, which supplies not only the UK but millions of heroin addicts in Pakistan and Iran. The industry is very market-responsive and we have to recognise that fact and try to help the Afghans to overcome it in whatever way we can.

Paul Flynn (Newport, West) (Lab): A 20 per cent. decrease in the area cultivated but only a 2 per cent. decrease in the amount of heroin produced: are we not on mission impossible, sending troops into the Helmand province, and will that not result, perversely, in an increase of violence that drives local farmers into the hands of the Taliban? Are not our present policies leading to the Colombianisation of large parts of central Asia?

Dr. Howells: No, but with respect to my hon. Friend, his policies would lead that way. It is not enough to assume that if people eat the right kind of muesli, go to first nights of Harold Pinter revivals—[HON. MEMBERS: "More, more."]—and read *The Independent* occasionally, the drug barons of Afghanistan will go away. They will not. The poison that is being pumped into the veins of children in the UK is coming from Afghanistan and we must play our part to stop that happening.

Dr. Julian Lewis (New Forest, East) (Con): It is wonderful to have such a politically incorrect Minister at the Dispatch Box, but does the hon. Gentleman remember his written answers to my hon. Friend the Member for Forest of Dean (Mr. Harper), published only yesterday? The Minister conceded that the vast majority of Afghan warlords had been against the Taliban regime, but that he does not know what proportion of Afghan warlords who are against the regime are involved in the drugs trade. Does he not realise that there is a danger of a mixed mission, with the serious possibility that what the hon. Member for Newport, West (Paul Flynn) said will come true? Troops intervening to stop the drugs trade may actually consolidate warlords behind the Taliban. That is a serious risk.

Dr. Howells: I realise what the hon. Gentleman is saying and I heard what my hon. Friend the Member for Newport, West (Paul Flynn) said, but I do not agree with either of them. There is a risk of that happening—there is no question about that—but we have no choice but to try to take it on. The alternative is not to take any risks whatever in the terrible business of opium growing and heroin exporting. The hon. Gentleman may feel that the subject should be left to divine intervention. I do not agree, and I do not agree with my hon. Friend either. It is absolutely vital that we take appropriate action. We have thought long and hard, and we believe that our action is appropriate.

Mr. Chris Mullin (Sunderland, South) (Lab): Is my hon. Friend aware that yesterday I entertained four Afghan farmers in the House of Commons? Two of them came from villages that had been aerially sprayed and they told me that the spraying was indiscriminate; it had destroyed their wheat, vegetables and fruit, and in some cases children had died because they had eaten sprayed fruit. I urge my hon. Friend to pay careful attention to the methods used to carry out the crop eradication process and perhaps to have a slightly more open mind to the alternatives.

Dr. Howells: I am not sure which alternatives my hon. Friend is suggesting, as he did not talk about them, but I absolutely agree about aerial spraying. I have seen from the air and on the ground how farmers in Afghanistan grow crops interspersed with opium. Aerial spraying could cause famine, among other things, so we must be careful about it. On the other hand, I am very much in favour of crop eradication where it can be carried out on the ground in properly controlled circumstances.

Mr. Gregory Campbell (East Londonderry) (DUP): Criminal gangs across the United Kingdom and paramilitary groups in Northern Ireland are making millions of pounds from the illegal importation of drugs. The disruption of a considerable amount of drugs last week is most welcome, but what assurance can the Minister give to people across the UK that we are taking further steps in conjunction with our EU partners totally to disrupt, in so far as is possible, that illegal and nefarious trade?

Dr. Howells: My right hon. Friend the Foreign Secretary referred earlier to the difficulties that have been experienced, for example, with traffickers on the Iranian-Afghan border and the Pakistani-Afghan border. We think that the Iranians may have lost thousands of men over the past 10 years in trying to disrupt the drug convoys out of Afghanistan. Those convoys are heavily armed—they have anti-aircraft

missiles—and they are very difficult to stop; but stop them we must, some way or other, and we look for co-operation right along the drugs routes, some of which go through central Asia and Russia, as well as through Turkey and the Balkans. We must build, with diplomacy, an absolute determination right the way along the line to do what we can to disrupt and stop that drugs trafficking, wherever we can.

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): The Minister will be aware that much of the heroin sold on the streets of Hackney and across the inner cities originates in Afghanistan, with all the terrible social consequences. He will also be aware that, horrific though the Taliban regime was, opium production was almost eliminated under the Taliban. *[Interruption.]* Well, they had gone some way towards that. Does he accept that our policies in Afghanistan will not be deemed a success unless we are successful in interrupting and suppressing the production of opium?

Dr. Howells: I certainly agree with the last part of my hon. Friend's question. On my visits to Afghanistan I have looked very hard at the story of how the Taliban stopped heroin production. What I discovered when I was out there is that they were very astute business men. They realised that the price of raw opium was pretty low. They held stocks back for a couple of years; the price shot up, and they released them. I would not look to the Taliban for any kind of moral guidance on what we ought to do about this.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): We are receiving breaking news that there has been a serious riot in the town of Maymana in Afghanistan, where 300 demonstrators are rioting and one demonstrator has been shot. Of course, British troops have been called in to support Norwegian and Finnish troops. Into that very difficult situation, we are about to deploy 5,000 more British troops to deal with the opium problem, whereby local people and local farmers are exploited by warlords and others, aided by insurgents coming across an increasingly porous and difficult border from Pakistan and Iran. Precisely how do the British Government think that our troops will deal with the opium problem and how long does the Minister think that they are likely to be deployed?

Dr. Howells: The deployment is, of course, phase 3 of the international security assistance force deployment in Afghanistan. As the hon. Gentleman will know, UK troops will be deployed to Helmand in support of the UN-authorised, NATO-led mission—the ISAF—and as part of the international coalition. They will help to create an environment in which economic development and institutional reform, both essential to the elimination of the opium industry, can take place. I am sure that the hon. Gentleman will agree that this is a question not simply of trying to disrupt those who are producing and moving drugs around, but of building capacity in Afghanistan, so that the reach of the democratically elected Government into a province such as Helmand becomes a reality. We must approach this subject in many ways—including economic development, of course—and that is what our troops will do. They will help to underpin all those efforts, which are many and various.

EU Constitution

7. **Mr. David Evennett** (Bexleyheath and Crayford) (Con): If he will make a statement on the future of the European Union constitution. [49005]

The Minister for Europe (Mr. Douglas Alexander): As my right hon. Friend the Prime Minister said in Oxford last Thursday, the key issue now is for the European Union to face practical challenges, such as economic reform and energy security. As he acknowledged on Thursday, the effectiveness of a European Union of 25 is constrained by the current rules, but we judge that now is not the time to make institutional debates the focus of the EU's work.

Mr. Evennett: I thank the Minister for that answer. Now that even the Prime Minister acknowledges that the EU constitution did not address the needs of the citizens, will the Minister confirm that it is dead and will not be implemented by the back door? The British people think that the Government are rather feeble on the issue.

Mr. Alexander: There is little that I can usefully add to the comments of my right hon. Friend the Secretary of State at the Dispatch Box during Foreign Office questions last month, except to say that it is not for any one country to declare the constitutional treaty dead. We are, of course, in the midst of a period of reflection at the moment.

Mr. Wayne David (Caerphilly) (Lab): Irrespective of what happens to the European constitution, it is still possible to promote the democratisation of the European Union. Does the Minister have any proposals to enhance the role of national Parliaments in European decision making?

Mr. Alexander: The issue of transparency was one with which we dealt during our presidency, as was subsidiarity. We held a major conference along with the Dutch Government on sharing power in Europe. We must work on the basis of existing treaties, but, none the less, the British Government continue to work on the issue with other European partners.

Mr. William Cash (Stone) (Con): What is the view of the Minister and the Government on the proposal made by Andrew Duff in the European Parliament on setting up a parliamentary forum, which has apparently been endorsed by President Barroso? In that context, do not the Government have to look at existing treaties, which have been the cause of low growth, high unemployment, the failure of the stability and growth pact, regionalisation and a whole range of policies that are deeply unpopular in the United Kingdom? Will he make arrangements to review those treaties properly?

Mr. Alexander: Mr. Duff has been working as a member of the Constitutional Affairs Committee of the European Parliament and has brought forward proposals based on his own thinking. While we will consider all representations, it would not follow precedent for us to go along with the letter of Mr. Duff's advice on constitutional matters.

On the hon. Gentleman's more substantive point about what the European Union's priorities should be, I have taken heart from the fact that our agenda for jobs and growth is being advanced not simply by the British Government, but, increasingly, by the European Commission. Indeed, the European Commission President, José Manuel Barroso, was quoted in *The Times* on 10 January as stating:

"Please avoid a new division in Europe about institutions. The most important concern now of EU citizens is not institutional problems, but jobs and growth."

I agree entirely.

Mr. David Heathcoat-Amory (Wells) (Con): Did the Minister note from the remarks of the Prime Minister in Oxford last week that the process of European integration had become self-perpetuating and self-absorbing and that no one knew what the European constitution was designed to solve, which some of us pointed out at the time? Given the Prime Minister's change of heart, will the Minister put a stop to the implementation of the European constitution by other means? As the European Scrutiny Committee finds almost weekly, that option is being pushed by the Commission and augmented by member states, including the British Government.

Mr. Alexander: With unalloyed joy, as usual, I look forward to my appearance before the Committee later this week. On the right hon. Gentleman's substantive point about the implementation of the treaty, the British Government's position is unchanged: the draft constitutional treaty will not be implemented, except by means of a referendum in the United Kingdom.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Does the Minister agree that just as it is futile to try to revive the constitution at the moment, it is equally futile to scan through it to find bits that are worth implementing? The constitution was a package, so if we reject the whole thing, we should not try to revive its parts.

Mr. Alexander: I recently spoke about exactly that issue to a European colleague, who warned me that one country's cherry is another country's lemon. That point is well made in the sense that an aspect of the constitutional treaty that is judged to be perfectly sensible and prosaic in the United Kingdom—the question of transparency, or greater subsidiarity—can be highly contentious in the eyes of the other 24 member states.

Mr. Graham Brady (Altrincham and Sale, West) (Con): There seems to be some confusion in the UK Government's position on the EU constitution. Last month, the Foreign Secretary told me that it was difficult to argue that the constitution was anything other than dead. This morning, however, the Prime Minister talked about the need to return to the issue and spoke about a reasonably large hurdle that must be overcome if it is to be revived.

We agree with the Prime Minister that the big issues of energy security, economic decline, illegal immigration and organised crime are the real priorities for the EU, but if we want the other member states to focus on them, is it not now essential that the Government state simply and unambiguously that the EU constitution is dead? Although the Minister says that it is not for one country to say that it is dead and to end it, if he said that Britain would veto it if it came back, the whole thing would be finished and we could concentrate on the real priorities.

Mr. Alexander: I can assure the House that we are concentrating on the real priorities. The priorities set out by the hon. Gentleman were exactly the substance of the meeting that took place in Hampton Court last October; for example, energy security. We used the period of reflection to say that we needed a broader debate about how Europe could engage with some of the challenges that we face in the 21st century, whether climate change, energy security or indeed energy supply diversity. That is why, since Hampton Court, work has been taken forward both by High Representative Javier Solana and by the European Commission.

Keith Vaz (Leicester, East) (Lab): Were not the Foreign Secretary's words that the constitution was not dead but in limbo, somewhere between heaven and hell? On the Prime Minister's speech, although of course we accept that we cannot have a debate on institutions and constitutions in the present circumstance, surely there are practical steps that we can take with our European partners, to ensure that the European Union continues along the reform agenda—practical steps that would be of great benefit to the people of Europe, including those of the United Kingdom.

Mr. Alexander: My hon. Friend is accurate in his reflections on the comments of my right hon. Friend the Foreign Secretary at the last Question Time, when he stated that the constitutional treaty was somewhere between heaven and hell and that it was difficult to argue that it is not dead. He also stated, however, that the document was "in limbo". I will not go into the broader theological discussions as to whether limbo has altered as a result of the latest papal encyclical.

What I will say is that the practical steps that my hon. Friend urged on me are exactly the steps that the British Government are taking, whether on the issue of a common energy policy, on jobs and growth, where we continue to push the better regulation agenda, or indeed on the wide range of other issues, such as counter-terrorism measures, which it is necessary to look at not solely from the point of view of one nation state but in light of how we can work together effectively in partnership with other European countries.

Rev. Ian Paisley (North Antrim) (DUP): I am sure that the Minister would like to know that people will be greatly alarmed that Europe is in a period of reflection. I assure him that all the reflection in the world is not going to raise the dead; regardless of a certain religious leader who believed in a certain place which has now been abolished, quite evidently the constitution is not going to purgatory, and if it is not in heaven and it is not in hell, it is dead. It would be better for the Minister now to reflect on the price of the funeral and then get a new constitution.

Mr. Alexander: It is intriguing to be offered such advice on Catholic theology by the right hon. Gentleman, but I shall certainly reflect on the points that he has made.

Cyprus

8. **Mr. Nigel Waterson** (Eastbourne) (Con): If he will make a statement on his recent visit to Cyprus. [49006]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): In Cyprus, I met Foreign Minister Iacovou and the leader of the Turkish Cypriot community, Mr. Talat. I urged the two communities to resume their dialogue, for the longer that settlement negotiations are delayed, the harder a settlement will be to achieve. We also have to ensure that Turkey's EU accession track and the United Nations settlement process are not competing, but are complementary. During my meeting I stressed to all parties, including Turkey and Greece, which I also visited, that the status quo is bad for Cyprus, bad for the region and bad for the EU.

We have noted all the responses to Foreign Minister Gul's proposals of 24 January, including the positive reactions of EU Comissioner Olli Rehn and the Governments of Italy and Spain. Those proposals are a constructive step and deserve to be taken seriously.

Mr. Waterson: I am grateful to the Foreign Secretary for that reply, but does he think, on balance, that his visit has contributed to an improvement in relations with the Republic of Cyprus and with the Greek Cypriot community here in the UK, or does he agree with President Papadopoulos that his visit has poisoned relations between Nicosia and London?

Mr. Straw: I do not accept the latter. It is a matter of great regret and entirely counter-productive that President Papadopoulos decided to object to my visiting Mr. Talat in his offices—the same premises, I may say, where one of my predecessors, the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind), visited Mr. Denktash in 1996. It would have been preposterous if I had treated Mr. Talat less well than the right hon. and learned Gentleman treated Mr. Denktash.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): As the Secretary of State has said, my visit to Rauf Denktash was not in any way objected to by the then President Klerides and was seen as a sensible way of having dialogue with both communities. Will the Secretary of State therefore continue to impress on President Papadopoulos and the Government of the Republic of Cyprus that the best interests of the republic will be served by proper and responsible contact with recognised leaders of the Turkish community?

Mr. Straw: I am very grateful to the right hon. and learned Gentleman for his remarks. I hope that it will send a message to the Government of Cyprus that this is not a partisan issue dividing the House but one on which there is a substantial all-party consensus in favour of the two communities—the Greek Cypriots in the south and the Turkish Cypriots in the north—coming together. I take it from what he has said that he, and I believe the House too, also regard it a matter of regret that the Administration of President Papadopoulos have sought to distance themselves from the Turkish Cypriot community and to cease to have any contact with it. Moreover, because of their unhelpful approach towards the aid proposals for the north from the European Union, they are in my judgment seeking to marginalise the Turkish Cypriot community and not in any way to assist in their economic development. That cannot help the Greek Cypriot community any more than it can help the Turkish Cypriot community.

Dr. Vincent Cable (Twickenham) (LD): What action can the Foreign Secretary take to defend the interests of British citizens, including Mr. Departhog a constituent about whom I have written to him, whose property and homes in northern Cyprus have been expropriated by the military, as the civilian Turkish authorities will not accept representations relating to the behaviour of their military?

Mr. Straw: The hon. Gentleman raises another reason why the only salvation for Cyprus is through negotiations leading to a sensible settlement, brokered by the United Nations, and by an end to the division of the island. That is the only way in which the genuine interests of the Greek Cypriot community, including those of Greek Cypriot origin who are British citizens, can be resolved satisfactorily. The issue of compensation for land seized is central to those negotiations. Unless and until the Greek Cypriot Government, as well as the Turkish Cypriots and others with interest, get back to the negotiating table, there is in practice absolutely no chance of the hon. Gentleman's constituent receiving what is due to him. I wish it were otherwise, but Mr. Iacovou, the Foreign Minister of Cyprus whom I saw, could offer me no alternative prospect for his own people and for solving their problems. That is why I regret very much the negative approach that that Government are taking.

Mr. John Maples (Stratford-on-Avon) (Con): I am glad, as are many of us, that the Foreign Secretary went to see President Talat, who has proved to be a good and constructive leader of the Turkish Cypriots and who tried very hard to reach an agreement on the Annan proposals. That is in contrast to President Papadopoulos, who many of us believe negotiated in bad faith throughout that period and had no intention ever of endorsing Annan IV, V, VI or any other number. It seems that his strategy was to get into the European Union and then put the squeeze on the Turkish Cypriots by squeezing Turkey. The tragedy is that we allowed that to happen. Does the Foreign Secretary think in retrospect that we should never have allowed the Republic of Cyprus into the EU without settling that problem first?

Mr. Straw: Although it was a decision that we made, there was, I think, an all-party agreement on it and it was not an issue of great controversy between the parties in the late 1990s. The problem then was that the Greek Cypriot community had reasonable leadership who wished desperately for a deal both on EU membership and a settlement with the Turkish Cypriot community, but the Turkish Cypriots under Mr. Denktash were almost impossible to negotiate with. Had EU membership been proposed under the current circumstances, neither any British Government nor most European Governments would have touched the idea of allowing a divided Cyprus into the EU. The

hon. Gentleman is exactly right to say that, as I suspect, the Government of Cyprus are now seeking to use their membership of the EU to try unacceptably to seek progress on their United Nations-related issues.

What I said to those whom I met from the Government of Cyprus was that if they go down that road, they will get exactly what they do not want, because they will make it impossible for Turkey to enter into full negotiations for membership of the European Union and then, over time, there will be a status quo in Cyprus which some countries may start to recognise in practice. That is not the position of the United Kingdom Government. We do not recognise the so-called Turkish Republic of Northern Cyprus and we want to see a unified Cyprus, but the current approach of the Government of Cyprus does not in any way represent movement towards a united Cyprus and objectively is likely to lead to the opposite result.

Palestinian Elections

9. **Rosie Cooper** (West Lancashire) (Lab): What assessment he has made of the likely impact of the Palestinian elections on the middle east peace process. [49008]

13. **Mr. Edward Vaizey** (Wantage) (Con): What assessment he has made of the outcome of the Palestinian elections; and if he will make a statement. [49012]

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): As the House is well aware, the Palestinian elections produced a majority in their Parliament for Hamas. We have made it clear that we respect the outcome of any free and fair elections, but we have been equally clear that those who take part in the democratic process have a responsibility to reject violence. The result therefore presents Hamas with a very clear choice. Last Monday the Quartet agreed that all members of a future Palestinian Government must be committed to non-violence, to a recognition of Israel and to an acceptance of previous agreements, including the road map. We, along with our EU partners, will continue to work with the Palestinians, the Israelis and the international community to make progress on the road map, to which both the Palestinian President Mahmoud Abbas and the Israeli Government remain committed.

Rosie Cooper: The Secretary of State has answered some of the questions that I intended to pose. Do the Government support the Israeli Prime Minister on the dismantling of the settlements, as well as calling on the new Palestinian Authority, however it is composed, to renounce terrorism, recognise Israel and commit to peace talks? The Prime Minister of Israel needs support as well.

Mr. Straw: I have often applauded the position taken in recent years by Prime Minister Ariel Sharon, and it is a tragedy that he was afflicted as he was a few weeks ago. On the settlements, I should add that in the same statement last Monday 30 January, the Quartet reiterated its view that settlement expansion must stop.

Mr. Vaizey: It is not just Hamas that has supported terrorism—Fatah has done so as well. Will the Foreign Secretary use the opportunity of the Palestinian elections to review the aid package of the European Union and of Britain, and ensure that none of the aid that western countries sends to the Palestinian Authority is used to fund terrorism?

Mr. Straw: The European Union and the United Kingdom put in place strong accounting measures to ensure that money going to the Palestinian Authority, which was at that stage Fatah-controlled, was not going to fund terrorism. I know that the EU as well as my right hon. Friend the Secretary of State for International Development are satisfied with those controls. For quite separate reasons, direct budgetary aid from the British Government and, I think, from the EU was suspended to the Fatah-dominated Palestinian Authority because we were not satisfied with the way in which some of the money was being accounted for, nor with their budgetary discipline. That aid apart, aid is being paid to people in the Palestinian Authority area. It is important that that should continue for humanitarian reasons, but again, the Quartet, with our full support, made it clear that any future assistance to any new Government would be reviewed by donors against the Government's commitment to the principles of non-violence and the other conditions that I mentioned.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I thank the Foreign Secretary for his important statement on Hamas. However, how seriously does he view the articles of Hamas's charter which incite anti-Semitism by propagating the protocols of the elders of Zion and claiming that Jews control the international media and are responsible for revolutions around the world?

Mr. Straw: I view those articles extremely seriously. They are completely objectionable and obnoxious. What we look for from the Hamas leadership, if it wants the beginnings of a proper relationship with the rest of the international community, is an indication that it is willing to start travelling away from positions that it has previously adopted. So far, such indications have not been forthcoming.

Sir Nicholas Winterton (Macclesfield) (Con): I warmly support what the Foreign Secretary has said in response to the questions put to him on this subject. Does he believe that it is absolutely essential for the long-term possibility of peace and stability in the middle east for the western powers, including this country, to maintain a positive ongoing dialogue with Hamas, which has taken over the Parliament in the Palestinian Authority; and, in addition, that we must maintain the help and aid to the Palestinian people while ensuring, as I believe that he has highlighted in his answers so far, that none of that aid will in any way be adapted to assist terrorism against Israel?

Mr. Straw: None of us has any interest whatever in, as it were, punishing the Palestinian people for giving the "wrong" answer in those elections. We are very conscious of that. They were free and fair elections and we have to respect the decisions of the Palestinian

people. At the same time, nor can we gratuitously reward Hamas if it carries on with active support of terrorism and violence. That is why the Quartet has come to a very responsible and cautious position. Aid that was being paid anyway continues to be paid. The ball is in the court of Hamas. We are not expecting it to stand on its head and abandon overnight every position that it has held in the past. We are expecting from it, however, some clear indications of the direction in which it wishes to travel.

As to formal discussions with Hamas, insofar as any discussions took place between representatives of the British Government and Hamas, they were suspended some time ago. Whether they could be reopened would depend on the indications that we had of movement by Hamas.

Martin Salmon (Battersea) (Lab): Does my right hon. Friend agree that the Israeli Government and, to a lesser extent, the United States Government have only themselves to blame for the victory of Hamas, since they cut the ground from under every moderate Palestinian politician by allowing the expansion of Israeli settlements on the west bank in defiance of the peace process, in defiance of the United Nations and in defiance of the law?

Mr. Straw: I understand what my hon. Friend is saying, but I do not think that that is the analysis of most members of Fatah as regards what happened. In the debate that is now going on within Fatah, many of its members are saying that it was Fatah that lost the election rather than Hamas that won it, because of its history of being in existence for so many decades and because of allegations of inefficiency and corruption, and worse. I suspect that those in Fatah who are saying that are more likely to be correct in their analysis.

Mr. Keith Simpson (Mid-Norfolk) (Con): The Foreign Secretary has been very robust in saying that through the Quartet we will not be seen to be directly negotiating with or rewarding Hamas until it gives up on terrorism and on its attitude towards the destruction of the state of Israel. Can he tell the House whether he has any evidence that any members of Hamas are involved in terrorist activities directly or indirectly affecting British interests in the middle east?

Mr. Straw: I have no evidence that I can put before the House at the moment in respect of that. If there is, I will make it available if it is appropriate for me to do so.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Is it not undeniable that withdrawal or reduction of aid to the Palestinians because they voted for Hamas will only strengthen their intention to vote for Hamas again, and that punishment of the Palestinians is one of the reasons behind their vote for Hamas? Does my right hon. Friend agree, also, that until poverty, oppression and deprivation among the Palestinians are dealt with, there will be no hope of peace for the Israelis or for the Palestinians?

Mr. Straw: As I said, we have no intention of punishing the Palestinians for "voting the wrong way". That is not the appropriate response. That is why the Quartet, with our active agreement, continues to pay aid to the area, with the exception of that suspended to the Fatah Administration before the elections. However, my right hon. Friend would not approve of a position whereby, if a Hamas-based Government were formed and we paid aid, we could not be certain whether some of it was going towards terrorist causes. I do not believe that my right hon. Friend would be happy with that outcome. The Quartet's cautious approach, which we share, of continuing to pay money at the moment because the Administration remains dominated by President Mahmoud Abbas, but subsequently expecting some change by Hamas, is the appropriate way forward.

Cyprus

10. **Mr. Edward O'Hara** (Knowsley South) (Lab): What assessment he has made of the plans of the Administration in northern Cyprus to develop land in Morphou belonging to Greek Cypriots displaced in the 1974 invasion; and if he will make a statement. [49009]

The Minister for Europe (Mr. Douglas Alexander): We are aware of construction plans in the Morphou district. Although we maintain a dialogue with the Turkish Cypriots on all aspects of the Cyprus settlement, we cannot control property development in the north. The many difficult and complex property issues in Cyprus are likely to be resolved only as part of a comprehensive settlement.

Mr. O'Hara: If the land legally belongs to Greek Cypriot refugees, who were forcibly displaced by the Turkish army in 1974, in terms of international law and human rights, it is illegal and immoral for it to be disposed of in that way. What possible positive contribution can such action make towards finding a solution, which we all desire, to the Cyprus problem? Will my right hon. Friend use all his influence to dissuade the illegal Administration in occupied Cyprus from proceeding with those measures?

Mr. Alexander: I reiterate that we are not in a position to control property development in the north but I agree with my hon. Friend that the status quo is bad for Cyprus, the region and the European Union. That is why my right hon. Friend the Foreign Secretary travelled to the island in recent days to try to give impetus to finding a way forward.

Procurement of Innovative Technologies and Research

3.32 pm

Kitty Ussher (Burnley) (Lab): I beg to move,

That leave be given to bring in a Bill to make provision in relation to the awarding by Government Departments and agencies of research and development contracts for innovative technologies; and for connected purposes.

By being in the House this afternoon, I am missing the funeral of a Labour party colleague and friend, Alan Daiches. Although I am here in body, my thoughts and prayers are with him, his friends and family, in my constituency.

In his Budget statement last year, the Chancellor made the welcome announcement that all Departments would be mandated to spend 2.5 per cent. of their external research budgets with small and medium-sized companies. That is important because it enables high-tech, science-based start-up companies, which venture capitalists often perceive as too risky, to trial their new ideas in the security of a 100 per cent. funded Government contract. It is good for manufacturing because many of those companies become the manufacturing success stories of the future. As a member of Amicus, I welcome that. It is good for the taxpayer because it will help us to use the latest technologies in this country's universities and business parks to find smarter new methods of solving public policy problems. As a member of the Public Accounts Committee, I welcome that, too. Indeed, I hope that high-tech incubator units, such as the digital technology centre in my constituency, may benefit from the measure.

The Chancellor's announcement represented a victory for a group of business people, scientists, venture capitalists and academics, who were admirably led in the House by Anne Campbell, the then Member for Cambridge, and outside by the venture capitalist David Connell. I congratulate them both on their achievements.

The Bill would enshrine the Chancellor's commitment in law. It would make it not only mandatory for Departments to spend at least 2.5 per cent. of their external research budgets on smaller companies, but illegal for them not to do that.

It is my firm belief that, without a change in the law, the commitment given by my right hon. Friend the Chancellor is unlikely to be translated into reality. That belief is shared by the 13 distinguished academics, scientists and entrepreneurs who signed a letter to that effect in the *Financial Times* on 19 October last year, and by the 80 Members of this House who signed the associated early-day motion 799.

We need a change in the law because the co-ordination required by the Whitehall machine is simply too great. The Department of Trade and Industry's Small Business Service does not have sufficient clout over the big research Departments to push through change. Even if it did, there would be no way to ensure that Ministers in those research Departments regarded change as a priority.

My confidence in the current system has not been bolstered by the fact that it is coming up to a year since my right hon. Friend the Chancellor's announcement, and details of how the new scheme will work are still sketchy. In America, by way of contrast, a policy similar to the one that I propose was enshrined in legislation in 1982, and enhanced a decade later. The results have been astounding. Despite the target of 2.5 per cent., 13 per cent. of all federal Government research and development contracts—worth over $5 billion—now end up with small businesses. The average award is far greater than anything routinely on offer in this country.

The system in America is carefully designed to help small companies take the first step on the Government procurement ladder. They are encouraged to retain and, indeed, exploit their intellectual property, which means that they often go on to create larger companies. For example, large US firms, such as the biotech companies Amgen and Genzyme and the communications giant Qualcomm, employ 30,000 American people between them, but they began as recipients of small business innovation research awards from the American Government. In 1999, the US Congress concluded that the renewal of the programme would

"foster innovation, research and technology . . . create jobs and . . . increase"

America's

"competitiveness in international markets."

My Bill aims to replicate the American experience in this country. Specifically, it will set up a process through which, by law, Government Departments will, at twice-yearly intervals and over the web, define their requirements for innovative new technologies. Small businesses would then be invited to bid for innovation contracts of up to £500,000 in value to develop and trial technologies capable of meeting those requirements. Unlike elsewhere in Government, the procurement process would be streamlined, standardised and rapid.

Without such measures, we are already losing talent and ideas, and therefore jobs and wealth. For example, the scientist Dr. Helen Lee developed in Britain a simple new diagnostic test for HIV and hepatitis, but decided to commercialise it in the US, specifically because of the availability of SBIR grants and awards. She took five people from Cambridge with her to America to help with the process. However, Teraview—widely recognised as the world's leading company in terahertz imaging—decided to stick to the existing system here. It took two years for the company to get a contract out of the UK Government, and that lost it time and money. In addition, all hon. Members have constituency stories of bright new start-up companies that fear that trading with the Government will cause them to lose their intellectual property.

In conclusion, I urge Ministers to be vigilant in the operation of our policy and to ensure, with legislation where necessary, that it is as successful in every respect as the American model. Our manufacturing companies, jobs and future prosperity will benefit from that success, and so will the taxpayer.

I thank the House for its courtesy in listening to my speech this afternoon.

Question put and agreed to.

Bill ordered to be brought in by Kitty Ussher, Danny Alexander, Janet Anderson, Mr. Michael Clapham, Rosie Cooper, Mary Creagh, Mrs. Claire Curtis-Thomas, Paul Flynn, Mr. Shahid Malik, Andrew Miller, Mr. Austin Mitchell and Mr. Edward Vaizey.

PROCUREMENT OF INNOVATIVE TECHNOLOGIES AND RESEARCH

Kitty Ussher accordingly presented a Bill to make provision in relation to the awarding by Government Departments and agencies of research and development contracts for innovative technologies; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 3 March, and to be printed [Bill 125].

Opposition Day

[13TH ALLOTTED DAY]

Mental Health Services

Mr. Speaker: I wish to inform the House that I have selected the amendment in the name of the Prime Minister.

3.40 pm

Mr. Andrew Lansley (South Cambridgeshire) (Con): I beg to move,

That this House notes that one in four people will suffer mental health problems; is aware that mental health trusts are facing some of the largest cuts in planned budgets whilst already having to cope with worryingly high recruitment shortages; further notes that patients with mental illness are often denied real choice in their treatments due to long waiting times for referrals and an acute shortage of non-drug therapies such as cognitive behavioural therapy; is alarmed at the particular problems experienced by black and minority ethnic patients in accessing services; is concerned at the continued absence of a Mental Health Bill almost four years after the first draft Bill was published; and calls on the Government to raise the relative importance of mental health within the NHS, making early intervention a priority in order to enable access to a range of appropriate services and urgently to publish a revised Mental Health Bill which recognises the rights and dignity of people with mental illness.

May I say at the outset that I am sorry to hear that the Secretary of State is indisposed? We send her our best wishes. We are sure that it will be only a temporary indisposition and that she will be back performing her duties very soon. However, we are happy that the Minister of State, the hon. Member for Doncaster, Central (Ms Winterton), is here to speak for the Government on this subject, for which she is directly responsible in the Department.

The purpose of this debate is threefold. First, given that there has been no debate in Government time on the Floor of the House on mental health services since 1997, this debate will permit hon. Members not only to assess the future of those services, but to express their appreciation of the staff who work in them and their understanding of the needs of patients with mental health problems. Secondly, we want to express what I hope will be the view of the whole House, namely, that mental health services must not be the Cinderella services of the NHS that many people have often perceived them to be. The services deserve, and must have, priority, and that priority must be reflected in the delivery of the services. Furthermore, that delivery must not be compromised—and patients must not suffer—as a result of present or prospective NHS deficits. Thirdly, we want a reformed Mental Health Bill that people across the range of mental health interests can support to be brought before the House. Such a Bill was promised in the Gracious Speech, but there have been long delays. We want it to contain provisions that will provide dignity and a positive framework for those whom it is intended to serve.

Angela Browning (Tiverton and Honiton) (Con): Does my hon. Friend agree that this so-called reformed Mental Health Bill must address the considerations of the Scrutiny Committee—on which I sat—most of

[Angela Browning]

which were rejected by the Government? Does he also agree that any reformed Bill will need to have been really reformed?

Mr. Lansley: My hon. Friend is absolutely right. My hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) also served on that Committee, and he and I are convinced that substantial changes to the proposed mental ffealth legislation are required. The need for such changes could well be the reason for the delay in introducing the new Bill, but perhaps the Minister will tell us why the delay has been so great. There are things that we need from that legislation, and when we see the Bill in due course I hope that it will have been reformed in such a way as to command the support of the House. I also hope that my hon. Friend the Member for Tiverton and Honiton (Angela Browning), with her experience, will contribute to those debates.

Bob Spink (Castle Point) (Con): Will my hon. Friend confirm that there would be fewer people suffering from mental health problems in this country if the Government were to reclassify cannabis as a class B drug?

Mr. Lansley: I am glad that my hon. Friend made that intervention. I had not intended to deal with that issue, but I think that he is right. Leaving aside the criminal justice issues, we should not underestimate the public health issues associated with drug use, and especially with the prolonged use of cannabis by teenagers. Some of the latest research by the Medical Research Council is pointing towards the existence of a common genetic mutation, occurring in about a quarter of the population, that could give rise to a substantial increase in the likelihood of psychotic episodes and schizophrenia as a result of prolonged cannabis use during the teenage years. That evidence should not be just put to one side—it should inform directly the calculation of potential harm that is supposed to underlie the advice given by the Advisory Council on the Misuse of Drugs. Sir Michael Rawlings, who leads that council and is chairman of the National Institute for Health and Clinical Excellence, ought to be rigorous in his examination of the medical evidence underlying those issues. If that has not been true up to now, I hope that it will be in future.

Chris Bryant (Rhondda) (Lab): I happen to think that we should not have reclassified cannabis in the first place, and I did not vote for us to do so. In part, therefore, I agree with the hon. Gentleman. I must face the fact, however—and I hope that he will face it too—that since that reclassification, the number of young people using cannabis seems to have dropped. How will he deal with that issue?

Mr. Lansley: I will not get into a debate about criminal justice issues. With respect to the hon. Gentleman, I will make my point about the health issue, which I have put on the record. Many Members want to speak and I do not want to take up too much of the limited time available.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the hon. Gentleman give way?

Mr. Lansley: No, I will carry on with my speech, if the hon. Gentleman will allow me.

Let us be clear that combating and overcoming the stigma attached to mental illness is at the heart of what we must do in relation to mental health services. My hon. Friend the Member for East Worthing and Shoreham and I visited the Brent Mind housing project this morning, where we talked to some of the tenants, most of whom have a dual diagnosis of schizophrenia and substance misuse of some kind. In relation to the impact of stigma, our discussion was very interesting. For example, they said that there is still a sense in which the public push the problem not just to the margins, but out of sight and out of mind. There seems to be an assumption that someone who has been mentally ill will not recover, and that the condition is permanent. That is not true. People do recover, medication is capable of assisting dramatically nowadays, and talking and other therapies can be very successful.

At any one time, 630,000 people might be receiving mental health treatment in this country, but that is only a fraction of the number who will at some time in their lives have mental illness—probably one in four of the population will have mental illness at some time. For many, it is a very traumatic but temporary condition. Therefore, we should not treat people who have mental illness and recover any differently from those who have had a broken leg. People recover and move on. Even if people are on medication, perhaps on a more or less permanent basis, we should not treat them differently. We do not say to diabetics that because they take insulin, their ability to work is necessarily compromised. We support such people, encourage them, help them into work and expect them to be integrated into society. The same should be true of people with mental health problems. Illnesses, whether physical, psychological or mental, should be treated in the same way.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): As someone who represents a constituency with a high incidence of mental health problems, I find myself in the peculiar position of being in complete agreement with the hon. Gentleman's comments. Can he therefore explain why mental health was not mentioned once in his party's 2005 general election manifesto?

Mr. Lansley: I am afraid that that is not true. The hon. Lady will find a mention of it, and we published substantial material on our approach to the mental health legislation, and the need for it, before the last election. I have a copy of our document with me.

Charles Hendry (Wealden) (Con): My hon. Friend has talked about people recovering from mental illness. Does he agree that what he has said applies particularly to people in prison? Is he aware that 90 per cent. of prisoners have mental health needs, but are treated first and foremost as prisoners, which means that those needs are often neglected? If they are to leave prison, play a valuable role in society and be rehabilitated, should not their mental health needs come first?

Mr. Lansley: I agree, and one of the measures that we have supported is the mainstreaming of health services

for people in prison. If primary care trusts are to take over responsibility for that—and most have already done so—it does not bode well if they are trying to cut mental health services at the same time, as too many are. Given that a high proportion of those in prison have mental health problems, primary care trusts must ensure that mental health services are available.

By courtesy of my hon. Friend the Member for East Worthing and Shoreham, I now have the document relating to the Conservative party's reform of mental health legislation, "Compassion not Coercion", and also the mental health manifesto that we prepared before the last general election.

David Taylor: Will the hon. Gentleman give way?

Mr. Lansley: Not at this point.

We need to be clear about the current state of mental health services. The Government's amendment understandably emphasises the publication of the national service framework in 1999. As I have said, while it is to be applauded as a statement of priority, we need to ask what it does in terms of delivery. Let us examine some of the national standards contained in it.

First, there is the intention that there should be health promotion and that discrimination should be combated. Spending on promotion of mental health specifically has fallen to £2 million, a tiny fraction of the mental health budget, and is 60 per cent. lower than it was in 2001. As for discrimination, I am afraid that it is still unhappily true that black African and Caribbean patients are 44 per cent. more likely to be detained.

The second national standard emphasises access to diagnosis and effective treatment. Access to cognitive behavioural therapies is seriously lacking. In his recent report, Professor Layard said that we needed 5,000 more psychological therapists, and the Sainsbury Centre for Mental Health recently spoke of GPs with no access to CBT for their patients and a wait of up to six months for counselling. Responding to a survey by Mind, 47 per cent. of mental health service users said that their treatment was held back considerably by not being given the treatment that they needed. That standard, too, has not yet been met.

The third standard relates to round-the-clock contact. Crisis resolution and assertive outreach services are of course useful, and they have perhaps been the principal innovation of the national service framework. However, if core services are plundered so that crisis resolution and assertive outreach services can be fed, the net effect will be that although it may be possible to intervene at night and try to deal with a problem—and I know that many GPs' out-of-hours services value crisis resolution—the system will not work if the patient cannot be dealt with immediately the following morning.

The fourth standard recommends a care programme, but 50 per cent. of mental health service users are not offered a care plan. The fifth standard refers to timely access to hospital beds. Just over a fortnight ago, the Mental Health Act Commission said

"Over half of all wards are full or have more patients than beds."

As an indication of the way in which mental health services are viewed, what could be more compelling than the simple fact that when the Healthcare Commission's patient environment teams looked at hospitals, the only six that they found to be unacceptably dirty—they described those hospitals as "standard 4"—were mental health hospitals? As Members will know, given the definition of "unacceptably dirty", that was a pretty condemnatory conclusion for the teams to reach.

Mr. Philip Hollobone (Kettering) (Con): Does my hon. Friend share my concern that a recent *Health Service Journal* report highlighted that over half of hospital chief executives have had to consider closing some of their mental health facilities, including at Kettering general hospital in my constituency?

Mr. Lansley: I am grateful to my hon. Friend. He leads me on to the area that I want to turn to next.

There have been improvements and extra resources, but the resources going into mental health services have not kept pace with the resources committed to the national health service as a whole. That is an indication of its relative lack of priority.

Mr. Jim Devine (Livingston) (Lab) *rose*—

David Taylor *rose*—

Mr. Lansley: I will not give way for the moment.

Some of the progress that has been made is directly threatened because of the reductions in funding to meet deficits. It will not surprise hon. Members that I want to talk about Cambridgeshire. It is one of the areas where the cuts in mental health services are most profound. A letter was sent to me just a fortnight ago by psychologists and psychological therapists working for the Cambridgeshire and Peterborough Mental Health Partnership NHS Trust. They say of the changes in Cambridgeshire:

"these are not minor trimmings or adjustments to services: they are cuts of essential, frontline services."

We are talking about the closure of in-patient beds. What most distresses me and many people in Cambridge is the closure of Douglas house, which provides a young people's service, and the cutting of access to services for young people.

I have raised that matter with the Secretary of State. We have had meetings. I have received correspondence. Everyone in Cambridge knows perfectly well that it all tracks back to the Government's failure to reflect adequately the genuine mental health needs in Cambridgeshire, and in Cambridge in particular. They should look not at their own demographic analysis, but at the actual demand and need in the community. All the Secretary of State keeps telling us is that it is not her responsibility but that of the local primary care trust. The trust keeps saying, "We just do not have the money to reflect the need that we have." When we go back to the Secretary of State, she says, "The statisticians have done their work and the work is as good as we can make it." So everyone is responsible except the Secretary of State—it is the statisticians and the primary care trust that are responsible. Never does she take responsibility for the impact of her changes and cuts.

The predicted deficits in mental health trusts are nothing like as serious as the cuts in services will be. The PCTs are shifting deficits into mental health trusts.

[Mr. Lansley]

That is affecting not just Cambridgeshire but Oxfordshire, which has lost seven consultants, and seven senior house officer and registrar posts. Mental health wards have closed in Westmorland. Supporting people budgets have been reduced in many parts of the country. In south-west London, particularly in the St. George's Mental Health NHS Trust, there have been widespread reductions and there is a major deficit. Psychiatric beds have closed in West Park hospital in Durham. In Lambeth, there is the potential closure of the Maudsley emergency clinic. There is also the possible closure of a mental health ward at Loughborough or Coalville hospitals. There are other examples.

David Taylor: Perhaps the hon. Gentleman is being a little unfair on the Government, who have increased resources in real terms by 25 per cent. There are now 8,000 psychiatric nurses, 1,200 consultants and 3,000 clinical psychologists. He seems to be drawing together examples from university towns—Cambridge, Oxford, Loughborough and elsewhere. Does he agree that we need to do much more in the FE and HE sectors to promote mental health? Ten per cent. of young people between the ages of 11 and 25 self-harm, suicide is the cause of 20 per cent. of the deaths of young people and the age group that commits suicide the most is young men aged between 15 and 24. Should not more be done in that regard?

Mr. Lansley: At least the House is spared a speech from the hon. Gentleman by virtue of that intervention. I say two things to that. First, £30 million is now being spent on student counselling services. It is much increased. That is a measure of the need among students for mental health services. Secondly, in Cambridge, as the hon. Member for Cambridge (David Howarth) will know—

David Howarth (Cambridge) (LD): Will the hon. Gentleman give way?

Mr. Lansley: No. I will make the point because I know what the hon. Gentleman would say.

If the Government's statisticians treat students as affluent because they are not on benefit, and therefore as having much less mental health need, they are plain wrong. That is a good illustration of the absurdity of the way in which the mental health needs index is compiled.

Sir Nicholas Winterton (Macclesfield) (Con): Will my hon. Friend give way?

Mr. Lansley: No, because I have to finish. I beg my hon. Friend's pardon, but I have to conclude my speech.

We need to be vigilant about mental health service cuts because there is a major risk. Not only has there been less of a priority for mental health services than for other services, but with PCTs having to pay acute hospitals dramatically increased costs and having no choice but to pay for the GP contract, it is mental health services such as community hospitals that are bearing the brunt of the reductions in services.

We must look for a positive change in the future, in terms of priority and of the mental health legislation, which I hope we will have an opportunity to debate in substance when the new Bill is published. However, it must be a Bill that has neither a broad-ranging definition of mental disorder nor a broad-ranging definition of medical treatment, while giving an opportunity for community treatment orders to be imposed on a widespread basis. There are many people—particularly from the black and minority ethnic communities—who know that they are far more likely to be the subject of detention and who fear that the extension of such orders in the Bill will lead to widespread assumptions that they can have community treatment orders imposed upon them.

There is a major risk with the legislation that instead of achieving greater safety for the community, it will undermine compliance and support for patients in the community. Patients will not wish to present to mental health services and we will end up with patients untreated and the community less safe. That is the risk with the Government's legislation.

What do we need for the future of mental health services? We need the Bill to be published in a way that is geared to the positive treatment of patients, encourages compliance with treatment and supports clinicians in what they have to do, rather than taking the Home Office approach of coercion. Mental health services need greater priority and I want the Minister to tell the House that the increase in mental health resources will match the increase in NHS resources as a whole. We need to bring mental health more into the mainstream, so that GPs have greater access to mental health budgets for their patients and more responsibility for seeing the whole of the mental health patient pathway, rather than their being, as at present, more or less forced to abdicate responsibility and hand it over to mental health trusts.

Patients need more choice. At the moment there is no "choose and book" for mental health patients. Indeed, the Government have also virtually given up on direct payments for mental health patients. Mental health patients do not have control when, sometimes, their exercising greater control over the management of their care can in itself make a major contribution to the way in which they can make progress.

We must have dignity through the Bill, we must have no discrimination and we must have support for carers. At the moment, many carers who are supposed to have annual appraisals very often do not have an appraisal of their needs. We need them to be supported. We need all of that, and we need more. However, what we need most of all is to understand that the stigma of mental illness is completely misplaced. All of us are at some risk of mental illness at some time in our lives and we would not want that stigma to be applied to us. We would wish those services to be available for us if we needed them, so we should do no less for our constituents.

4.3 pm

The Minister of State, Department of Health (Ms Rosie Winterton): I beg to move, To leave out from 'House' to the end of the Question, and to add instead thereof:

"recognises that the Government has made mental health a key priority through the National Service Framework for Mental Health and the NHS plan; welcomes the achievements set out in

the National Director's progress report published in December 2004; further welcomes the record increases in investment and staffing; notes that under this Government there are now over 700 specialised community mental health teams and that suicide rates are the lowest since records began, that there are 1,200 more consultant psychiatrists, over 3,000 more clinical psychologists, and 8,000 more mental health nurses than in 1997; further welcomes the Government's five year action plan to tackle inequalities in mental health services amongst black and ethnic minority communities and its action to tackle social exclusion in mental health; acknowledges the Government's commitment to early intervention to support good mental health and improve preventative mental health services in the community, as set out in the recent White Paper "Our health, our care, our say: a new direction for community services", including by improving public understanding of mental health issues to counteract stigma and discrimination, expanding access to psychological therapies including cognitive behavioural therapy, promoting the use of information technology recently reviewed by the National Institute for Health and Clinical Excellence which supports people to take charge of their own treatment, and working with health professionals to improve standards in mental health services in the community; and further welcomes the Government's commitment to reform mental health legislation as soon as parliamentary time permits."

The Secretary of State for Health has been taken ill and apologises to the House for being unable to move the amendment.

As the hon. Member for South Cambridgeshire (Mr. Lansley) said, one person in four will suffer from mental ill health during their lives. Mental ill health can have a devastating effect, not just on individuals but on their families and society as a whole. Social exclusion, discrimination and stigma add to the suffering. Less than a quarter of adults with long-term mental health problems are in work. They are nearly three times more likely to be in debt, and can struggle with basic requirements such as transport or decent housing.

More than 1 million of the 2.7 million people claiming incapacity benefit list mental or behavioural conditions as their main disability. It has been estimated that mental illness costs the country up to £25 billion a year—in other words, 2 per cent. of gross domestic product. That is why this Government have recognised the importance of mental health to the well-being of the whole nation, not just of individuals. Along with cancer and coronary heart disease, mental health is one of our top three health priorities.

By 1999, within two years of taking office, we had published the national service framework for mental health—a ground-breaking and ambitious 10-year programme of reform and investment for mental health care in England.

Miss Julie Kirkbride (Bromsgrove) (Con): I recognise that the Government have spent more money on mental health services. The Worcestershire Mental Health Partnership NHS Trust invested money in providing a home care service and we are very grateful for that, but the downside is that the Government are now saying that we must live within our original budget. The result is that mental health care in-patient beds are being cut to make the figures add up. Can the Minister explain why that is happening?

Ms Winterton: If the hon. Lady will allow me to make a little progress, I will come to some of the points that have been made about the financial situation in mental health and the effect on trusts themselves.

Mr. Devine: My hon. Friend will be aware that I worked as part of a primary care psychiatric team when the Conservatives were in power. They introduced a policy called care in the community, which was in a fact a con in the community, and led to many psychiatric patients wandering around city centres throughout the United Kingdom. Since then, have we not introduced a co-ordinated strategy consisting of investment not just from the health service, but from local government and the voluntary sector?

Ms Winterton: My hon. Friend describes very well the direction in which we are travelling, and it is important that we have such support in the community; we need input not just from the health service but from local government and the voluntary sector. I have seen some very good exampies of the three working together to make an incredible difference not just to people with mental health problems, but, crucially, to those who support them—their carers, families and friends. Such support in the community is vital.

Sir Nicholas Winterton: I am grateful to my namesake for giving way. Will the Minister not express some concern about the over-rapid closure of mental hospital beds, which has caused huge problems not only for the mentally ill who really should be accommodated in hospital, but for their families and the community? Community care has an important role to play, but have not too many hospital beds been closed? Will she consider that issue, and in particular the proposed closure of acute mental hospital beds in east Cheshire by the Cheshire and Wirral Partnership NHS Trust?

Ms Rosie Winterton: Perhaps I can combine my answers to the interventions that have just been made. Rapid closure under the previous Administration left people vulnerable in the community, and I hope to demonstrate that this Government have provided support in the community through crisis resolution teams and early intervention teams. The idea is that in-patient care should become very much the last resort. I hope that Members appreciate that removing people with mental health problems from their families and their home environment is not always the best road to recovery; if we can support them in their own homes, that is the way to go. I have visited a number of places where it has proved possible to switch resources from in-patient care to community home care teams, and we should not underestimate the importance of making that shift.

Such reshaping of services can help people to live for longer in the community and to avoid removal to hospital, which is sometimes inappropriate. That approach is ambitious, and that is why we have a 10-year programme. In many instances, it requires services to make switches that they may not be used to, but once the changes have been made, a big improvement has been seen. The plan followed widespread consultation and was warmly welcomed by the professions. I accept that professionals would like to see further changes, but in general the plan has been well received. In 2000 we followed it up with the NHS plan, which set some clear targets for mental health services.

Mr. Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): I welcome what my hon. Friend says, but does she agree that if the strategy is to succeed, advocacy should be at the heart of Government policy? Will she confirm that it is still there?

Ms Winterton: Of course, and I hope that my right hon. Friend welcomed the announcement about the advocates for people with mental incapacity, which we discussed at some length during the proceedings on the Mental Capacity Act 2005. He is right to say that advocacy is an important part of ensuring that our mental health services are modernised.

Dr. Julian Lewis (New Forest, East) (Con): I accept what the Minister says about the desirability of people being treated in the community if possible. Will she in turn accept that if someone suffers from an acute psychiatric breakdown there is no prospect of their being able to look after themselves in the community, and they will need to be an in-patient? It is important that such an in-patient should not be put in with people with different types of mental illness, who may be psychotic or even violent. What progress have the Government made to ensure that regard is had to the very different types of mental illness, so that people are treated separately where appropriate?

Ms Winterton: It is important to ensure that people who are dangerous or violent are held in more secure units than those suffering, for example, from a clinical breakdown. That is why we have increased the number of medium secure beds, why we have looked at changes for the high-security hospitals and why we have many more low secure beds. It is important that we make the distinction between people who need a secure environment and those who do not.

It is also important to recognise that people may reach a crisis point, and to ensure that if they need to spend some time in in-patient care, it is the minimum period necessary for that individual. We need to have the modernised services that I have mentioned in place—made possible through our increased investment, which I shall talk more about later—so that the time spent in hospital is minimised. That is because people often make a better recovery if they can have help in their own homes and communities.

Lynne Jones (Birmingham, Selly Oak) (Lab): It is good that the Government are giving community care a high priority, although perhaps not as high as some of us want. It is also good that the Opposition, by initiating this debate, are showing their commitment to improving mental health services.

On the subject of in-patient beds, is my hon. Friend not concerned about the huge increase in the number of patients who are in private facilities? The Mental Health Act Commission report cited by the hon. Member for South Cambridgeshire (Mr. Lansley) pointed out that the number had increased from 700 to 2,300 and although those institutions may have been cleaner, which is good, they had poor back-up facilities for emergency care. They are also expensive, so why is the NHS not improving its own in-patient provision?

Ms Winterton: Recently we announced investment of £130 million to improve in-patient facilities—but my hon. Friend is right, in that there has been a long tradition of using the independent sector in mental health care. We need to look closely at the commissioning that PCTs and others undertake in the private sector, to ensure that they carefully consider local needs so that people can remain as close to home as possible. There have been big advances in that commissioning, but we can certainly make improvements and I want to ensure both that we get good value for money, and that care takes place as close to the patient's home as possible, so that people can obtain the necessary back-up.

The national service framework was accompanied by record investment. According to the European Commission, the UK has one of the highest proportions of its overall health budget devoted to mental health of any EU member state. Those extra resources, which the Opposition voted against, have been put to good use. Compared with 1997, when we took office, we have 20 per cent. more psychiatric nurses, 50 per cent. more consultant psychiatrists and 75 per cent. more clinical psychologists. The suicide rate has fallen to its lowest recorded level and, again according to the European Commission, is one of the lowest in Europe. I hope that all Members welcome that.

The NSF proposed 170 new assertive outreach teams for people at risk of losing touch with conventional services—I think that was the point that the hon. Member for New Forest, East (Dr. Lewis) raised. By March 2005, there were 262 such teams, providing badly needed support to about 20,000 people. In addition, the NHS plan envisaged 335 crisis resolution teams to give intensive support at home to people suffering a crisis in their mental health. By March 2005, there were 343 teams and they had been able to help nearly 50,000 people.

Mr. Jim Cunningham (Coventry, South) (Lab): How can we help carers? They often carry a financial burden and are also under stress. How do their needs fit into the 10-year plan?

Ms Winterton: I agree that the needs of carers, especially those who look after people with mental health problems, are paramount. In the NSF, we have tried to provide extra support for carers, not least in the difficult situations that can occur. Sometimes it is difficult for a person to live close to someone with a mental health problem, and such situations need to be managed. In the White Paper, we set out a raft of measures in relation to carers, which, obviously, will apply to people caring for those with mental health problems. The best services that I have seen are those that have involved not only service users, but carers as well, in shaping them.

Mr. Anthony Steen (Totnes) (Con): There is not much point in closing down purpose-built institutions for residential mental health care, such as the Brischam unit in Brixham, on the basis that people with dementia would prefer to be looked after by carers in their own homes, if the carers are driven to distraction by having nowhere to send their cared-for person with dementia, because all the purpose-built residential homes have been closed down.

Ms Winterton: The hon. Gentleman is referring to the need for good respite services. It is not necessarily perhaps a case of the constituents to whom he alludes wanting their loved ones to be elsewhere; they want a combination of care and support at home, with respite facilities as well. He is right to say that we all need to consider how we can increase those respite facilities, sometimes by turning inappropriate beds into respite care beds. That is an important approach to take, and it is sometimes important to consider what lies at the end of such proposals. For example, if a trust is talking about closing an institution, it should consider whether any such decision is backed up by a different type of service that better fits patients' needs, and respite care is very often involved.

Chris Bryant: Does my hon. Friend agree that having some form of mixed economy in mental health service provision is important? The residential rehabilitation service that may be appropriate for one person with a drug or alcohol problem may be wholly inappropriate for another, yet residential rehabilitation might be necessary for others—perhaps provided by the voluntary sector, which offers a very different style of service from that which is available from the state.

Ms Winterton: My hon. Friend makes an important point. We need to make better use of the voluntary sector, because in many senses it has been able to reach out to people who may not have been gaining access to services. We need to maximise the use of those skills. Last year, I launched some guidance with Victor Adebowale. It was all about how trusts needed to look closely at their relationship with the voluntary sector, and how they could operate services jointly. That approach fits in with our recent White Paper, and it applies particularly to mental health.

James Duddridge (Rochford and Southend, East) (Con): Will the Minister give way?

Ms Winterton: I need to make some progress.

In total, more than 700 new multi-disciplinary teams are now working for mental health in the community. The NHS plan proposed expanding by 150 the capacity for secure places for people with severe personality disorders. We now have 205 of those new places. The NHS plan set a target of 500 community gateway staff—experienced mental health professionals—to improve patients' access to specialised services. We now have more than 1,500 of them, compared with our target of 500. The NHS plan also set a target of 50 early intervention teams for younger people who experience the first onset of psychosis, and we now have more than 100 of those teams.

I should like to take this opportunity to pay tribute to the many thousands of people who work in mental health services. Too often they go unrecognised, but without them we would not have been able to make real improvements in services for some of the most vulnerable and often excluded members of our society.

David Taylor: The Government amendment spells out some of the progress that has been made, and several trends are encouraging. Does the Minister agree that among young people, levels of self-harm and indeed suicide, especially among young men between the ages of 15 and 24, are distressingly high? Is she planning any initiatives to target young people, especially those in higher and further education who are living away from home? There is still a problem to be resolved.

Ms Winterton: My hon. Friend is right, because obviously, any suicide is a suicide too many. However, the success of the suicide strategy has meant that the numbers have dropped considerably and we are leaders in the European Union. There are a range of things that we can do to support more people in the community, but I will come to that later.

Several hon. Members *rose—*

Ms Winterton: I will give way to the hon. Member for North Shropshire (Mr. Paterson) and my hon. Friend the Member for Stoke-on-Trent, South (Mr. Flello), and then I will move on.

Mr. Owen Paterson (North Shropshire) (Con): I thank the Minister for giving way—she is being very generous. When I went to see her in July, I mentioned Shelton hospital, which is set to be the last working Victorian asylum unless it is rebuilt, which is the plan of Shropshire County primary care trust—the lead organisation—Telford and Wrekin PCT and Powys local heath board. Five years ago, the cost of the project would have been between £40 million and £50 million, but it has now grown to £85 million. The strategic health authority has put the project on hold because of the problems in Shropshire's health economy. If the delays carry on, there will be a bill of £400,000 each month. When does the Minister think that the last Victorian asylum will be replaced, thus saving taxpayers the £400,000 that is lost for every month that the delay continues?

Ms Winterton: The hon. Gentleman knows very well that it is for his local trust and strategic health authority to examine that matter closely. It is important to move services into the community as much as possible. Obviously we must preserve some in-patient care, but the more we can provide modern reformed services in the community, the better. We have announced extra investment to improve in-patient facilities, but that matter is for local discussion.

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): Much of the debate has been focused on adult mental health services and services for younger adults, especially in relation to suicide. Will my hon. Friend say a few words about mental heath services for children and adolescents, and the fantastic work that is done in that area?

Ms Winterton: My hon. Friend is right to say that excellent work is done in that area, too. There have been shortages in some of the professions involved in mental health services for children and young adults, so we are trying to address that problem. It is important to ensure that there is co-ordination between mental health services for younger adults and those for older ones. Too often people get caught in one area or another, which causes enormous difficulties. We have taken steps

[Ms Winterton]

to ensure that there is better co-ordination, and our tsar, Professor Louis Appleby, has taken an overall strategic view on that.

Liz Blackman (Erewash) (Lab): Will my hon. Friend give way—at a suitable point?

Ms Winterton: At a suitable point, I will.

In 1999–2000, the NHS and social services spent £4.74 billion on mental health services. In 2003–04, the figure had risen to more than £6 billion, which was an increase of more than 27 per cent, or a £1.2 billion increase in real terms. As was shown in a recent independent survey of planned mental health investment, the increase has continued in subsequent years. There has been an increase every year since we published the national service framework. Such unprecedented investment has allowed us to make significant improvements to mental health services.

Liz Blackman: My hon. Friend will agree that early identification is paramount; often, people who are developing mental illness first come into contact with generalists rather than specialists. What conversations has she had with professional bodies representing different medical practitioners about making mental health a core component of their training?

Ms Winterton: We have been looking closely at specialist GPs, who can make an early diagnosis. We also want to facilitate the professional exchange of information, so that practitioners can look out for those early symptoms, and they can be followed up by intervention teams if people are obviously deteriorating.

I want to address some of the points that the hon. Member for South Cambridgeshire made about what he called cuts to mental health services, and it will be helpful if I set out some of the facts. In response to concerns expressed in the past few months, we recently asked for information from all 28 strategic health authorities. Twenty of them reported no reductions to planned expenditure on mental health services this year; the remaining eight reported that there would be reductions in planned expenditure affecting 11 trusts—11 trusts, of 84 trusts in England. Those trusts had planned to spend £894 million this year, and they are reducing their planned expenditure by a total of £16.5 million—2 per cent. of the total.

To summarise, 11 of 84 trusts are making expenditure reductions that amount to £16.5 million out of a total expenditure on mental health of more than £6 billion—0.3 per cent. of the total. Of course, in the light of the extra investment that we have made, we would prefer it if there were no planned reduction in expenditure. However, I hope that I can assure right hon. and hon. Members that strategic health authorities are working with those trusts to minimise any impact on patient services.

Anne Milton (Guildford) (Con): Does the Minister agree that despite the figures that she has quoted, many people working in mental health services, particularly in the community, still feel that they are part of a Cinderella service, that there are huge gaps in their opportunity to deliver services, and that those gaps are being filled week after week, day after day, by those working in the voluntary sector?

Ms Winterton: I believe that there has been a turnaround in the delivery of mental health services in this country, owing to the extra investment and the changed ways of working. It is important that we, as Members of Parliament, recognise those changes. There have in the past been difficulties in recruiting people to mental health services because they are constantly told that those are Cinderella services that are on their way out. We must recognise that mental health care is an exciting place to work, with new, modernised, reformed services that have received extra investment. We must recognise, too, that three out of four patients who use mental health services are very satisfied with the service that they receive.

I turn now to our plans for mental health services, as set out in our amendment.

Mr. Edward Vaizey (Wantage) (Con): Will the Minister give way?

Ms Winterton: I have taken a number of interventions, and I am afraid that if the hon. Gentleman's Front-Bench colleagues are complaining about the time that I have taken, I can take no more interventions.

We have introduced many new community services, but as I have said, it is also important to ensure that there is high-quality in-patient care, which is why we committed £130 million of capital investment to that. However, it is true that some people are still waiting too long for treatment and some are having difficulty in accessing the sort of treatment that they would choose for themselves, particularly psychological therapies such as cognitive therapy. For people with signs of mild depression or anxiety, psychological therapies can extend choice, reduce waiting times and help to keep them in work or support them in getting back into work earlier.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): Earlier in my hon. Friend's speech she referred to 40 per cent. of the people on incapacity benefit, and I welcome her point about early intervention. Would she give encouragement to staff at my local Jobcentre Plus whom I met yesterday, who are keen to work with GPs and offer them support in that important area?

Ms Winterton: I am pleased to hear that my hon. Friend's visit to Jobcentre Plus had such productive results because, as the pathways to work project has shown, extra help and advice can make a real difference to getting people back to work.

We are committed to widening access to psychological therapies as a supplement to medication, as recommended by the National Institute for Health and Clinical Excellence, and we clearly set that out in the White Paper that we published last week. We will be looking to provide faster access to more specialised services for those who need them, and more choice for people in the kind of care that they receive, and in who

provides that care. We will set up two demonstration sites that will focus on people of working age with mild to moderate health problems and aim to help them stay in, or return to, work. We also know that people with mental health problems suffer from serious inequalities in physical health, which is why our White Paper on public health set out a series of ways to tackle those inequalities.

The hon. Member for South Cambridgeshire spoke of access to, and experience of, mental health care for black and minority ethnic communities. For decades the problem went unrecognised and unchallenged. We have begun to change that. A year ago, following the report on the death of David Bennett, we published "Delivering Race Equality in Mental Health Care", a comprehensive five-year action plan to put right what was clearly unacceptable. One of the first steps along the way was last year's census of mental health in-patients. It confirmed the problems that we knew existed for people from black and minority ethnic communities. That is why, alongside the census, we have chosen 17 places throughout the country that are leading the implementation of the five-year action plan.

Mr. Steen: Will the hon. Lady give way?

Ms Winterton: I cannot.

Mr. Steen: Just a quick one.

Ms Winterton: There is no such thing, I am sure, especially in the hon. Gentleman's case.

The hon. Member for South Cambridgeshire talked about the draft Mental Health Bill. We will introduce the Bill when parliamentary time allows. It is vital that we modernise mental health law and bring it into line with human rights legislation. Where compulsory treatment is necessary, we must reach a quality and level of service that gives people the treatment that they need and minimises the need for further periods of compulsion. These are not easy issues to deal with, but we are determined to do so.

Improving the mental well-being of individuals and our wider community, and tackling the stigma and discrimination suffered by those with mental health problems, will not be achieved simply by modernising mental health legislation and reforming mental health services. We need an approach that stretches across Government, which is why in 2004 we published the social exclusion unit report, which sets out a series of steps that need to be taken by the Government at all levels. For example, we need to examine access to housing, employment and a range of local services, which many of us take for granted. That is also why we published the health, work and well-being strategy at the end of last year, which looks at how to help people stay in work, and also how to help people back to work. That was part of the overall direction of travel set out in our recent Green Paper on welfare reform.

Let us recall the situation 10 years ago, and how mental health services looked then. We had thin community services, modern treatments were rationed, and the use of the Mental Health Act 1983 was rising year on year because of pressure on acute care. There was no clear policy direction, and there was no action in critical areas, such as the care of people from ethnic minorities. Anybody who was working in the service 10 years ago, and who looks at it again now, knows how much has changed. It is no longer a Cinderella service. It is a vital and thriving part of a modern national health service.

Our record on mental health is one of unprecedented progress and achievement. What I have described today is a serious, radical and long-term programme of change and modernisation. That is the future of mental health care under this Government. I urge hon. Members to vote against the Opposition motion and for our amendment.

4.40 pm

Steve Webb (Northavon) (LD): I begin by reinforcing the Minister's words of praise for those in the national health service and the voluntary sector who work with people who have mental health problems. I am sure that all hon. Members who meet those who work on the front line admire their commitment and dedication. Many of them are doing jobs that I would find very difficult.

I welcome the fact that we are having the debate, and the selection of subject matter. It is a neglected topic of debate in the Chamber. In the eight months that I have been spokesman for our party, this is the first opportunity that I have had to debate it in the Chamber. I hope that the choice of subject represents a genuine change and a genuine commitment by the Conservatives to the NHS, and that it bears no relation to the recent letter from the Conservative leader to his colleagues, urging them to get active on the NHS and shed the party's negative image on the health service. I hope it is a lasting commitment.

Dr. Julian Lewis: The hon. Gentleman will recall that he entered the House in the same year as I did—1997—and that having come second in the ballot for private Member's Bills, I introduced a Bill on mental health services. I am grateful for the strong support that I received from the Liberal Democrats at that time, so the hon. Gentleman should be aware that there is a tradition among Conservatives of being concerned about these matters. I did not hear the Minister say anything about the abolition of mixed sex wards, which was an interest that the hon. Gentleman and I had in common. Is he aware of what progress has been made, and will he put that to the Minister?

Steve Webb: I am happy to pay tribute to the hon. Gentleman's personal record on these matters. Mixed sex wards are an important issue. There was a Labour manifesto commitment to get rid of them entirely, yet one in four patients across the national health service, including all forms of health care, still experience a mixed sex ward at some point during an in-patient stay, which is a long way from the rhetoric. I hope that in winding up, the Minister will be able to address the up-to-date position on that.

Mr. Steen: Will the hon. Gentleman give way?

Steve Webb: Not at the moment. Those on the Conservative Front Bench are keen that as many as possible of the hon. Gentleman's colleagues get in.

[Steve Webb]

When one reads Government amendments in debates such as this, one often wonders what world they are describing. We have just heard the Minister describe an unprecedented programme of achievement and progress. As an antidote, so to speak, to the Government rhetoric on the health service, the Liberal Democrats some months ago established a website designed to give members of the public around the country an opportunity to feed in both good and bad experiences of the health service. We have received many comments through libdemnhswatch.com about what is happening in mental health services around Britain. I shall refer to one or two examples, which put a different perspective on the Government amendment and the Government's spin.

One submission that came in a couple of months before Christmas was from a gentleman in the Bristol area, who wrote:

"I would comment on the provision of mental health care as little or none. I suffered from depression and was given tablets and a list of private practitioners who I could contact—this was not the GP's fault, and indeed she did all she could to listen, and take care of me to the extent that the NHS provides for."

One of the themes of my remarks is that GPs are in the front line of mental health provision. The GPs to whom I talk say that perhaps three quarters or four fifths of mental health provision is done by GPs, many of whom are not trained to any great degree to do it, and that perhaps a third of GPs' time is taken up with mental health issues. There is a real gap—I do not mean this pejoratively—between the relatively superficial level of support and care that an untrained generalist can provide and the most acute in-patient care. There are some very big gaps in that spectrum and, as a result, problems arise from the lack of preventive work being done in the community.

The person who contacted us talked about raising £400 scraped together out of a student loan, which comes back to the point about young people with mental health problems. He says:

"I spent 8 months on some very pricy drugs, at around £130–£250 cost to the NHS every 2 weeks . . . Had I been treated with therapy,"—

which is mentioned in the Conservative motion—

"one of the long term solutions, . . . the NHS would probably have saved money!"

If the NHS can deal with people effectively up front, it will potentially save money.

Adam Afriyie (Windsor) (Con): Will the hon. Gentleman give way?

Steve Webb: Not at the moment, but I will endeavour to do so later.

The hon. Member for South Cambridgeshire (Mr. Lansley) mentioned the situation in his county. I shall give an example from our website about Cambridgeshire mental health services. The lady concerned says that, as a result of the cuts in Cambridgeshire mental health services,

"my son . . . will lose his care nurse and contact with his consultant".

She goes on:

"Cambridgeshire used to be an example of outstanding care in this field . . . but now this is being broken up as too costly (for the NHS), pushing responsibility onto Social Services Departments which do not have a good record."

That is a vital point. The Minister says, in effect, "Well, it is only 16 million quid", but these individual human stories show that for every small cut in provision, there is real human misery. The Minister should not dismiss £16 million of cuts. She implied that it is nothing terribly significant because it is only a fraction of 1 per cent. That is not accurate.

My key point concerns the link with social services budgets. Until these are single budgets, we will get this absurd cost and deficit-shifting and lack of an holistic approach to people's overall care and health needs. If cutting health provision merely shunts the cost on to someone else, we will not get the decision that is in the best interests of the patient or member of the public but the decision that works best for the individual ring-fenced budget. That cannot be a rational way in which to proceed.

Mr. Vaizey: The snapshot of cuts that the Minister mentioned is literally that—a snapshot. In Oxfordshire, we will lose £5 million of our mental health budget, but that is over a period of three years. The hon. Gentleman is right to say that every cut has an effect. We have just lost the Ridgeway day centre in Didcot, which is a good example of a service that will not come back.

Steve Webb: I am grateful to the hon. Gentleman for highlighting the fact that whereas the Minister was talking about cuts in the current year's budget, some of them will go on, and accumulate, for much longer.

The hon. Gentleman mentioned Oxfordshire. Another person who visited our website commented that when they became ill in Oxfordshire some years ago, they received treatment that they described as being of a good standard, but that recently

"Oxfordshire Mental Healthcare has been severely affected, the psychiatrist that I saw has now left, and there is a chronic shortage of"

community psychiatric nurses. He goes on:

"People who now suffer as I once did are not receiving the treatment that I was so fortunate to have".

That is the main concern. Perhaps this is absurdly naive of me, but if Government amendments were more balanced in recognising that while they can cite statistics that show improvement, there are also worrying areas, one might almost think about voting for them. We cannot do so, however, while they remain so Panglossian in saying that everything in the garden is rosy.

I want to highlight a couple of other individual cases. We can trade statistics in such debates, but never get to the kernel of the issue. I was approached confidentially by a constituent who has given me permission to cite his case. His wife had suffered from suicidal tendencies. This was another instance of GPs wanting to help but being unable to cope. He said that

"it cannot be acceptable that somebody with suicidal tendencies (my wife has threatened suicide over 80 times since 1997) cannot get help until they actually take the step to kill themselves".

In a crisis, the urgent in-patient services step in but there is a huge gap in the middle, and a lack of support and training for GPs.

The GP may not always be the right person for someone with mental health problems to see. The GP may not respond appropriately and the person with mental health problems may not feel able to go to a GP. Has the Minister considered other routes for accessing the health service, for example, through access workers? Are the Government trying out those approaches?

Mr. Steen: Will the hon. Gentleman give way?

Steve Webb: No, I shall not. [HON MEMBERS: "Go on."] No, not even briefly.

Before I consider broader policy matters, I want to examine emergency provision in circumstances in which a family member with mental health problems, who perhaps lives in a care setting, comes home, for example, for Christmas and things go wrong. I have recently come across two cases of people with mental health problems spending the night in a prison cell. Parts of the country have a protocol whereby that should not happen, but it has happened twice in my area relatively recently. At short notice, there was nowhere for those people to go and they ended up in a prison cell. That was traumatic for the family and the individuals, and the police knew that it was the wrong place for them. Will the Minister say something about short-notice crisis provision and alternatives to a prison cell?

As I said, we must consider whether GPs need substantially more training and whether there are alternative ways of accessing mental health services. However, we must take into account not only the mental but the physical health of those with mental health problems. When I recently attended an event that was organised by the charity Rethink, I was startled to discover that people with severe mental health problems can expect to live perhaps 15 or 20 years less than someone with similar physical problems.

For example, American evidence shows that people with severe mental health problems who develop cancer are 50 per cent. more likely to die of it than those without mental health problems. There are genuine worries about the ability of people with mental health problems to access care for their physical health. Looking after people's physical health helps their mental health. We need a much broader agenda that does not separate budgets for mental health and for physical health but perceives them as an integrated whole because one can beneficially feed into the other.

The hon. Member for Stoke-on-Trent, South (Mr. Flello) mentioned mental health services for children and adolescents. He rightly said that much good work is being done. However, the charity YoungMinds suggests that the pressures on primary care trust budgets mean that those for community and adolescent mental health services are also under pressure. What reassurances can the Minister give that those groups are being properly looked after?

Let us consider the other end of the age scale. Many hon. Members will have attended a Mind event entitled "Access all ages" about mental health provision for older people. There is a danger that society assumes that those who are old become "a bit senile" and that mental health deterioration is simply part of getting old. We need to counter that assumption and ensure that we do not take it for granted that older people will have mental health problems.

This week, the Commission for Social Care Inspection published a report, with which the Minister will be familiar, which found that the management of many elderly people's medication in care homes is inadequate. That will undermine the mental health of many vulnerable older people and I am worried about that.

The motion mentions the position of those in black and minority ethnic communities, who are more likely to be in hospital with mental health problems, to be sectioned under the Mental Health Act 1983 and to be physically restrained. Do the Government understand the reasons for that and how far it is due to discrimination or different patterns of provisions? What is being done about that?

Let us consider positive action that can and should be taken. The Minister will have come across the Institute for Public Policy Research report that was published last year on "Mental Health in the Mainstream", which makes several specific recommendations. I shall touch on just a couple of those recommendations. First, the report talks about getting access workers into health services where GPs are inappropriate. What does the Minister think about that idea? How seriously has it been taken over the past few months? Secondly, it considers the use of "non-pharmacological" treatments, therapies and so on, and says that the key is prevention—getting in early, before things get out of hand.

Before concluding, I want to mention a couple of wider issues. The first has been mentioned already in the debate—the position of people with mental health problems in respect of the incapacity benefit system. It is worrying that the Government are proposing a carrot-and-stick approach: although it is possible that more money will be given to those people who jump through the right hoops when they apply for the benefit, the stick of sanctions might be applied to others. What discussions has the Minister had with the Department for Work and Pensions about the impact on mental health patients who fear that they will lose their benefit if they do not do certain things? What assessment has she asked that Department to make of the impact that changes to incapacity benefit will have on people with mental health problems?

There are three prisons in my constituency, so I was pleased that the problem of mental health in prisons has been raised. However, if we think that the mental health service as a whole is a Cinderella service, the mental health service in prisons is even lower down the scale. I am pleased that mental health in prisons is now the responsibility of the Department of Health and not the Home Office, but will the Minister say what progress is being made? There have been an alarming number of suicides over the past few years at the Eastwood Park women's prison in my constituency: how much of a priority is that for the Government?

Finally, mention has been made of the mental health Bill, which has yet to be published. So far in the debate, the Government have said some relatively enlightened things about the importance of mental health, and

[Steve Webb]

about prevention. However, that contrasts with the tabloid-driven, draconian, lock-'em-up mentality that seems to underlie the forthcoming Bill. I hope that the Department of Health will take ownership of the Bill and not allow the grubby hands of the Home Office to be all over it. We need a mental health approach to these matters, not the law-and-order approach driven by tabloid scare stories that is inappropriate in the vast majority of cases. Although there is agreement today that we should not stigmatise people with mental health problems, there is a real danger that that is precisely what the Bill will do.

This a vital and valuable debate. My concern is that the people in GPs' surgeries providing the front-line provision for those with mental health problems are not adequately trained or resourced. As we have heard, mental health services are being squeezed as deficits get shunted around. A key remedy would be to pool resources across different forms of health and social care, so that provision is made for the whole person and the totality of his or her needs. We must not see people only in terms of what is wrong with one part of their lives. That is the more enlightened approach that we in the Liberal Democrat party advocate.

Mr. Deputy Speaker (Sir Alan Haselhurst): I remind the House that Mr. Speaker has placed a 15-minute limit on Back-Bench speeches. Given the extra interest in the debate, hon. Members will be doing themselves a favour if they keep well within that limit in the time remaining.

4.58 pm

Mr. Andrew Smith (Oxford, East) (Lab): I am very pleased to have this opportunity to debate mental health services. As has been noted already, they are enormously important to the lives of service users and their families. It is good to see a measure of agreement across the House that it is important to put the stigma associated with poor mental health behind us, and that the mental health services should get the attention and priority that they deserve.

Too often in the past, mental health care has been a poor relation, but there is no doubt that the extra money provided by this Labour Government has made a big difference. Although more needs to be done, it is no exaggeration to say that mental health care in Oxfordshire has been transformed over the past nine years. That is thanks to investment, the achievement of NHS staff at all levels and to the work of excellent local community groups such as Restore. The local trust has made great strides in providing better services and more facilities for patients. Tangible improvements are clear for all to see, and patients appreciate the improved standards of care that they receive. A recent survey of the Oxfordshire Mental Healthcare NHS Trust's service users showed that more than three quarters of the respondents rated the standard of their overall care as excellent, very good or good.

Smart new buildings, wards and facilities have been provided, and more are on the way. Wards at the Warneford hospital in my constituency are being upgraded, extended and refurbished, and the extension to the Highfield unit for young people with mental health problems will open up more places and allow the trust to provide separate areas for boys and girls. More services are being made available. In the past, people with a personality disorder had a choice between hospital and repeated GP appointments. Now, they have access to dedicated out-patient and day-care support.

My constituents can now receive in-patient care in Oxford for eating disorders, instead of having to be transferred to faraway hospitals. The new forensic pre-discharge service helps people who have been mentally ill and in secure hospital care to take the first steps towards living in their own community again. That is just the kind of gradual supported approach for people going back into the community that patients and the public want to see. Those and other developments, coupled with careful financial management, enabled the Oxfordshire Mental Healthcare NHS Trust to progress from one star in 2003 to three stars in 2005. No praise is high enough for the dedication of the staff at all levels who made that possible.

Despite all this outstanding work, however, local mental health services face the enormous challenges arising from cuts that are being made to tackle the financial deficit in the Oxfordshire health economy—a deficit, moreover, that was not of their making. My right hon. Friend the Minister quite reasonably gave the House the relevant figures earlier. However, what this means financially for Oxfordshire is that, whereas in 2004–05, Oxfordshire Mental Healthcare NHS Trust spent £51.2 million and budgeted £53.7 million to meet this year's expenditure, it is now being asked this year to cut £1.1 million from its spending, even after having received £1.5 million one-off help from the strategic health authority, which it may yet have to repay over the next two years. All in all, the trust has almost 10 per cent. less than it says that it needs to meet service and cost pressures. We can argue about these figures—and about what proportion of them represent legitimate efficiency gains, and so on—but however we measure them, the cuts are damaging to the trust and its services, and deeply worrying for patients, their families and staff, as the many letters that I have received from my constituents make clear.

What this means for services is that the trust is having to look at bringing forward the closure of in-patient beds, leading to a real rush to put in place the 24-hour crisis community cover that is needed. It would have been much better to plan and carry through such a change in a measured way. The trust is also having to consider the closure of the psychiatry liaison service at the John Radcliffe hospital, which provides support in the accident and emergency unit to people who have attempted suicide and which also supports people in acute beds who are suffering from chronic illnesses such as cancer. The trust is also considering the closure of an in-patient unit for older adults where patients are assessed for depression and Alzheimer's disease. It is also now unable to invest sufficiently in support for older people in the community or to ensure that early intervention is available to help young people at the first onset of mental illness.

The seriousness of the position is compounded by cuts in the Supporting People programme budget locally, as well as by the current state of NHS funding mechanisms, which is a more general problem for mental health care

trusts. Whereas additional work for other acute hospital trusts is funded according to the national tariff, additional work at mental health care trusts has to be absorbed within the block allocation, which puts skewed pressure on their share of overall expenditure. This makes it more important that we all speak up for the needs of our mental health care services, both here and in our constituencies, so that they do not get squeezed out by competing demands.

All of that poses a real danger of damaging and obscuring the excellent progress that has been made in mental health care locally and nationally. However, it also puts a question mark over exciting developments planned for the future in preventive community provision in partnership with social services, round-the-clock community crisis support, the development of the complex needs service and the pre-discharge unit for mentally ill offenders, which addresses the issues raised by the hon. Member for Northavon (Steve Webb).

To build on what has been achieved rather than put it at risk, and to make the most of opportunities to improve mental health care in our community, I urge Ministers to consider again what can be done to ease the financial pressures in Oxfordshire, particularly in the mental health care trust, even now in the remaining weeks of the financial year. The mental health care trust is working with the rest of the local NHS to address the underlying financial problems that affect services in Oxfordshire. However, a more measured view needs to be taken of the trust's ability to bear the funding cuts, considering that it has a high proportion of vulnerable service users, many of whom are in no position to speak up for themselves.

In addition, given the body blow that services have suffered this year, Ministers need to assure us that they are taking action to avoid any repetition of this financial fiasco next year, and that budgets across PCTs and hospitals will be properly planned so that those in mental health and other services in the NHS can look ahead with confidence and work with patients and their families to make the most of the huge extra investment that this Labour Government have made and continue to make in the NHS. That has made a terrific difference to the quality of care available to patients and the wider community locally. Let us keep up that good work and carry it forward, not put it at risk as has sadly happened this year.

5.7 pm

Mr. Stephen Dorrell (Charnwood) (Con): Like others who have spoken in this debate, I congratulate my right hon. and hon. Friends on the Front Bench on providing Opposition time to debate mental health services. Constant improvement in the services delivered to mentally ill people is a core responsibility of the national health service and my right hon. and hon. Friends on the Front Bench are entitled to credit for providing time for the House to debate those important issues.

If I may paraphrase the speech of the right hon. Member for Oxford, East (Mr. Smith), it is fair to say that he argued that the Government have provided substantial extra money to the national health service, which is true, and that that has made possible significant improvements in services to mentally ill people, which is also true. However, difficult issues remain for those responsible for managing those services locally. Whatever level of resources is likely to be provided to the national health service, difficult choices remain to be made about the pattern of delivery of local services. That relates directly to the point made by the hon. Member for Northavon (Steve Webb).

The Minister does neither herself nor her Government any credit when she seeks to persuade us that, before 1997, there was a dark age in which no progress was made on any of those issues, and that there was suddenly a new dawn on 1 May 1997 when all requirement for choices was removed. That is not a vision of events that will be recognised by those who work in the mental health services of the national health service. It seems much more accurate to say that the direction of mental health services has been consistent under Governments of all political complexions since the days when Enoch Powell was Health Minister and first committed the national health service to the policy of taking mental health services out of the Victorian institutions and providing proper, high-quality, community-based care for mentally ill people.

We all know that the story of the changes in mental health service delivery over the intervening 40 years has been one of individual local successes and failures, but it is surely true to say that, throughout those 40 years, Ministers of all political complexions have been committed to broadly the same vision of the future of mental health services. If we acknowledge that, we shall be able to engage in a much more mature and adult debate on the issues that we face in delivering what is a broadly shared agenda.

Various speakers have rightly sought to avoid the phrase "Cinderella service", which is generally applied, almost by default, to mental health services. I believe that it emanates from the wrong train of thought, because it implies that mental health service delivery in the NHS is somehow different from, or separate from, all other NHS health care delivery. In my view, the similarities between the priorities involved in mental health care delivery and those involved in physical health care delivery are more important than the differences.

As the hon. Member for Northavon pointed out, the great majority of mental health service delivery through the NHS takes place via community and primary health care services. Exactly the same applies to the rest of health care delivery in the NHS. Mental health services are an integral part of the delivery of health care to elderly people. He was right to say that we should not imagine that all elderly people need mental health services, but we cannot think of mental health service delivery without thinking of it in the context of delivery to individual patients, many of whom are elderly and many of whom suffer from physical illnesses that are complicated by the presence of mental health problems.

The hon. Gentleman was also right to stress the importance of the interface between social care and health care delivery. If we are to deliver high-quality, successful mental health services, we must bear that in mind. Any multidisciplinary team responsible for delivering mental health care in the community must include both a health care and a social care element. Throughout those 40 years, too many failures could be traced to their roots in the breakdown of communication between health care and social care

[Mr. Stephen Dorrell]

delivery. As he said, that remains an institutional issue that Ministers—those responsible for policy development—have not yet cracked.

Mental health services are sometimes represented as being driven by a mysterious political orthodoxy under the title "care in the community". That was mentioned earlier in the debate. It surely cannot be stated too often that caring for people in the community, whether they are mentally ill or physically ill, is not a manifestation of political correctness, nor is it the manifestation of a Treasury-driven desire to close hospitals and get people into the community, although it is sometimes represented as such. In fact, it represents the central purpose of all health care. Why do we have health care in our society? Surely its purpose is to enable people, as far as is humanly possible, to live their lives normally. That is why community health care, whether it is delivered to the physically ill or to the mentally ill, must be at the heart of the development of health care delivery generally.

The priorities in the development of mental health services are thus very similar to the priorities in the delivery of the rest of health care. For instance, they relate to the development of primary and community-based care. I welcome the Government's White Paper on the subject, published at the beginning of last week. There is almost nothing in the White Paper that I could not have envisaged writing as the Secretary of State for Health 10 years ago. I observe without rancour that it is a pity that we have gone on such a long détour to get back to some of the ideas that we were developing 10 years ago, most notably and obviously what we used to call GP fundholding and what the Government now call practice-based commissioning. There is no difference of principle between the two and it is a pity that we have lost 10 years in the development of that important idea.

I ask Ministers to reflect, in the context of the delivery of mental health services, on the implications of the recent changes in the GP contract for access to primary care services at evenings and weekends. All studies of mental health service delivery emphasise the importance of people at short notice being able to secure access to services, particularly young people in the acute phase of mental illness and elderly people who have a short-term requirement for respite care. Now in our communities, Tesco and Sainsbury's are open all through the weekend, but our primary health care delivery facilities are more difficult to access than they used to be. That is an issue for health care across the field but it is a particular issue in the delivery of mental health services.

I ask Ministers, too, to reflect on the need to ensure that there are properly integrated community-based health care services, including not only social care, but residential care for those who are in an acute phase of schizophrenia and psychotic illness and residential care for those requiring respite care. We all know that, if we are going to deliver successful integrated care in the community, there will have to be proper patient plans—pathways of care—that integrate the different elements of the service.

What we look for from Ministers is a clear commitment that the Government recognise that there is no difference of view in any part of the House about the type of service that we want to see delivered. Nor is there any difference about our commitment to see resources grow year by year, as they have for 50 years in the NHS, to support the growth and improvement of the delivery of those services. What we have to see is detailed planning locally to avoid the ups and downs in the delivery of service, which were described by the right hon. Member for Oxford, East, and integrated delivery of care, so that, from the perspective of the patient, the service is more reliable, and of better and more consistent quality than we have seen in the past under Governments of all political persuasions.

5.17 pm

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): For three years, I was a member of the Mental Health Act Commission. I visited patients not only to check that they were legally detained under the Mental Health Act 1983 but to talk to them about their concerns. With that experience, I am pleased to be able to say a few words this afternoon.

Although as a Mental Health Act commissioner I was working at the acute end of mental health, dealing with people who were detained, it was interesting to talk to them about their pathways and how they ended up being sectioned: I visited not only NHS psychiatric facilities but private sector facilities. That was an interesting experience because, in some instances, the private sector can provide good facilities and meet needs where the NHS cannot.

The right hon. Member for Charnwood (Mr. Dorrell) mentioned that the view seemed to be that, prior to 1997, things were terrible and that, from 1997, suddenly things got a lot better. The focus on mental health services has increased since 1997. The investment has gone in since 1997. When we talk to the community and voluntary sector, it says that the joined-up thinking and the investment in mental health services in local communities has been staggering in some instances. From my right hon. Friend the Minister, we heard that there are 8,000 more psychiatric nurses, 1,200 more psychiatric consultants and 3,000 more psychologists. Those are real people providing a real service to our constituents with mental health problems.

The most important thing that Labour has done is the 1999 national service framework on mental health services, which set the gold standard for what we should be looking to achieve in all our mental health services. I want to talk about child and adolescent mental health services, women patients in mental health services and the NHS estate in terms of psychiatric units.

On children and young people, on Friday I went to a meeting of the Humber mental health trust, a three-star mental health trust that does excellent work. It said that, although the national service framework for adult mental health services—it includes sections involving children—was a good start, we needed an NSF for young people. The chief executive said that the split between children and adolescent mental health services that goes up to 16 or 18 years of age was not providing the kind of care we should be providing for young people. We need a service that spans the age group from, say, 15 to 30.

We need to make sure that, for younger children who may come into contact with mental health services, their contact is community-based. We must keep young

people away from the acute sector because it is not an environment where we want children and young people to enter unless there are extreme circumstances. The facilities are not suitable for them. There are some disturbed people in our facilities and we need to keep our focus on the community setting.

Getting in early is important. I was pleased to see that Sure Starts were putting emphasis on developing emotional well being in the support that they are providing to parents and carers of our youngest children. Such guidance to those who look after children uses creative activity to improve children's self-esteem, social skills and emotional well being. That is absolutely right. It is a stark fact that a child living in a low-income, lone-parent household is twice as likely to have emotional disorder as a child in a two-parent family on a reasonable income. There is a clear link with poverty and it is right that Sure Starts, which were based on the most disadvantaged areas, are putting the focus on emotional well being.

I want to talk about Mind, which provides excellent services across the country for people with mental health problems. In my constituency, the Linx project provides help with housing and independent living for young people who have shown the first signs of psychosis. Getting in early and investing early in our young people means, we hope, that they can go on living independent lives and putting their problems behind them.

We have heard about the massive investment in PCTs for mental health services and it is worth putting on record that £300 million has gone into PCTs and local authorities to improve child and adolescent mental health between 2003 and 2006. However, there are still some gaps. I visited Hull domestic violence refuge and was told by some teenagers that there were counselling facilities available to younger children to help them deal with the trauma they had experienced, but that there was nobody to provide teenagers with counselling. I hope that we put some work into that area. It may be that we invest now to save later on.

I want to pay tribute to the work done in Scotland in the one in four campaign, which is trying to remove the stigma from mental health. Hon. Members will agree that that is a good campaign. In Australia, the National Youth Mental Health Foundation has been set up and is looking to make sure that money is put towards young people suffering mental health problems. We need to ensure that particular resources are attached to making sure that those in the 12 to 25 age group get the help they need. Of course, the recently published Health White Paper will work to counteract the stigma of mental health.

I turn briefly to safety, which is a real issue for women in-patients in mental health facilities. As was pointed out earlier, there can often be a mixture of people with various mental illnesses and disorders on a given ward. It is important that women, who can often be very vulnerable, are provided with separate facilities. We have a commitment to providing gender-specific facilities and I hope that more resources will be put into providing them throughout the country.

We also need to consider the estate. Statistics show that only 35 per cent. of psychiatric intensive care units have en suite facilities, that 25 per cent. have no enclosed garden space and that 35 per cent. have no gender-specific facilities. We need to get these issues right. A decent standard of accommodation can have a very positive effect on the recovery of those suffering from mental illness or disorder. I am pleased to note the massive investment that has already gone into improving in-patient facilities, but there is still more to do.

I am pleased that we have made a positive start and it is indeed since 1997 that we have really focused on this issue. We need to keep working on provision for children and young people, because there is more to do in that regard. As part of our wider public health agenda, we need also to deal with the issue of emotional well-being throughout an individual's life.

5.26 pm

Angela Browning (Tiverton and Honiton) (Con): During this debate, which I very much welcome, we need to reflect on the scale of mental ill health. We are told that one in five adults will experience mental health problems at some point in their life, which means that, of the 20 Members currently in this Chamber, four of us could well experience such problems. It is very unlikely that the same ratio of Members will experience any other type of health problem.

As with many other conditions, mental ill health does not affect just the patient. The impact on families, particularly the prime carer, is enormous; indeed, it is so great that, ultimately, it can affect both their mental and physical health, particularly if that patient has a long-term condition. Many of us—certainly me—have experienced at first hand in our families the agonising condition of mental ill health and its impact on people's lives. It is one of the most distressing conditions.

In discussing mental health, I want to focus on the two age extremes. Many Members have mentioned young people, and at that age suicide is an issue. The Mental Health Foundation and Mind have pointed out that the highest rate of suicide is among young men between the ages of 15 and 24, that 20 per cent. of all deaths among young people are through suicide, and that one in 10 of 11 to 25-year-olds self-harm. Given the scale of the problem, we have to find the answers and the policies to alleviate it. Behind those bare statistics are very real tragedies for the families concerned.

It would be remiss of me not to add one more statistic on behalf of a group of people whom I mention probably far too often in this House. However, I make no apology for doing so. A recent report by the National Autistic Society pointed out that the attempted suicide rate among adult sufferers of Asperger's syndrome is 8 per cent., which is very high indeed. When we consider, in managing such patients, how they reached the point of attempting suicide, there is usually—not always, but usually—an identifiable pathway in their relationship with the statutory services.

In the recent past, I have had more than one Adjournment debate on in-patient deaths within the Devon Partnership NHS Trust. I wish to put on the record that since I have raised the issue and some of the concerns have been addressed, we have seen—under the management of Mr. Iain Tully and his team—a real rethink on why those tragic deaths occurred in our area. The mother of one of the young men who died showed me a plan of his relationships with statutory services

[Angela Browning]

during his long history of mental ill health. The relationship usually started well, but eventually failed. We euphemistically call that falling through the net, but too many young people do so—especially in their relationships with community services.

I wish to pick up a point made by the hon. Member for Northavon (Steve Webb). Often, the first professional a patient sees is their GP. I sympathise with GPs because they have an eight-minute slot in which to listen, assess and decide what to do. There are GPs in my constituency—and I am sure they are not unique—who ask how they can do anything other than pick up the prescription pad at the end of the eight minutes. A prescription may solve a short-term problem, but—and I mean no disrespect to GPs—it does not address the underlying cause. Many of the young people who end up as suicide statistics do so because not enough time has been spent with them, there has not been enough continuity in their care and the people who could help are not out there in the community.

My hon. Friend the Member for South Cambridgeshire (Mr. Lansley) pointed out that when people break their legs, they recover. Well, people do make full recoveries from certain types of mental illness, but mental health problems make people fragile. Such problems are often recurring. Also, when people present to GPs and other professionals, their instinct is often to conceal the underlying problem. It often takes many hours of discussion and counselling before even the best trained psychiatrist can start to identify the right approach for an individual. It is time-consuming, painstaking work that is very different from other areas of medicine. Therefore, while I understand the Minister's wish to put the statistics in the best light possible, we still have a huge way to go. The suicide statistics prove that.

At the other end of the age spectrum are the elderly. The mental health of many elderly people breaks down from a simple cause—social isolation. To put it more simply, the cause is loneliness. Many elderly people who are unable to get out and about, or whose family and friends have started to die off or have moved away, spend far too many hours on their own, and that inevitably leads to depression. As we know, depression is a spectrum. It can be intermittent and addressed by medication, but all too often it leads to more serious mental health problems. Depression is also a common side effect of other physical conditions, such as Parkinson's disease. It is extremely difficult to disaggregate the depression and the underlying mental health problems from the physical conditions in elderly people who are often not able to be very good self-advocates. I can think of some of my elderly relatives who always put on their best face when the doctor came to call—a natural response for that generation—even though they had problems that the doctor needed to know about. It is a complex and grey area, which is not easy for professionals, let alone politicians, to enter.

More than 13 per cent. of the NHS budget is devoted to mental health services and I am concerned about care in the community. We have heard much about the packages to deal with people's physical needs, but if we are to move towards more people being cared for at home for longer—as we certainly are in Devon—especially when they are extremely dependent physically, their emotional and psychological needs must also be met; otherwise, many elderly people will develop serious mental health problems. All too often when serious problems occur, whether with younger people in suicide cases or with elderly people with mental illness—the health service has to respond to a person in crisis. The statutory services have to respond suddenly to situations where, to put things in crude financial terms, much more money will have to be spent than if there had been regular, lower-level interventions at an earlier stage.

There is a dilemma. Health authorities and social services departments work on annualised budgets and the system mitigates against such regular interventions. It has to deal with people who are in crisis, so it is easier to pare off services and facilities that may be regarded as low level, even though they might have ensured that many people who appear in the crisis statistics had a better quality of life and did not succumb to mental illness. The fact that more people have been admitted to mental hospital since the implementation of the Mental Health Act 1983 is an indication that intervention takes place only when there is a crisis. We must address that issue. Crisis management is never the most effective outcome, for either the patient or the system.

As I said earlier, I served on the scrutiny Committee on the Mental Health Bill, so it would be remiss of me not to mention my grave concern about two aspects of the Bill; indeed, the Minister would expect me to do so. I still believe that the Government's broader definition of mental disorder is wrong and if the Bill is introduced I hope to put my case to the Minister even more robustly than in the past. I urge her to reconsider that aspect of the Bill.

My second concern relates to compulsion. We received evidence from the Royal College of Psychiatrists that, under the provisions, we should need to detain one in 2,000 people with no previous indication that they would cause severe harm. I realise that the proposal came from the Home Office rather than the Department of Health, but if we broaden the definition of mental disorder so that it is based not on clinical diagnosis but merely on behaviour, and if that is accompanied by wider provisions in civil legislation for indefinite detention, the infringements of civil liberties that we have discussed in this place in the past will be as nothing by comparison. If the Minister does not address that aspect of the Bill, the rebellion will not be merely in this and another place; people will march in the streets.

I urge the Minister to reconsider those two fundamental rights, on both of which the scrutiny Committee made firm recommendations. Together, those two aspects of the Bill will be a huge infringement of civil liberties.

5.39 pm

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): My hon. Friend the Minister said that we need a response that stretches right across Government, and I want to address my brief comments in today's short debate to some of those issues. Last Thursday, I had the pleasure of opening an art exhibition by the Yao Yao group—a social group organised by the Chinese Mental Health Association, which is based in my

constituency—and it was one demonstration of the fact that there are many ways to tackle mental health problems, not just through the health service.

I pay tribute to the many people and organisations in Hackney, South and Shoreditch and Hackney as a whole—such as Mind and the Chinese Mental Health Association, which put time and effort into supporting people with mental health problems—as well as the people with mental health problems who also play a key role. My hon. Friend knows of the good work done at Homerton university hospital and by City and Hackney Mental Health Trust. It is important that all those organisations play a big role in a constituency with a high incidence of mental health problems.

I will not bombard the House with statistics in the short time that I have, but it is startling that admissions to hospital for schizophrenia are three times more common in Hackney than in England as a whole, for both men and women. I want to touch very briefly on three issues: employment, ethnicity and the impact on welfare benefits for people suffering from mental health problems. The hon. Member for Northavon (Steve Webb) rightly highlighted the need for preventive work. He said something about the Minister suggesting that everything in the garden was rosy. In some ways, I agree with him. Not everything in the garden is rosy, but it is a lot better than it was, which is a good step.

General practitioners in Hackney are very much at the sharp end of dealing with people with mental health problems. Other hon. Members, particularly the hon. Member for Tiverton and Honiton (Angela Browning), have highlighted some of the difficulties of dealing with mental health problems in the short time that many GPs have available. That is one of the reasons why I welcome those aspects of the health White Paper that will improve and promote community care provision at that initial presentation point.

We all know that people with mental health problems have much more difficulty finding employment than the general population. That is so even when compared with people who are physically disabled. About 16 per cent. of physically disabled people are more likely to be unemployed, compared with 50 per cent. of people with mental health problems. Some 86 per cent. of people with longer-term mental health problems are unemployed. The other side of the coin is how employers react—only 37 per cent of them are prepared to consider employing people with such difficulties.

I am very proud that the two local mental health trusts—East London and the City, which covers Hackney, and North East London—the local strategic health authority and South Bank university have joined forces to fund a consultant occupational therapist for employment. I hope that my hon. Friend agrees that that is the sort of joined-up government to which she referred in her comments. The two mental health trusts have adopted a joint partnership approach—the roots to employment project, which is the first of its kind in the UK to help people with mental health problems into work, by working with employers to ensure that they address the issues and understand the need to help people with mental health problems back into the workplace.

Mr. David Drew (Stroud) (Lab/Co-op): Does my hon. Friend agree that although people may expect this not to be the case, some problems exist in the public sector with regard to attitudes to mental health problems? I have taken up such cases, and it has always been more difficult to get someone who has had a breakdown back into public sector employment than into the private sector. Will my hon. Friend say something about that?

Meg Hillier: My hon. Friend may have a point. I cannot draw on enough experience of people bringing such issues to my surgery—I am only a new Member compared with him—but I am proud to see what happens when I go to forums in Hackney. For example, I opened a Jobcentre Plus office at the end of last week, and some of the employers there, including Hackney council and the local hospital, recognised the need to support people with mental health problems. They work positively with those people and take on board their problems. Perhaps that happens because we have the roots to employment project in Hackney, and perhaps my hon. Friend may wish to raise that with the primary care trust, the mental health trust and the other health and employment bodies in his constituency.

I said that I was going to touch on ethnicity. Hackney, South and Shoreditch is especially affected by the Eurocentric nature of much psychiatric training, which helps to contribute to the fact that Afro-Caribbean people are typically three to five times more likely than white people to be admitted to hospital with a first diagnosis of schizophrenia, and then 10 times more likely to be diagnosed as schizophrenic. The Chinese Mental Health Association has much of interest to say on the subject. The Chinese community in Britain is often isolated and many Chinese people do not wish to talk about mental health problems for cultural reasons. Problems due to language affect not only the Chinese, but other groups across the board.

I am delighted that north-east London is one of 17 nationally focused areas for delivering race equality in mental health. The Government have taken a major step forward by recognising the white Eurocentric approach to psychiatry. Such initiatives are sorely needed and much welcomed in Hackney. When I spoke to Hackney Mind, I found that many mental health service users were especially pleased that the scheme was moving forward, but we need to see results on the ground. We are only at the beginning with the scheme, but I am sure that my hon. Friend the Minister will keep a close eye on the situation from Whitehall. As other hon. Members have said, the crux of the matter is what happens locally, so local providers need to make changes.

When I said that I would be brief, I meant it in all sincerity, but I want to touch on incapacity benefit, as did the hon. Member for Northavon. Hackney, South and Shoreditch has the second highest number of incapacity benefit claimants of any London constituency—only Regent's Park and Kensington, North, which is in west London, has more. My constituency, which nestles close by the City and runs right down to Liverpool Street station, is 31st equal nationally for the number of claimants. We have 7,400 claimants, 63 per cent. of whom are under 50. We are working locally to probe the matter more closely, but we know that there is a big overlap of people on incapacity benefit and those with mental health problems.

[Meg Hillier]

I echo the hon. Member for Northavon in hoping that my hon. Friend the Minister is talking to her colleagues in the Department for Work and Pensions to ensure that my concerns, which are shared by Hackney Mind and local health providers, are being tackled. As we make important and welcome changes to incapacity benefit, we should not lose sight of such a difficult issue. I hope that my hon. Friend is joining up with her colleagues in the DWP as part of the joined-up Government that she mentioned.

5.47 pm

Tony Baldry (Banbury) (Con): I was sorry to hear about the Secretary of State's illness, not least because all six Oxfordshire Members are due to meet her at 12.30 pm tomorrow to discuss the freefall of the NHS in Oxfordshire. My right hon. Friend the Leader of the Opposition, my hon. Friends the Members for Wantage (Mr. Vaizey) and for Henley (Mr. Johnson), the right hon. Member for Oxford, East (Mr. Smith) and the hon. Member for Oxford, West and Abingdon (Dr. Harris) will all be extremely disappointed if the meeting does not go ahead, so we wish the Secretary of State Godspeed for a quick recovery.

The Minister said that mental health was one of the Government's top three priorities, but I hope that the House will not consider me churlish when I say that I increasingly think—perhaps I have one of the problems to which my hon. Friend the Member for Tiverton and Honiton (Angela Browning) referred—that I am living in a parallel universe, because there is a world occupied by Ministers and many others, and the world in Oxfordshire. As the right hon. Member for Oxford, East indicated, Oxfordshire's mental health services are confronted by a series of interrelated problems.

The primary care trust wants the Oxfordshire Mental Healthcare NHS Trust to save £1 million. Additionally, the strategic health authority is requiring the trust to save a further £5.3 million over the next three years to break even and has imposed a cut of £1.7 million on top of that, not because the trust is in any way overspent, but because the rest of the NHS in Oxfordshire is overdrawn. The SHA thus imposed an implied deficit of £1.7 million on the trust to make up for overspends in other parts of the NHS.

In addition to all that, there has been a reduction of at least £400,000 in the Supporting People budget, which I have raised in the House on a number of occasions. The sum of all those interactions is that the cuts represent about 10 per cent. of the mental health care trust's budget for patient care and at least 15 per cent. of the money for supported housing, which is likely to have a devastating impact on the lives of people affected by mental illness and the people who care for them.

To put that in context, I can tell the House that Dr. Fergusson of the Banbury branch of the Alzheimer's Society has written to everyone he can write to, because he feels, quite rightly, that the closures

"are scandalous on a number of counts".

People involved in mental health care in Oxfordshire feel desperate about this. As the right hon. Member for Oxford, East said, over the last few years the mental health care trust has gone from having one star to having three stars. We started to feel that people were getting a grip on the service. It has now gone into freefall again, and we are seeing the closure of older adult psychiatric day hospitals, which, in the words of Dr. Fergusson,

"directly targets health service provision for one of the most vulnerable groups in society, who are unable to protest".

The Fiennes day hospital in Banbury is a centre of excellence where, Dr. Fergusson says,

"a very competent and committed staff team have, over recent years, transformed local perceptions of Older Adult Psychiatric Services. This team should be held up as an example, not destroyed."

He is also concerned that a number of the closure decisions were taken—I can confirm this—in the mental health care trust before public consultation had even begun. In one or two cases, such as that of the Fiennes adult day hospital, the staff heard of the closure in briefings, not in a consultation document, and before any member of the statutory services, myself or anyone else. That is not acceptable.

There are three issues that I want to mention to Ministers. First, in the overall context of NHS spending, if there is a squeeze on spending, mental health seems to take a disproportionate share of it. I see no reason why the strategic health authority has arbitrarily imposed a £1.7 million implied deficit on the mental health care trust.

Secondly, we are moving into a world of payment by results. There has been no real discussion about that this afternoon. I do not see how payment by results will work with NHS mental health care funding. There has to be an alternative system to ensure that mental health work is properly funded in future; otherwise, there will be real tension. I am not confident that GP practice-based commissioning will ensure that mental health trusts in Oxfordshire and elsewhere are properly funded.

I turn to my last point about the squeeze on mental health care work. In the acute sector there is a reasonably clear divide between work done by the NHS which is free at the point of use in the NHS and funded by the NHS, and work done as part of social care, which is means-tested and provided by social services. Often there is a black hole, and there is a debate about where the line should be drawn, but there is a reasonably clear line. When it comes to mental health care services, that line is much more blurred, so the mental health care trust ends up carrying up many more services, such as those under the Supporting People budget. There is a much greater tension there, and people expect the trust to deliver those services.

I am sure that the Minister genuinely believes that this is one of the Government's three priorities. She and her colleagues are very welcome to come to Oxfordshire, because I am not being flippant or frivolous—I increasingly believe it—when I say that we are living in a parallel universe there. It may well be something to do with its being a comparatively small county with a large teaching hospital and a major centre of research. Something is causing a problem when we have an NHS in freefall, but the effects are being felt particularly by those with mental health problems. That is not fair and

it is not reasonable. It is not good news for the Minister, because for every success story that she can trumpet, "G2", the *New Statesman* and the rest of the media can focus on a failure. Although NHS mental health care in Oxfordshire is not a failure, the situation is in freefall; it should not be, and it needs to be addressed.

5.54 pm

David Howarth (Cambridge) (LD): Mental health will certainly be one of the big issues of the 21st century. Placing greater emphasis on mental health is one way in which the Government can improve the well-being of individuals, but I have to say that the complete opposite is happening in my constituency. I hope that the House will forgive me if I confine my remarks to what is happening in Cambridge, because it is such an extreme example.

Despite what the Minister says, mental health services in Cambridge and south Cambridgeshire are in crisis. The overall budget has been cut by £2.75 million, which is 13 per cent. of the total. Two rehabilitation wards are being closed; an acute in-patient ward is being closed; three adult day care centres are being reduced to two; a ward for older acute patients is being closed; and arts therapies, physiotherapy and electroconvulsive therapy between them have to save £150,000. Other services are still under threat, including the young people's service, which the hon. Member for South Cambridgeshire (Mr. Lansley) mentioned. We still hope to save that service; the decision has been deferred and we are trying to persuade the primary care trust and the mental health trust that it would be more expensive in the long term to make cuts now, because of the excellent preventive work that it does.

The PCT, echoing the Minister, claims that closure of acute wards will be offset by the reorganisation of community services and investment in assertive outreach work. The trouble is that the PCT is requiring £2 million of cuts not next year but in the current financial year. There is no lead-in time to get the community and crisis resolution teams fully in place. I fully accept that crisis resolution and community outreach are a good way to run mental health services, and preventing in-patient admission has to be a good idea. However, if there were no financial pressure, the change would have been brought in over a much longer period.

Tim Farron (Westmorland and Lonsdale) (LD): My hon. Friend may be aware that in my constituency the hospital trust is to lose £500,000 because the primary care trust is trying to save the same sum by closing two wards in Kendal. The pressure, of course, is on the PCT to balance its books; the reality is that the NHS overall loses out. If we look at those entities as separate organisations, not as a single national health service, we do not have sensible joined-up government. I wonder whether that experience is reflected in my hon. Friend's area.

David Howarth: That is a common pattern throughout the country where there are problems.

In normal circumstances, as I say, one would set up the new teams first, look to their effect on admissions and then perhaps reduce the number of beds. In some places, when an assertive outreach service is set up, the teams find unmet need, so the need for in-patient beds goes up, not down. In Cambridge, the change is happening all at once, and risks are being taken with patients' welfare. The whole thing resembles tightrope walking without a net.

The mental health trust is, of course, acting under duress from the PCT. The PCT has little choice because of the dire state of its budget. The Department of Health requires a £15 million reduction in spending, and even that does not cover the current deficit. Another £23 million deficit is on the way in subsequent years. Ministers keep saying that vast sums have gone into the NHS. In written answers to me the Minister has said that Cambridge PCT is receiving 29 per cent. extra, and that even after the cuts Cambridge's spending on mental health will still be above the national average.

We need to tackle those points directly. There has been an increase in funding, but as the hon. Member for Banbury (Tony Baldry) said, one of the problems is that if there is a foundation hospital, the PCT's cheque book is, in effect, handed over to that hospital, which writes itself cheques that deal with all of its previous financial problems. Effectively, the financial problems of the acute trusts have been transferred to the PCTs, and the PCTs have had to remove the budgets of what remains under their control—mental health and other services. When the mental health trust acquires the right to charge at tariff rates for the patients who cross its threshold, its problems may be solved in the same way as those of acute trusts, but what then will happen to PCT budgets and GP fundholder budgets?

On national averages, the point is not the average but the need. In October and in meetings with Ministers I raised several problems about the green book—the index of mental health need. The measure of poverty that the green book uses is based on benefit take-up, not income. For Cambridge that is catastrophic, because successive Governments have taken away students' right to benefits. Students have serious mental health needs, as the hon. Members for North-West Leicestershire (David Taylor) and for Tiverton and Honiton (Angela Browning) said. Suicide rates are high and self-harm is a problem. I should add to that—I know this from experience as a university teacher—the problem of eating disorders, which I have seen blight the careers of several brilliant young women.

The second point about the green book is the measure of housing condition rather than housing tenure, despite the fact that all the academic work shows that the link with mental health problems is with housing tenure. The third and most important point for us is that the needs index reduces funding if one's area is near a good mental health institution, such as Fulbourn hospital. The reason for that is the cost of reaching the facility, but in reality being near a good facility increases the number of patients in the area, because of migration and because people stay in the area once they return to the community. The Secretary of State conceded that some work needs to be done on these matters, and I will be glad to hear what further work has been done.

The cuts in mental health services in Cambridge have had at least one good effect: they have brought the community together in opposition to them. Thousands of people joined the public protests, attending meetings

[David Howarth]

and vigils against the cuts. That in itself has helped to reduce the stigma attached to mental illness, which several hon. Members have mentioned. Despite all the brave and good things that people have done—including, in a live BBC radio interview, the interviewer mentioning to me that he had suffered from mental illness and had recovered—the campaign that we are waging is not just to change public attitudes but to get more funding. That is the problem that we face. I gather that today the county council's health scrutiny committee is meeting, and it has the power to refer the issue to the Minister. I very much hope that it does so. Then we shall see the strength of the Minister's commitment to mental health.

6.3 pm

Jeremy Wright (Rugby and Kenilworth) (Con): I agree with comments by Members on both sides of the House that the primary difficulty with the mental health debate is that various types of mental illnesses are minimised and often ignored. Within that broad category of mental illnesses, there are some that are disregarded even more than others. I want to focus my remarks in the brief time available on one of those: post-traumatic stress disorder.

Post-traumatic stress disorder is a mental illness that is often dismissed, not simply by the rest of us but by those who suffer from it. It therefore presents its own specific difficulties in terms of the work that the Government and the NHS must do to support those who suffer from it. People have always suffered from it, but it has only relatively recently been recognised—from first world war shell-shock to the illness that is diagnosed today.

Post-traumatic stress disorder can affect us all. Whether we are holidaymakers or commuters, we are potential victims of post-traumatic stress disorder as a result of natural disasters of almost biblical proportions or terrorist atrocities on our daily commute to or from work. It particularly affects—this is the group of people to whom I particularly want to draw the attention of the House—those who feel that they ought to be most able to deal with it, and are therefore least likely to seek help. I refer to those in the armed services and the emergency services. Those who serve this country bravely, and sometimes at great cost to themselves not only physically but mentally, suffer from anything ranging from flashbacks to serious mental breakdowns, and do so often in what might be an unsympathetic environment.

There is no doubt that post-traumatic stress disorder, like other mental illnesses, wrecks lives—not just the lives of those who suffer from it but those of their families and friends. It often leads to alcoholism, violence, homelessness and family breakdown, and all those problems need addressing in the context of the illness that the person is suffering from. The illness is costly not only in human terms but in financial terms.

I recently met an experienced firefighter who, as a result of a collision with a car in which the driver of the other vehicle was killed—an incident that was not the firefighter's fault—suffered a series of flashbacks leading to a more serious breakdown, after which he spent six years away from work. That cost the taxpayer a total of £118,000 in pension, incapacity benefit and other benefits. On that basis it must be right that in framing their Mental Health Bill, the Government give clear and full consideration to the ways in which we can assist those individuals and ensure early intervention, so that they can receive the care and treatment that they need as soon as it can be given to them.

I hope that the Minister accepts that although one option for those individuals when their illness becomes very serious is in-patient care—I am sorry to say that in-patient facilities for military personnel have closed progressively over the past few years, both at Catterick and Ty Gwyn in north Wales—other options include counselling and therapy, which should be available through the NHS but so rarely are. As I understand it, there are only 14 locations where counselling can be given to those who suffer from post-traumatic stress disorder. The gap must be bridged by the voluntary sector. In fact, it is bridged very successfully by such groups as Assist, in my constituency, which does a fantastic job in trauma management. I invite the Minister and all those involved in drafting the mental health Bill to consider what can be done to weight the services available to those who suffer from post-traumatic stress disorder in favour of therapy and access to counselling, either in person or by telephone, in order to ensure that people have early access to support, which they, and we, will find valuable.

The firefighter to whom I referred calculated the costs to the taxpayer of his six years' absence from work. He has recently felt able to return to work, and has done so, as a result of counselling provided by Assist which cost £1,000. The Government could profitably consider such approaches to looking after those who have served us so well and ensure that they receive the care and support to which they are fully entitled. All Members will rightly express outrage when members of the armed services and the emergency services who have suffered serious physical injury do not receive the care to which we and they believe that they are entitled. It is surely right that those who suffer mental injury as a result of the same activities on our behalf should receive similar consideration.

6.9 pm

Tim Loughton (East Worthing and Shoreham) (Con): We have had a good debate. We are disappointed that the Secretary of State was not able to join us and we wish her a speedy recovery, but it is always a delight to have the Minister of State, Department of Health, the fragrant hon. Member for Doncaster, Central (Ms Winterton) giving her speeches, even if she did go on a bit.

The debate has been well informed, well mannered and civilised, although it has been dominated by Oxbridge—over half the speakers represented Oxfordshire or Cambridgeshire constituencies. Contributions ranged from that of my hon. Friend the Member for Rugby and Kenilworth (Jeremy Wright) on the important subject of post-traumatic stress syndrome to those of the hon. Member for Kingston upon Hull, North (Ms Johnson), with her expertise as a Mental Health Act commissioner, and my right hon. Friend the Member for Charnwood (Mr. Dorrell) with all the great expertise that he brings.

It has been a good debate, but primarily it has been good to have a debate because we have not had one on the subject for more than eight and a half years, despite the fact, as everyone has acknowledged, that the subject is extremely important and affects so many of our constituents. We know that one in four people will suffer some form of mental illness in their lives—people from all backgrounds—and one in 10 school-age children will be affected by some form of mental illness. The hon. Member for Kingston upon Hull, North mentioned the importance of early intervention, for young people in particular, which is lacking in too many places.

Thirty per cent. of all GP consultations have a significant mental health component. Mental illness has enormous implications for social exclusion, is one of the biggest factors in the high level of disability benefit claims, and hits black and ethnic minority communities disproportionately, as many hon. Members mentioned. The Wanless report highlighted the fact that

"For too long mental health has been stigmatised and starved of resources and national attention."

I agree. The Healthcare Commission inspections last year found that standards in NHS mental hospitals were markedly poorer. Despite the apparent priority that the Government said they gave to mental health and the publication of the national service framework in 2000, we have not had a debate in all that time.

The World Health Organisation predicts that by 2020 depression will be the leading cause of disability and the second biggest contributor to illness in the developed world, after heart disease. Surely mental illness, particularly among young people, is one of the most worrying public health time bombs ticking away, with enormous implications for the health of future generations, employment and financial cost to the NHS.

Mr. Steen: Will the shadow Minister give way?

Tim Loughton: Will my hon. Friend forgive me? We have very little time.

Despite all the evidence, mental health merited just a passing reference amounting to two and a half pages in the 2004 White Paper on health and is virtually absent from last week's White Paper. The Government promised to update mental health legislation and bring the 1983 Act in line with new practices and treatments in the 21st century, but that Bill remains in doubt, despite the publication of the original draft Bill in June 2002 and a second draft in September 2004, and the scathing report of the pre-legislative scrutiny Committee last year. There are real doubts whether we will see the Bill this Session, as the Government promised.

Conservatives believe that mental health needs to be treated more seriously and more urgently than that. That is why we are holding this debate in our time today, and why we have held three mental health summits at Westminster in recent years and plan more. That is why we produced a separate, detailed mental health manifesto at the last election, contrary to the impression given by the hon. Member for Hackney, South and Shoreditch (Meg Hillier). That is why we set up an expert panel in 2004 to produce an alternative mental health Bill, and stand ready to introduce it as a private Member's Bill if the Government continue to fail to honour their promise to introduce a Bill of their own or refuse to adapt their Bill significantly in the light of the near-universal condemnation that it has received. We need to examine the issue of mental health holistically. Of all the areas in health care, mental health provision needs a joined-up approach, which has too often been missing.

Many hon. Members mentioned funding. Investment in mental health has risen, but not to the level needed to implement the NSF. It has not kept pace with rises in the NHS budget generally. There are serious worries that mental health trusts will bear the brunt of the current deficit crisis, just as the new mental health trusts inherited many of the worst overdrafts after the last restructuring of services—a point mentioned by the right hon. Member for Oxford, East (Mr. Smith). The near-zero figure suggested by the Minister turned into 10 per cent. in his county, Oxfordshire. That was reinforced by my hon. Friend the Member for Banbury (Tony Baldry) and the hon. Member for Cambridge (David Howarth). There have been significant cuts, leading to the diminution of services, and the cuts are not of the order of the very small snapshot amount contrived by the Minister. That is the reality of the services that our constituents are trying to access with increasing difficulty across the country.

Expenditure on day services for mental health patients has fallen from £176 million in 2001–02 to £149 million in 2003–04, despite more people in the community needing those services. We have had many other examples from across the country. It is a false economy not to continue the investment in such services. That is why Conservatives want a fairer share of the health funding cake to be spent on mental health services. That might start to address the problem of stigma mentioned by so many hon. Members.

On choice and access, the Secretary of State has spoken much about the choice agenda in health, yet what choice is there, realistically, for mental health patients? The Government are bringing in the "choose and book" system, giving patients with physical health needs the opportunity to choose their hospital and treatment times, yet mental health is one of the few areas where that will not be introduced across the country. Too often, the only treatment available to patients is the GP's prescription, as my hon. Friend the Member for Tiverton and Honiton (Angela Browning) described so well.

Can it be right that 40,000 children—some as young as six—and adolescents are prescribed anti-depressants each year? Those drugs are effective, and in many cases they may be appropriate, but are they not prescribed because alternative therapies are not available and doctors do not have time to tease out the more complicated symptoms that accompany mental health problems? It is not like presenting with a broken leg. More time is needed.As the Sainsbury centre and our own surveys report, many GPs complain that they have had no access to cognitive behavioural therapy. Elsewhere, patients can wait six months for basic counselling, and all the while their conditions deteriorate, yet we know that early intervention is key.

[Tim Loughton]

In his hard-hitting report last year on the economics of mental health, Lord Layard proposed a dramatic overhaul of our priorities, the setting up of a network of 250 therapy centres and a new cohort of 5,000 cognitive behavioural therapy specialists. We need radical thinking backed up by long-term investment if we are to diffuse the ticking time bomb.

We need also not to treat people with mental illness in silos. Mental health patients suffer physical conditions like the rest of us, such as heart disease, obesity and diabetes. Worse, they have pronounced medical conditions. A schizophrenic is likely to have a life expectancy 10 years shorter than the average one of us. They are twice as likely to die from respiratory infections. Like everyone else, they suffer those diseases, but they frequently complain that they are labelled primarily as mental health patients when they visit their GP and are treated differently.

Spending on mental health promotion is crucial, but it is a scandal that at £3 million it represents just 0.04 per cent. of the total expenditure on mental health services, at a time when many experts say we should educate the population better on mental health issues, not least through the curriculum in schools. It is a false economy not to do so, yet it does not feature in the "healthy schools" programme.

We need to be bolder and more imaginative in the places where people can access mental health services, often anonymously, not least for the 14 to 16-year-old boys, who experience some of the highest levels of stress and depression but see their GPs least frequently of all. Similarly, we need to do much more to encourage more people from black and ethnic minority communities to present with mental problems earlier. We have heard all the figures showing that they are much more susceptible to mental illness.

It is a scandal that 90 per cent. of prisoners have some kind of mental health or substance abuse problems, yet some of the worst mental health services available. Too little imagination and flexibility are available to divert people with severe mental health problems away from prison entirely. It is no coincidence that the prison population has increased tangentially to the decrease in acute mental health beds in the NHS. Perhaps if we start to address those problems, we can start to remove the stigma that still attaches to mental health issues.

Finally, on the mental health work force, we hear all the time about doctors and nurses, hospital waiting lists and numbers of operations. We hear little about the one in six consultant psychiatrists' posts currently unfilled or the 5 per cent. vacancy rates for mental health nurses in hospitals.

We need to do more to commit to a serious recruitment campaign among mental health professionals and to bring back the morale of a demoralised profession. We need to do more to encourage employers to look dispassionately at taking on the 80 per cent. of potential workers with a mental illness on disability benefits who want to work, only 20 per cent. of whom get the opportunity to do so. The Supporting People programme is being cut at a time when it is doing good work, as we saw this morning in Brent in a project supported by that budget.

If we can do something urgently and seriously to tackle these problems, perhaps at long last we can go some way to turning the tide against the stigma that still pervades the whole subject of mental illness. That is in sharp contrast to the way in which it is handled in many other European countries, and it succeeds only in fuelling the ignorance and prejudices displayed too often by some elements in the tabloid press.

We cannot hope to tackle the stigma of mental illness when we still have a wholly unacceptable draft Mental Health Bill hanging over the heads of everyone with a mental illness or anyone who needs to be encouraged to present themselves for such a diagnosis. It is a Bill that is more about locking people up than giving them the support and treatment that they need for what is first and foremost an illness. It contains fundamental flaws and, according to the British Medical Association, would quickly bring mental health services to a standstill. The Bill, in its current form, could prove to be counterproductive and yet another example of the attacks on civil liberties that are becoming the hallmark of this Government. It can only harm the prospects of reducing the stigma attached to mental illness. I urge the Government to clarify their intentions now and to listen to the mental health community, who are up in arms.

Above all, the Government need to live up to their bold words about making tackling the inequalities in mental health a Government priority. To continue to fail to do so is a false economy and a serious threat to one of the most serious public health challenges facing our nation today.

6.21 pm

The Parliamentary Under-Secretary of State for Health (Caroline Flint): This has been an interesting and thoughtful debate. It shows that a wide-ranging discussion needs to be had not only by those in health but by those in education, local authorities, the voluntary sector, employers—whether in the public or private sector—and agencies such as jobcentres in order to tackle the variety of needs that people with mental health problems face in trying to live their lives. That is important given that much of the debate raised questions about the way in which people often work in silos in relation to mental health. We are trying—there is apparently consensus across the House on this—to challenge the importance that every organisation gives to how it meets the needs of those with mental health problems in their community, no matter what that organisation's core remit.

The debate has given the Government the opportunity to demonstrate our commitment to improving the lives of the one in four people who suffer from mental illness at some point in their lives. There has clearly been increased investment in, and modernisation of, mental health services since the publication of the national service framework in 1999.

Members made several accusations. To deal with one, I understand that the Tory-Liberal Democrat council in Birmingham recently cut £2 million from the Supporting People programme and moved it to another area.

David Howarth *rose—*

Caroline Flint: I am afraid that I am not going to give way because I do not have a great deal of time and the

Minister of State, my hon. Friend the Member for Doncaster, Central (Ms Winterton), took many interventions earlier.

In the seven years since the national service framework was introduced, ambitions have been surpassed in many areas, but I am the first to admit that a great deal more remains to be done. There is consensus across the House in congratulating and thanking all those who have worked so hard to make these reforms happen. I hope that we are moving towards a system of community care, supporting people in their own homes and working to increase inclusion and decrease stigma. It is equally important that a full range of high-quality in-patient services are there for those who need them. We have recently concentrated particularly on getting the balance right in that respect.

One of the ambitions of the White Paper that we launched last week is to engage with the issue of services that could be provided outside hospital. As the Minister responsible for public health, I fully take on board matters to do with prevention and public health for those with mental health problems, as I would with anybody in the community. That is at the heart of our desire to bear down on the health inequalities that still exist. We have made considerable strides towards high-quality mental health services, but we have an even more ambitious direction of travel. We are committed to supporting good mental health throughout the population and improving preventive mental health services in the community.

I turn to the points raised in the debate. I agree with the hon. Member for Northavon (Steve Webb) that it is important to integrate health and social care budgets. The White Paper sets that out very clearly. We can do plenty more work in that area, which creates opportunities for innovation and imagination.

The hon. Members for Northavon and for Banbury (Tony Baldry) talked about GPs. Practice-based commissioning will help GPs to manage more effective care pathways and allow primary care trusts to commission new services on behalf of GPs. Coupled with an enhanced role for GPs in managing mild to moderate depression in better monitoring mental health, we hope that this will create more flexibility and incentives for GPs and PCTs to manage mental health.

The hon. Members for Northavon and for Tiverton and Honiton (Angela Browning) mentioned the new Bill. They are right to say that it will require a careful balance between a person's right to make decisions about themselves and society's duty to protect people with serious mental disorders from harming themselves, or occasionally others. We are confident that our Bill will achieve the right balance, but I am sure that my hon. Friend the Minister listened carefully to the points made in the debate.

Members asked about prisons as places of safety when there is a crisis situation. Last year, we announced £130 million to help trusts to create proper places of safety for those who need a settlement under the Mental Health Act 1983 instead of relying on police cells or accident and emergency departments. There has been considerable work within A and E departments to improve the relationship with social services on quick referrals. On prison health, 360 mental health in-reach staff are in post, exceeding the commitment to 300 in the NHS plan. NHS mental health in-reach teams now provide services in 102 prisons. Again, there is progress but more to be done.

My right hon. Friend the Member for Oxford, East (Mr. Smith) and the hon. Members for Banbury and for Cambridge (David Howarth) mentioned particular issues in Oxford and Cambridgeshire. I congratulate my right hon. Friend on the three-star trust rating; I am glad to hear about that progress. Last week, the Department issued a set of financial rules for the next financial year, requiring local health economies to develop an operating surplus to create a buffer against unplanned financial problems. We will work hard with NHS bodies to ensure that good finances are in place over the next few years. If we act now, we will help to protect mental health services better against the pressures that some have faced this year. That is an important challenge that we must face up to.

The hon. Members for Cambridge and for Banbury asked about payment-by-results work for mental health. We agree that that is an important issue, and we are working hard to tackle it. We have set out our intention to pilot a new currency in 2007–08, and the move to develop a tariff is being taken forward by the mental health team. We take the matter seriously, but we are not launching an untried system on mental health services.

The right hon. Member for Charnwood (Mr. Dorrell) made an interesting speech in which he talked about the integrated delivery of care. That is indeed vital to good services for patients. However, he failed to talk about how in 18 years he missed the opportunity to put some of his ideas into practice.

My hon. Friend the Member for Kingston upon Hull, North (Ms Johnson) made a good speech in which she acknowledged the investment and the changes in attitudes and culture when providing services. However, she was also challenging. We have asked Professor Louis Appleby to co-ordinate children, adult and elderly people's services. I believe that to be important. We have a national service framework for young people's mental health, which outlines standards for services and, indeed, sets world-class standards for their provision. Of course, we must ensure that they are delivered on the ground and we want the help of colleagues from all parties to hold agencies to account for that.

My hon. Friend also made good points about women. We have issued guidance on ensuring that in-patient services are safe for women—we take that seriously. My hon. Friend and the hon. Member for Northavon made points about mixed-sex wards. Ninety-nine per cent. of wards are not mixed sex—they have separate sleeping and bathroom facilities. However, we are working to improve matters. Sure Starts and refuges have an important role to play as first contacts for many women—and their children—who may suffer from mental health problems.

I stress to the hon. Member for Tiverton and Honiton that we are spending £60 million on pilots to protect older people's health and we are piloting new centres for older people's services, which will include work on tackling loneliness. She made a valid and interesting point.

[Caroline Flint]

My hon. Friend the Member for Hackney, South and Shoreditch (Meg Hillier) was right to say that we must tackle the problems of stigma that prevent people from getting work. I hope that we can consider better methods of challenging those problems through the pathways to work programme. She also made points about ethnic differences. The issues are complicated but we have done some work on examining the reasons for problems that mean that some people from black and minority ethnic backgrounds are deterred from coming forward until their illnesses are more severe. I congratulate her area on tackling those problems, and my hon. Friend the Minister of State has promised to visit.

The hon. Member for Rugby and Kenilworth (Jeremy Wright) spoke about post-traumatic stress disorder. We acknowledge the importance of that work. We have evidence of what works from the National Institute for Health and Clinical Excellence and we have issued advice to all GPs in the NHS. That was invaluable in providing support for victims of recent tragedies such as the bombing on 7 July, when different agencies, including the voluntary sector, came together to help with the obvious need for counselling and support.

I shall not specifically answer the points of the hon. Member for East Worthing and Shoreham (Tim Loughton) because, if he reads my hon. Friend the Minister's opening speech, he will realise that she covered them. However, I stress that mental health has never been higher up any Government's agenda. The result has been record increases in investment and staffing. Thanks to the efforts of the staff, front-line services have become more responsive.

We remain some way from fulfilling all our ambitions but, based on what we have said today, I urge hon. Members to vote against the motion.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 215, Noes 283.

Division No. 151] **[6.31 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Beith, rh Mr. Alan
Benyon, Mr. Richard
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Ellwood, Mr. Tobias
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Grayling, Chris
Green, Damian
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hunter, Mark
Hurd, Mr. Nick
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Opik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Pickles, Mr. Eric
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward

Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Willis, Mr. Phil

Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Mr. Henry Bellingham and
Mr. David Evennett

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim

Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Francis, Dr. Hywel
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hayes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John

Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
Mackinlay, Andrew
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill

Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Robertson, John
Robinson, Mr. Geoffrey
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Thomas, Mr. Gareth
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Vaz, Keith
Walley, Joan
Waltho, Lynda
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael

Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Noes:
Mr. Ian Cawsey and Claire Ward

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MADAM DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House recognises that the Government has made mental health a key priority through the National Service Framework for Mental Health and the NHS plan; welcomes the achievements set out in the National Director's progress report published in December 2004; further welcomes the record increases in investment and staffing; notes that under this Government there are now over 700 specialised community mental health teams and that suicide rates are the lowest since records began, that there are 1,200 more consultant psychiatrists, over 3,000 more clinical psychologists, and 8,000 more mental health nurses than in 1997; further welcomes the Government's five year action plan to tackle inequalities in mental health services amongst black and ethnic minority communities and its action to tackle social exclusion in mental health; acknowledges the Government's commitment to early intervention to support good mental health and improve preventative mental health services in the community, as set out in the recent White Paper "Our health, our care, our say: a new direction for community services", including by improving public understanding of mental health issues to counteract stigma and discrimination, expanding access to psychological therapies including cognitive behavioural therapy, promoting the use of information technology recently reviewed by the National Institute for Health and Clinical Excellence which supports people to take charge of their own treatment, and working with health professionals to improve standards in mental health services in the community; and further welcomes the Government's commitment to reform mental health legislation as soon as parliamentary time permits.

NHS Reorganisation

Madam Deputy Speaker (Sylvia Heal): We now come to the second Opposition motion debate, on the reorganisation of primary care trusts, strategic health authorities and ambulance trusts. Mr. Speaker has selected the amendment in the name of the Prime Minister.

6.47 pm

Mr. Stephen O'Brien (Eddisbury) (Con): I beg to move,

That this House believes the structures of the NHS should serve the needs of the service and patients; notes the Health Select Committee's report on Changes to Primary Care Trusts (HC 646); regrets the mishandling of the reorganisation of primary care trusts (PCTs) by the Department of Health; wishes to see administration costs minimised; further believes that structure must follow function and that the future functions of PCTs have not been clarified; further believes that strategic health authorities should be abolished; further believes that ambulance trusts should not be required to undergo restructuring unless the services themselves request it; fears that restructuring proposals will seek to mask the consequences of £1 billion worth of deficits across the NHS; further regrets the loss of morale amongst NHS staff in PCTs; and calls on the Government to enter into a new and genuine debate about NHS structures, so that the service can better meet its aim of comprehensive quality healthcare available to all, based on need not ability to pay.

As we start this debate, let us agree about the common ground between us. Nothing that I shall say this evening undermines or undervalues the constant, dedicated and professional work done by NHS staff. Doctors, nurses—indeed, my wife is a nurse—the service's many other clinical and technical staff, porters, volunteers, cleaners, even managers and administrators all are highly skilled and good at their jobs.

I pay tribute to them and their work. The Opposition's job is to press the Government to optimise their support for what NHS staff do in delivering taxpayer-funded health care that is free to all who need it at the point of use. I say that with deep conviction, as one of my children recently had to undergo a serious operation at Alder Hey hospital in Liverpool. Neither he, my wife, nor I can praise highly enough all those NHS staff who were involved in his excellent treatment.

Like the country at large, the Opposition regard the NHS as a top priority. We are optimistic about its future and determined to see it improve. It therefore comes as a surprise to most people that a great many NHS trusts face serious and worsening deficits totalling something of the order of £1 billion gross, with wards being closed and services curtailed.

We have just finished a debate on the vital matter of mental health and, even there, cuts are being made in availability, provision and access. We are now debating the Government's latest proposed reorganisation of primary care trusts, strategic health authorities and ambulance trusts. One fears that it is a case of the Government fiddling while Rome at least smoulders. As soon as the Government hit the inevitable choppy waters—in this case, ballooning deficits in a quarter of all trusts—that were the inevitable consequence of their own policies and targets as well as their most recently

introduced organisational and structural tinkering and meddling, they reach for their reorganisation manual yet again.

Mr. John Redwood (Wokingham) (Con): My hon. Friend is making a strong case. Is there not a danger that the amalgamation of these trusts could impose a lot of extra administrative costs as a result of new logos, new staff—owing to the need to employ regional and local people—and new properties? That is the last thing that we want to spend money on at a time when we need more to spend on nurses and doctors, certainly in my area.

Mr. O'Brien: My right hon. Friend is correct. There is always a transfer cost associated with any such move, but it is nonsense to incur such costs when there is no identifiable benefit, given that it will involve hard-pressed taxpayers' money that is needed for front-line services.

Mr. Jim Devine (Livingston) (Lab): When the Conservatives were in power, we had 47 trusts in the Scottish health service. Under the Scottish reorganisation, that figure has been reduced to 15. We also reduced the number of senior managers by 27 per cent. and those savings have gone into paying for front-line staff. Does the hon. Gentleman not welcome that?

Mr. O'Brien: I am sure that the Scottish Executive would very much like to debate that matter, but this House has no jurisdiction over it. I hope that the hon. Gentleman will reflect on that point, having taken up time in this debate with a matter over which we have no authority whatever.

Mr. John Gummer (Suffolk, Coastal) (Con): Although we have no control over the Scottish Executive, the hon. Member for Livingston (Mr. Devine) will be voting on English trusts in this debate.

Mr. O'Brien: My right hon. Friend is right. Roll on the time when we are in Government and can introduce English votes for English laws.

There have already been six reorganisations since Labour came into office. The merger of strategic health authorities and primary care trusts will represent the seventh, and the forthcoming merger of NHS ambulance trusts will be the eighth.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Will the hon. Gentleman give way?

Mr. O'Brien: Of course I will give way to my neighbour.

Mrs. Dunwoody: I am grateful to the hon. Gentleman. Am I to take it from his remarks that he does not believe in an integrated national health service covering the whole of the United Kingdom?

Mr. O'Brien: I hope to mention the hon. Lady in dispatches later in my speech. I am intrigued by her question, because I hope that she knows—not least because of my own personal connection with her—that we have a strong commitment to the NHS as a national health service. By "national", we mean the United Kingdom. However, we must recognise that the authority and accountability for NHS services in Scotland has now been devolved and it would therefore be inappropriate for me to take up the House's time dealing with matters of Scottish accountability.

The Government have an addictive personality disorder and we are constantly told that all such habits are costly and have dire consequences. We have been here before. As recently as 2001, the Government announced that 302 primary care trusts were to be established as statutory bodies to replace the health authorities and that nine regional offices of the NHS executive were to be abolished in favour of 28 strategic health authorities. The Government's proposals for PCTs and SHAs effectively return the NHS to the same map that they abolished only three years ago. The Health Committee slated this U-turn, stating:

"A return to structures which are similar in size and function to previous Health Authorities raises important questions about why the shortcoming now being identified"—

by the Government—

"could not have been easily anticipated and addressed before the PCTs' introduction three years ago".

Most worryingly, the cost of this reorganisation will reach £320 million, which I think gives a quantified answer to the question that my right hon. Friend the Member for Wokingham (Mr. Redwood) asked earlier. Given the increased resources that have rightly been made available for the NHS, it is little wonder that there is a constant refrain from constituents and clinical staff alike of, "Where has all the money gone?"

Rob Marris (Wolverhampton, South-West) (Lab): I understand the hon. Gentleman's point about reorganisation in the NHS, but will he explain why the motion that he is supporting calls for another one, namely

"that strategic health authorities should be abolished".?

Is that not another example of the kind of reorganisation that he is decrying?

Mr. O'Brien: I have some respect for the hon. Gentleman's normal analysis, but he must recognise not only that we would replace strategic health authorities if we had the chance, but that they will naturally become extinct in three years anyway, if the Government have the courage to implement that move. We are simply trying to save some money by advancing that change rather faster.

On 28 July 2005, the Department of Health proposed a reduction in the number of PCTs from the present level of 303 to between 100 and 150, to be aligned with county council boundaries where possible, and a similar reduction in the number of SHAs. Changes to PCTs were expected to be completed by October 2006, and changes to SHAs by July 2006. On 1 December 2005, the Department of Health published the plans that had been submitted to it for consultation, including plans to reduce the number of PCTs to a minimum of 115, and to reduce the number of strategic health authorities to between nine and 11, along the lines of the Government offices for the regions. Consultation on that reorganisation is ongoing, so there is

[Mr. O'Brien]

no question but that this restructuring plan is of the Government's making. They cannot slither behind the trusts to avoid their direct ministerial accountability.

Mr. Philip Hollobone (Kettering) (Con): Is my hon. Friend aware that the chief executive of the Northamptonshire Heartlands primary care trust, Peter Forrester, has to spend half his time in some weeks battling to save that popular primary care trust, which is taking him away from giving his time to front-line issues?

Mr. O'Brien: I gather that wards are also being closed in Northamptonshire. That situation is replicated right across the country. I was talking to a local physiotherapist the other day and she told me that her job description required her to administer for 25 per cent. of the time and give physiotherapy for 75 per cent. She then told me that the situation was now reversed and that she was now lumbered with all the administration, because the Government are stealthily removing administrative support in an effort to avoid the charge that they are diminishing front-line services.

How can there be any sense in the Government proposing changes to the structure of primary care trusts unless they have first established with clarity what the functions of the PCTs are to be? The Government's document, "Commissioning a patient-led NHS", called for PCTs to become

"patient-led and commissioning-led organisations with their role in provision reduced to a minimum"

by 2008. In the face of fierce opposition from NHS staff employed by PCTs, from MPs, and from the Royal College of Nursing—which launched, but has now withdrawn, an application for judicial review of the decision—the Government have since retreated from their strident position. The Secretary of State said on 11 November 2005:

"I know that many of you were very unhappy about what we said at the end of July . . . I am very sorry that many staff have been caused such anxiety . . . Any move away from the direct provision of services will be a decision for the local NHS within the framework set out in the forthcoming White Paper and after local consultation."

There we have it: the Government's U-turn. So far, so normal for this Government, but, even though common sense would dictate that they should, they did not even review the design of the new PCTs to ensure they were fit for their new purpose as commissioners as well as local providers. Those roles encompass massively different skills and levels of authority, governance and accountability, as anyone with even a smattering of management experience could see.

On 11 January 2006, the Health Committee attacked the Government's indecision, saying

"we are appalled at the continuing lack of clarity about whether or not PCTs will eventually divest themselves of provider functions".

The Department of Health's NHS operating framework for 2006–07, published on 26 January 2006, offers little further clarity. It states:

"From 2007 each PCT will be expected to review formally and systematically whether local services are delivering high quality, effective and efficient care . . . There is no requirement for PCTs to divest themselves of provision, and nor will there be in the future . . . Where PCTs do continue to provide services, they will need to put in place clear governance procedures that ensure that there is no undue influence from the provider side on commissioning decisions."

On that last point, incidentally, I have to say that I am already receiving letters—I expect that my hon. Friends on the shadow health team are, too—alleging a growing web of conflicts of interest and worse. That is no laughing matter for a Government-designed system, as it makes the Government complicit, and they will be guilty of intended consequences, on which we will be required to hold them to account.

The Health Committee also noted that NHS organisations were given less than a month, during the summer holiday period when many key figures were absent, to put together proposals for changes to local services. The chair of North West London SHA described the consultation process as "flawed". The Health Committee concluded:

"if the Government truly believes in a patient-led NHS, it should have started its reforms with a patient-led consultation process, rather than the top-down process we are clearly seeing".

Mr. Eric Martlew (Carlisle) (Lab): I remember that the Conservatives fought the election saying that they would introduce £35 billion of cuts, £600 million of which would come from NHS bureaucracy. Where is the hon. Gentleman going to make those cuts? What would he do?

Mr. O'Brien: Apart from the fact that the Government are clearly attempting to fulfil their own manifesto promise of £250 million of cuts, the hon. Gentleman should not read so much into the note distributed to him and his fellow Back Benchers by the Labour health team, and signed by the special advisers to the Secretary of State, that tries to suggest that that is our position, not recognising that it is nothing to do with the policy that we promote.

Quick consultations always suggest a foregone conclusion. I have been contacted by GPs in my constituency who work within the Central Cheshire PCT and who are worried that that is the case. They understand that the Government's current preferred option is that all four existing Cheshire PCTs became one, but fear that that will be too large, impacting on local links, covering different care pathways and looking to both Manchester and Liverpool, which is inappropriate for my constituents. With them, I favour Central Cheshire and Eastern Cheshire PCTs combining. They are also concerned, as are all Opposition Members, that those structural changes are a deliberate ploy by the Government to mask the consequences of deficits and their impact on patients.

Mr. Mark Harper (Forest of Dean) (Con): My hon. Friend is right. Today, the Gloucestershire health community issued a press release and the chief executive of the acute hospital trust said that the current difficulty with deficits will be magnified by the significant reduction in prices paid with the changes in the national tariff. The trust in Gloucestershire faces a cut of £21 million—a 7 per cent. reduction in its spending next year—if it treats the same number and mix of patients and will face tremendous challenges that will lead to job losses. Those are the problems faced in Gloucestershire.

Mr. O'Brien: I am grateful to my hon. Friend, who is working hard for his constituents. He recognises that there is nothing worse than a Government who provide perverse incentives for all the wrong directions and decisions to be taken in an effort to try to meet their targets.

Mr. Graham Stuart (Beverley and Holderness) (Con): Will my hon. Friend give way?

Mr. O'Brien: I am conscious of the need to get to the end of my remarks to allow more Members to speak. If my hon. Friend will forgive me, I will not take too many interventions.

The Cheshire GPs fear that there will be a levelling down of services and cuts to front-line patient services if there is a merger with the debt-ridden Cheshire West and Ellesmere Port and Neston PCTs. As has been outlined, good PCTs such as Central Cheshire are now to be penalised to prop up disastrously underperforming ones such as Cheshire West, which has KPMG in. The Government are 100 per cent. responsible for that muddle, as well as for the deficits resulting from rising cost pressures and the cost of meeting Government targets.

Why are the Government charging ahead with all that? It is neither for NHS patients nor those who work in the NHS, but that is what the Minister will no doubt claim when she responds. One only needs to witness the collapse in morale among NHS clinical and non-clinical staff to know that the Government are in serious denial. Can anyone doubt that the Government are conducting a sham consultation on all these changes? Can it be in doubt that the Government will not break the habits of a lifetime, have no intention of respecting the consultation processes and certainly not the responses, and will press on with their proposals regardless of the responses received? We need look no further than yesterday's announcement on the police for proof of that.

The proposed merger of strategic health authorities into remote bodies aligned with Government offices for the regions is, despite all the Government's ever more wild and shrill protestations, yet another manifestation of their addictive personality—their obsession with regionalisation, even though SHAs have patently failed in their key task of performance managing NHS organisations. One does not get a £1 billion deficit if one has been a success.

David Howarth (Cambridge) (LD): Unlike the hon. Member for Wolverhampton, South-West (Rob Marris), I welcome the motion's proposal to abolish SHAs. Does the hon. Gentleman agree that they do not seem to have any function, that their strategic functions should be carried out by the Department of Health and that their planning and capacity functions should be carried out by PCTs? There is no point in having them at all.

Mr. O'Brien: I am glad to hear that the hon. Gentleman has come to our view. He is correct that SHAs have lost all their purpose and are therefore no longer a worthwhile or value-for-money option for the taxpayer.

Indeed, SHAs have come under attack from Government Back Benchers. During Health questions last week, the hon. Member for Warrington, North (Helen Jones), who is not in her place, said about the Cheshire and Merseyside SHA,

> "I, my constituents and many Labour Members have no confidence any more in what is an increasingly Stalinist and out of touch health authority",

to which the hon. Member for Crewe and Nantwich (Mrs. Dunwoody)—who, I am glad to see, is in her place—added,

> "It is not nearly that competent."—[*Official Report*, 31 January 2006; Vol. 442, c. 159–60.]

The way in which SHAs have undertaken their responsibility for performance management is a disaster. The Secretary of State has sent in turnaround teams to PCTs—proof, if ever there was, of the failure of SHAs to oversee those trusts, and an immense additional and avoidable burden on the taxpayer. I would not mind the Government paying McKinsey were there no Merseyside and Cheshire SHA, but the imposition of KPMG on 18 trusts up and down the country at vast expense shows that the SHAs have not been doing their job. The taxpayer is paying twice over, and over the odds the second time: once for the SHA employees who are supposed to keep trust finances in order and once for the consultant to sort it all out. Surely the Department should ensure that it employs people who can do the job and sacks those who cannot. The turnaround programme is proof that SHAs are not up to it, that this three-year-old Government design has failed and that SHAs should therefore be scrapped. In any other walk of life, and under any other Government, it would be plain that SHAs have failed, and that some, such as Surrey and Sussex, have presided over an almost complete collapse in their health economy. We can, and should, dispense with SHAs. We just wonder whether the Government have the courage to take that obvious step.

We now come to the ambulance trusts. In June 2005, the Government's review of ambulance services, "Taking Healthcare to the Patient", was published. It recommended a reduction in the number of NHS ambulance trusts from 31 to 28. However, on 14 December 2005, the Department of Health began consultation to reduce the number of NHS ambulance trusts to 11, aligned with Government office for the region boundaries. That consultation will close on 22 March. The *Health Service Journal* reported on 22 September 2005 that the Department of Health expects the changes to be in place by July—a bit swift for a genuine consultation.

No one in the ambulance service called for this change.

Mr. Tim Boswell (Daventry) (Con): Will my hon. Friend consider the Two Shires ambulance trust, shared between Northamptonshire and Buckinghamshire? It is a three-star trust, which will not only be torn apart but reconstituted, with our trust as part of a much wider regional trust and the other going to the south-east? Something that is perfectly effective that has its

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headquarters in my constituency is being destroyed and its seat of decision making is being removed to a place about 100 miles away.

Mr. O'Brien: I am grateful for the example that my hon. Friend outlines. He will derive great comfort from the fact that he is not alone, but no optimism, from the case to which I am about to refer.

Mr. William Cash (Stone) (Con): Will my hon. Friend give way?

Mr. O'Brien: I am about to mention Staffordshire, so my hon. Friend might want to hold on.

The ambulance tsar, Peter Bradley, made a clear case for restructuring Avon, Gloucestershire and Wiltshire ambulance trusts, and for a revision of the Thames Valley trust. The Government took that as an excuse—it was not in the report, and at best they might claim, as a cloak, that it was implied—to reduce the number of ambulance trusts down to nine, 10 or 11. To implement that, the NHS Appointments Commission sent out letters on 30 January this year, to all MPs, I believe, asking for nominations for chairmen and chairwomen of the new NHS ambulance trusts. Do the Government think that we do not believe that the consultation is a foregone conclusion? Were the consultation genuine, money would not and should not be being spent now on the recruitment process; it is a highly questionable use of taxpayer's money.

Mr. Cash: My hon. Friend may know that Staffordshire ambulance trust is regarded as one of the best in the country. Indeed, later tonight I shall present a petition with many thousands of signatures, because the people of our area are incensed at the fact that the trust is to be merged into a west midlands service. Does he accept that we are deeply concerned?

Mr. O'Brien: I fully accept that my hon. Friend and his constituents are, rightly, deeply concerned. I shall deal with Staffordshire shortly and I hope that he will be able to combine what I say with the representations that he is already making.

The proposed regionalisation is simply not service-led. In fact, it is diametrically opposed to what the service needs. It is not enough that the people of the north-east rejected the Government's regionalisation agenda out of hand, which led to the withdrawal of similar proposals in the north-west and Yorkshire and Humberside. In a forlorn attempt to save the Deputy Prime Minister's face—I shall not inquire what type of face it is—the Government will ram the proposal through anyway, as part of their dogmatic regionalisation agenda.

For ambulance services, local knowledge is key, as are small, efficient management structures. Where trusts have been merged, their quality has been destroyed. The trust that used to serve my constituency, the Cheshire ambulance trust, had three stars. It was merged with the Merseyside ambulance trust. The ensuing crisis has been so appalling that the chief executive of the joint Cheshire and Merseyside ambulance trust conveniently "resigned". The greater tragedy is that the trust has descended to a nil star rating.

Only this weekend, I had cause to test the service. A horse rider fell on the road just outside my house, severely injuring her head. It was a serious injury. Luckily, my wife was on hand to give professional nursing help, as it took over half an hour for the ambulance to arrive. It had to be guided in by the nearest people who could be contacted by mobile phone, as the Warrington call centre never understood where we were.

Concerns have also been expressed about the merger of Staffordshire, West Midlands, Coventry and Warwickshire, Herefordshire and Worcestershire, and Shropshire ambulance trusts. There have been proposals to reduce control room numbers by co-aligning them with the police and fire services. The fire service in Warwickshire responds to some 3,000 emergency calls a year, whereas the ambulance services respond to some 100,000 emergency calls. Both Staffordshire and Coventry and Warwickshire ambulance trusts are three-star rated. Where is the benefit in amalgamating them, especially if they suffer the same fate as Cheshire? It is not patient-led, it is no closer to the patient and it does not centre the service on local knowledge. The only changes that should ever happen are those requested by the ambulance service itself.

My hon. Friend the Member for Lichfield (Michael Fabricant) has highlighted fears over the merging of Staffordshire ambulance trust, joining other Members from his area to meet the Secretary of State. He has pointed out that Staffordshire ambulance trust has the fastest 999 response time in Europe. He has met constituents living in Lichfield and Burntwood who would probably be dead today, because of slower ambulance response times, had Staffordshire been subsumed into the West Midlands trust.

Michael Fabricant (Lichfield) (Con): That is right.

Mr. O'Brien: I note what my hon. Friend says. When he met the Secretary of State for Health, she assured him and the Members who accompanied him that no decision had yet been made, but she did explain that there was a move towards regional emergency services. Where have we heard that before? In connection with police and fire services? Is it possible that the Conservatives may be right in saying that the Government's addiction to regionalisation is driving all the proposals?

Charlotte Atkins (Staffordshire, Moorlands) (Lab) *rose—*

Mr. Michael Foster (Worcester) (Lab) *rose—*

Mr. O'Brien: I will not give way, because I am about to end my speech.

In their addiction to meddling, the Government turn to reorganisation whenever they face a crisis or their latest headline grabbing wheeze turns out—predictably—to disappoint. For all that, we see PCTs being forced to merge when there is as yet no clarity about their purpose. We see the Government clinging to

SHAs while, at huge cost to the taxpayer, bringing in consultants to do the job that the SHAs were hired to do when the obvious answer to anyone but an over-proud Government would be to scrap the SHAs. We see ambulance trusts being forced into a dogmatic regionalisation agenda, having to bend to the Government's will although no one in the service advocates it and although there is no prospect of a better, speedier service for patients.

We want better NHS services for our constituents. They do not deserve to suffer the cuts that are being forced on PCTs and other trusts to get the Government off the hook of the failure of their policies and their financial mismanagement of the PCTs, SHAs and ambulance trusts that they themselves set up only three years ago. Of course we also want administration costs to be minimised. The way in which to do that is to reduce the amount of administration and bureaucracy, rather than bringing about yet another reorganisation. Our constituents and NHS patients will not fall for the latest Government ploy to mask their own policy failures.

7.14 pm

The Minister of State, Department of Health (Jane Kennedy): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the Government's determination to reform primary care trusts (PCTs) and strategic health authorities (SHAs) to ensure all patients get the services they need, to shift the focus of services more towards prevention and tackling health inequalities, to engage better with GPs in developing services that meet patients' needs, to reduce bureaucracy and to deliver better value for money for taxpayers; further welcomes the widespread support within PCTs and SHAs for the principles on which Commissioning a Patient-Led NHS has been based; and further welcomes the Government's consultation on reforming ambulance trusts to ensure more care is provided in the home and at the scene, to give better advice to patients over the telephone and to deliver faster response times to save more lives, in line with the recommendations from the National Ambulance Adviser Peter Bradley's review 'Taking Healthcare to the Patient: Transforming Ambulance Services.'."

I think that this is the first occasion on which I have crossed swords with the hon. Member for Eddisbury (Mr. O'Brien). I well remember the by-election in July 1999, when the hon. Gentleman only just held off a challenge from Labour. That near-success was almost entirely due to the excellent campaign, whose slogan was "Vote Labour or the fox gets it". None the less, it is a pleasure to see the hon. Gentleman at the Dispatch Box. He has consolidated his position in Eddisbury, on which I congratulate him. I wish him a long career as an Opposition spokesman.

The NHS is being restored to good health. It has more doctors, more nurses and better facilities. The revolution in quantity of care must, however, be matched by a revolution in quality of care, with equal access for all and no charges for operations. That means new types of health provision, more say for patients in how, where and when they are treated, and tackling ill health at source.

Mr. Graham Stuart: Will the Minister give way?

Jane Kennedy: I should like a moment to get into my speech, I will give way later, but I am very conscious of the 10-minute limit on Back-Bench speeches and—like the hon. Member for Eddisbury—I want to keep my remarks to a minimum if I can.

The phrases that I just used are the promises that we made in our manifesto. That is what these structural changes are set to achieve. I hoped that the hon. Member for Eddisbury would pay a bit more attention to the manifesto on which he stood at the last election. That manifesto pledged to implement the James report, which had a clear attitude to what should happen to PCTs. Only nine months ago, the Conservatives said that they would radically reduce the intrusive bureaucracy that the PCTs had become, removing 30,000 administrative staff and saving £636.6 million a year. We did not hear whether that was still the hon. Gentleman's policy. The thrust of his argument consisted of an objection to the reorganisation that we are proposing.

Mr. Nicholas Soames (Mid-Sussex) (Con): The Minister and I will agree that in the past five years the NHS budget has indeed increased substantially, while productivity has unfortunately failed to increase at the same rate. Does the hon. Lady agree that the NHS has one of the most committed work forces in the country, and that its biggest failure is the failure to engage properly with its professional staff—the doctors and nurses who are capable of delivering all the service changes that she proposes? Does she agree that much more needs to be done in that regard?

Jane Kennedy: It is a pleasure to see the hon. Gentleman restored to us in good health. When he is not here, the House is the poorer for it. His point is fair. When consultations are taking place, it is important for those who have strong views, particularly those who are most closely affected—patients and the staff who deliver services—to be listened to, and to be involved in the consultations.

Mr. Redwood: Will the Minister give way?

Jane Kennedy: I want to finish my comments about the motion.

In our manifesto, we said that by removing £250 million from the management costs of PCTs and SHAs we could redirect the resource to front-line NHS services. Within nine months, we are fulfilling our promise and the Conservatives are breaking the promises made in their manifesto. We have heard no word from them about what they would do about PCT administration. We may have turnaround teams assisting the NHS organisations that are struggling with deficits, but the Tories have a turnaround leader who changes their policy every five minutes.

Mr. Redwood: Can the Minister tell us how much the Department has spent in the past year on management consultants? Does she agree that we are suffering from a surplus of management consultants and a shortage of medical consultants?

Jane Kennedy: A tiny proportion of the amount that we spend on administration in the NHS is spent on consultants. I do not have the exact figure to hand. I will

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look into the detail, but I am confident that we use consultants to very good effect. That is demonstrated by the way in which services are improving.

Mr. Jim Cunningham (Coventry, South) (Lab) *rose—*

David Taylor (North-West Leicestershire) (Lab/Co-op) *rose—*

Jane Kennedy: I am spoilt for choice. May I make one more point on the James review, and then I will give way?

The James review recommended the abolition of strategic health authorities. In the motion we see that writ large, but we have heard nothing from the hon. Member for Eddisbury about who will oversee the expenditure of taxpayers' money in the regions, and who will maintain strategic oversight of service development across a wider geographic area. As my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) said, it is a question not of reorganisation per se, but of what kind of reorganisation we take forward.

David Taylor: The House would agree that there is probably no magic number in relation to the size of population that is appropriate for a primary care trust, but if 150 primary care trusts covering the 50 million population of Great Britain—just over 300,000 people per PCT—seems appropriate, why are we getting rid of a successful one, Charnwood and North West Leicestershire, which serves a population of about 250,000, which is about the right size, which is big enough to deliver services, and which is effective and small enough to be accountable to the three MPs that represent its area? Why is that being absorbed into a 650,000 mega-doughnut outside the city of Leicester?

Jane Kennedy: My hon. Friend makes a strong point about the concerns in his area. I will come on to those questions in a moment, if he will allow me.

Mr. Jim Cunningham: Surely the answer to the Tory criticisms is that we do not hear so much now about people on trolleys who cannot get beds in hospitals. Had there been the deficits under the Tories that they are attacking tonight, we would have had hospital closures. Instead, under this Government we have new hospitals.

Jane Kennedy: I am grateful to my hon. Friend for his comments. His analysis is right.

Several hon. Members *rose—*

Jane Kennedy: I will make some progress, if I may.

I know that the reconfiguration of strategic health authorities, primary care trusts and ambulance trusts has aroused a great deal of interest. The Health Committee recently published a report that provides a helpful contribution to the debate. We will respond in due course to that report, but I am glad of the opportunity today to explain the position and what the Government are doing to change the structure of those organisations for the benefit of patients and to improve value for money.

Several hon. Members *rose—*

Jane Kennedy: May I make a little progress and then I will be happy to give way to the hon. Member for Bournemouth, West (Sir John Butterfill).

Investment in the NHS is rising rapidly—it has risen from £33 billion in 1997–98 to more than £90 billion in 2007–08—but that increase will bring us to the European average of GDP spent on health services, which shows how far behind the UK fell under the tender care of the Conservative party.

Sir John Butterfill (Bournemouth, West) (Con) *rose—*

Mr. David Heath (Somerton and Frome) (LD) *rose—*

Jane Kennedy: I give way to the hon. Member for Bournemouth, West.

Sir John Butterfill: The Minister has been very generous in giving way. She may remember that Bournemouth used to be part of Wessex regional health authority, which was abolished by the last Conservative Government and was not long lamented, but it had one convincing aspect—it took in not only Bournemouth and Poole hospitals, but the Southampton teaching hospitals and Odstock hospital in Salisbury, Wiltshire, all of which co-operated to form one unit. The proposal that is before us now is for either a strategic health authority for the whole of the south-west region, or two authorities for the south-west region divided horizontally. Can she explain why we are not being permitted the possibility of crossing the regional boundary? Is it to do with regional policy, rather than efficient administration?

Jane Kennedy: It is not being driven by regional policy; it is entirely being driven by efficient administration of the NHS. However, there are issues of coterminosity, to which I will come later—not too much later, I hope—in my comments.

Mr. Heath *rose—*

Mr. Kenneth Clarke (Rushcliffe) (Con) *rose—*

Jane Kennedy: I give way to the right hon. and learned Member for Rushcliffe (Mr. Clarke).

Mr. Clarke: May I first say that I agree with the Minister that there are too many of these administrative bodies, authorities and trusts and that some reorganisation is called for to achieve some efficiency and reduction in management costs? It would be easier to know where we were going and settle all the boundaries if the Government were consistent about what the reorganisation is actually for. The primary care trusts were set up when the Government abolished GP fundholding. They then suggested that fewer PCTs were required to supervise practice-based budgeting, which is the same thing that they are going back to. They then

started to consult on the boundaries on the basis that there should be new commissioning authorities. Halfway through, they changed their mind. They now say that the new PCTs will be commissioning authorities and will directly employ a lot of staff. Consulting in that confusion is quite impossible, which is why we have all the outrage about where the boundaries might go. The Government keep changing their mind on what kind of structure they want for the health service and its vital community-based services. Why does not she stop, start again and try to remain consistent?

Jane Kennedy: I agree with a significant part of what the right hon. and learned Gentleman said. If I can get to it, I will explain the reasoning behind the changes that we are bringing forward. I strongly disagree with him on one thing, on which I must pick him up. The only similarity between GP fundholding and practice-based commissioning is that it involves GPs; otherwise, there is absolutely nothing in common between the two systems. Under fundholding, every GP could have a contract with any number of hospitals, wasting enormous amounts of clinical and administrative time in negotiations. Under practice-based commissioning, the PCT will hold the contract with the hospitals and the GPs will use that contract to access services for their patients. There is absolutely nothing in common between the discredited system that the Conservative party instituted and the system that we are taking forward.

The increased investment that I mentioned earlier, together with the hard work of 1.3 million NHS staff—and I am pleased to join the hon. Member for Eddisbury—

Mr. Heath *rose—*

Jane Kennedy: The hon. Gentleman must contain himself. I will give way in a moment.

I agree with what the hon. Member for Eddisbury said about NHS staff. That hard work is transforming our hospitals, with much reduced waiting times and lists, improved accident and emergency services and newer, more appropriate facilities to meet the changing health needs of 21st century Britain. I suppose I ought to give way to the hon. Member for Somerton and Frome (Mr. Heath).

Mr. Heath: I am most grateful to the right hon. Lady. I simply want to speak for my local hospital. For eight years, we campaigned locally for Frome Victoria hospital and, hallelujah, only two or three months ago it was announced that we would have a new hospital, which is great news and I am grateful to the Government for that. There is now a question about whether the PCT reorganisation and the announcement by the Secretary of State for Health last week have put the capital investment that was to go into Frome Victoria hospital this year in doubt. I do not expect her to know the answer to that now, but will she undertake to write to me to reassure me that Frome Victoria hospital is going ahead as planned?

Jane Kennedy: The hon. Gentleman's persistence has paid off to the extent that I will undertake to look into the matter and write to him to address his concerns about that problem.

Several hon. Members *rose—*

Jane Kennedy: I now wish to make some progress because I am conscious of the time, and I know that many Back Benchers want to participate in the debate.

Ninety per cent. of patients' contact with the NHS is within primary care settings. About 900,000 people a day contact a GP or a practice nurse. The challenge now is to improve primary and community services. That is why last week we published the White Paper, "Our health, our care, our say", setting out our plans to do that. It emphasises that good commissioning is essential to improving services for patients. That means that the NHS needs to get better at securing the best possible services, representing good value from a growing range of health care providers. Reforms such as patient choice and payment by results mean that individual decisions to refer and patient choice will in effect drive commissioning. Patients in discussion with their commissions will choose where they want to go for treatment. Payment by results ensures that the money follows the patient to pay for their care. Once established, the payment by results tariff offers the opportunity for adaptation to encourage alternatives to hospital referral.

Mrs. Dunwoody: My right hon. Friend is a lady of tact and intelligence and she must know that that, frankly, is a load of nonsense. The reality is that if we move towards this system, the patient will have no way of knowing the quality of surgeon in a particular hospital, and no way of knowing who has the reputation for killing a quarter of his patients and who has the best outcomes. It is nonsense to suggest that patients will have any way of knowing. What they want are good services of a uniform standard in their own area. That is what they want and this division will make it worse.

Jane Kennedy: I am sorry that my hon. Friend, whom I regard as a very dear friend, takes such a strong opposite view to me. I do not agree with her. I believe that, increasingly, patients will want to know from their GPs the recovery rates for different surgeons and how they perform, as well as how, for example, a hospital performs on MRSA. Those are exactly the kind of questions that people will be asking. Increasingly, they will be able to get the information not only from their GP, but from the internet, where more and more hospitals are providing precisely that kind of information to the patients who receive services from them.

Mr. Andrew Turner (Isle of Wight) (Con): I am particularly grateful to the Minister for giving way because I wanted to congratulate her on recognising the Isle of Wight's need for a unified PCT health service trust, covering acute, ambulance, mental health and community services. However, I wish to follow the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) by asking how can there be choice for patients on the Isle of Wight if there is no money to help them get to hospitals on the mainland. It is choice for the rich, but not for the poor.

Jane Kennedy: That is an interesting point. The difficulties of transport from the Isle if Wight would need to be taken into account and we are still developing

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the detail of the commissioning proposal and how the model will work. Those issues will face his constituents on low incomes—I am pleased to hear the hon. Gentleman champion them—and their interests will need to be taken into account so that they can achieve a real and genuine choice of services.

Under practice-based commissioning, GPs and other primary care professionals—the clinicians in daily contact with patients—will be able to redesign services for their patients. All of this allows PCTs to concentrate on a more strategic role. The way we commission needs to be transformed if we are to deliver the next phase of reforms successfully. We need to make commissioning more professional and to learn from the best, and we need to encourage innovation. Above all, we need to make sure that patients have access to the right services in the right place at the right time.

Mr. Michael Wills (North Swindon) (Lab): I congratulate my right hon. Friend on what she has said so far. Does she agree that the reconfiguration offers a wonderful opportunity, where there is local support, to adopt new commissioning models that perhaps locate all the services that patients need in one site? In Swindon, there is a great deal of support for integrating caring organisations and social services with primary and hospital care commissioning. Does she agree that there is a good opportunity here to move forward?

Jane Kennedy: I am grateful to my hon. Friend, and I agree with him.

As with PCTs, there are clear and compelling reasons for change in the way in which ambulance services are structured. The range of care they provide is expanding, taking health care to patients who need an emergency response, providing urgent advice or treatment to patients who are less ill and providing care to those whose condition or location prevents them from travelling easily to access health care services.

Spending on ambulance services has increased by over 75 per cent. since 1997, which has helped to bring about improvements to services. Over the past two years, the Government have met, and exceeded, the standard that at least 75 per cent. of 999 calls from patients with immediate, life-threatening conditions should have an ambulance respond to them within eight minutes. This has been achieved in spite of consistently increasing demand for ambulance services.

Mark Pritchard (The Wrekin) (Con): I note the Minister's comments on ambulances, but might I bring her back to superbugs? Is she aware that the isolation ward at the Princess Royal hospital in my constituency closed one month ago? Does that mean that the Government believe that superbugs have gone?

Jane Kennedy: No.

Charlotte Atkins: Will my right hon. Friend ensure that the hon. Member for Eddisbury (Mr. O'Brien) understands that the reason Staffordshire ambulance service is so successful is not because of local knowledge—nowadays we have computer systems that deal with that matter—but the unique operating system that means that emergency ambulances are put where they will be needed? That unique system means that a merger of the west midlands ambulance services cannot work unless the Staffordshire ambulance service is allowed to have its operational independence.

Jane Kennedy: My hon. Friend has made a sustained and consistent case for the ambulance trust that she knows so well. I repeat that no decision has yet been taken on the consultations that are taking place on PCTs, ambulance trusts or strategic health authority reform. I have heard my hon. Friend make that point on many occasions and we are listening to the representations that are being made. We know that there is more that ambulance trusts need to achieve if we are to realise our vision for ambulance services and integrated urgent care. To do this, we need organisations that have the capacity and capability to plan for tomorrow as well as to deal with today. That is not achieved through small organisations struggling to deal with huge agendas, or through unnecessary duplication of procurement planning and support services. However, it can be achieved through collaboration and getting best value. This reconfiguration is about delivering for the taxpayer. It is about combining high-quality leadership with retaining the best of what can be delivered locally. It is not about change for change's sake.

In the case of ambulance trusts, there was a clear view from stakeholders that the lack of coterminosity and the small size of some trusts were acting as barriers to improved patient care. This view was reflected in the recommendations of the recent ambulance service review. To achieve the change we are aiming for, we want SHAs to lead the process of reconfiguration locally. We have asked them to work with their local stakeholders, including MPs from both sides of the Chamber, and to put forward proposals for the reconfiguration of ambulance trusts, PCTs and SHAs against a set of national criteria.

Mrs. Eleanor Laing (Epping Forest) (Con): On that very point, will the Minister undertake to listen genuinely to the case being made by some local people and organisations? Some PCTs are very good and the Minister is right to say that services in many areas, such as Epping Forest, have improved. We have an excellent PCT and it would be such a pity if it were to be swallowed up in a large regional organisation and if the opinions of local people were not listened to. I am sure that the Minister would genuinely wish to listen to the people who require and benefit from the services.

Jane Kennedy: The hon. Lady argues strongly that we should listen to local people. I understand that the county council in her area does not share her view. Presumably, it also represents local people. Clearly, it will be a real effort to listen to all sides and to make sure that solutions can be arrived at that achieve the best for the patients, which, in the end, is the objective.

Mr. Brian Jenkins (Tamworth) (Lab): I have listened with interest to what my right hon. Friend has to say, and I ask her please not to take any notice of the county councils on this issue. I do not understand the criteria or

the figures on which such amalgamation is based. My PCT is one of the most expensive in my area. In terms of management and administration, it costs £27 a head for every man, woman and child in the area—a sum far greater than that applying to other PCTs in the region. I cannot understand why the Department is still pressing ahead with a PCT that will cover nearly three quarters of a million people and all of south Staffordshire, given that the average figure for west midlands PCTs is 230,000. I am not opposed to any amalgamation that improves services, but I want to know what the criteria are and how they have been arrived at, and how we can provide an effective local service for people on this scale. My right hon. Friend has yet to make the case.

Jane Kennedy: Obviously, there are one or two of my hon. Friends whom we need to work more closely with to persuade them of our case. One of the best ways to give patients more of a say in local services is to empower the health care professionals who are closest to the patients. Larger PCTs do not mean more remote PCTs. That is why practice-based commissioning is being rolled out alongside reconfiguration, giving GPs and primary care professionals more freedom to redesign better services for their patients.

Strengthening local commissioning will mean that the money is spent in communities where there is greatest need, rather than being sucked into areas where the demand is more vocal. As was pointed out earlier, our proposed reconfiguring of organisations will strengthen relationships between health care professionals and local authorities through greater coterminosity. London boroughs and PCTs, for example, are bringing about genuine improvements in the delivery of primary and social care in the boroughs. Those improvements have been enabled by the coterminous arrangement of PCT boundaries with social service local boroughs. Currently, just over 40 per cent. of PCTs are coterminous with local government boundaries, and we expect that figure to rise to almost 80 per cent. as a result of the proposed changes in PCT boundaries.

Ambulance trusts and SHAs are likely to see their boundaries much more closely aligned with those of the Government offices for the regions.

Mr. Andrew Lansley (South Cambridgeshire): Why?

Jane Kennedy: These changes will enable organisations to work together more effectively to tackle priorities such as reducing health inequalities. Conservative Members do not like to hear this because they were not interested in achieving reductions in health inequalities when they were in power.

Mr. Lansley *rose—*

Jane Kennedy: I happily give way to the hon. Gentleman.

Mr. Lansley: Does the Minister recall that Peter Bradley's report said that the number of ambulance trusts should be reduced in line with SHAs, of which there are 28? The report said nothing about regions. Does it not occur to her that ambulance trusts work with hospitals, GPs, out-of-hours services and NHS Direct? When do they actually need to work with the regional offices of the Department of Health?

Jane Kennedy: The point that the hon. Gentleman makes is not really very valuable. Benefits will flow from working more closely with other structures. For example, in the event of a very large incident, emergency response is enhanced when services have become used to working together and have developed working policies and protocols. Fewer, larger ambulance trusts will also make it simpler to build the effective relationships with stakeholders that are so important in successfully dealing with major incidents, and in providing the effective delivery of integrated, patient-centred health services.

Our aim is an NHS that is free to all of us and personal to each of us. We are delivering it through high national standards backed by sustained investment, by using new providers where they add capacity or promote innovation and, most importantly, by giving more power to patients over their own treatment and their own health. I ask the House to support the amendment.

7.45 pm

Julia Goldsworthy (Falmouth and Camborne) (LD): I am sure that today's Conservative Opposition day debate will give some flavour of the rapid structural changes that our national health service will go through in the coming years. The restructuring of primary care trusts has followed a very hasty timetable. That timetable was announced during last July's parliamentary recess, and the initial consultation period closed on 15 October. That is neither a long time, nor a particularly appropriate time for such consultation to take place. Let us not forget that this is the third restructuring in 10 years, and that it will reduce the number of PCTs from 300 to 100 by this October.

Initially, the proposed changes were supposed to coincide with trusts shifting toward a commissioning, rather than provider, role. That led to outcry in this place, and to Adjournment debates initiated by Labour Members. There was also outcry from the 200,000 workers directly employed by PCTs, who suddenly did not know how much longer they would have a job, or who their employer would be. They did not know whether it would continue to be the PCT, or whether it would be a private sector charity or the voluntary sector. Following some rapid rowing back, the Secretary of State adopted a new position whereby PCTs would move to a commissioning role only as and when they decided to. However, the chief executive of the NHS has not formally withdrawn his reference, contained in his initial letter, to the 2008 deadline by which PCTs should move over fully to a commissioning role. I should be very grateful if the Minister clarified that contradiction.

There is still a lack of clarity as to the future function of our PCTs. However, the rationale behind the new structure seems clear: it is not a one-size-fits-all approach, but a case of "any size, so long as it's bigger". This approach constitutes a move away from the rationale employed during the previous restructuring of PCTs, which took place only three years ago, whereby greater connection was sought with local communities.

[Julia Goldsworthy]

Only an "any size, so long as it's bigger" rationale can explain why London's PCTs are expected to move from a structure that already provides coterminosity with social services to being even bigger beasts, while Cornwall looks set to have its three PCTs reduced to just one. That is indeed a move towards coterminosity, with local authorities providing social services; then again, the existing structures are under review, so the local authorities may in any event change shape. Their future remains in some doubt.

As if this dog's breakfast were not enough, ambulance trusts are also up for reconfiguration. The intention is not to improve services to the public, but to fit the "any size, so long as it's bigger" mantra by reducing the number of ambulance trusts from 31 to 11.

Ignoring the principle of not fixing things if they are not broken, it seems that even the best-performing ambulance trusts—such as the Staffordshire trust, which has a three-star rating and is the highest performing trust, according to Government targets—are likely to be merged. As the hon. Member for Staffordshire, Moorlands (Charlotte Atkins) said in her earlier intervention, it is not the size of the trust that determines how well it performs—and is there any point in fixing something that is not broken? Surely the emphasis should be on co-operating and sharing best practice with other trusts, rather than on introducing the concept of contestability, which will put trusts in competition with one another.

If the principle is to apply to PCTs and ambulance trusts, SHAs must automatically follow suit, according to the "any size, so long as it's bigger" mantra. They must go through similar upheavals, with the changes to be completed by April 2007.

Mr. Heath: Does my hon. Friend agree, given her experience in her own area, that PCTs had a difficult task in dealing with rural areas in particular, and that some have made a superb job of it? Mendip PCT, in my area, has really got to grips with delivering primary health care in a rural area. It is a great shame if that is now to be put at risk by reorganisation—by putting the PCT into a bigger structure that simply will not have the same feel or be able to cope with the difficulties of scale associated with rural areas.

Julia Goldsworthy: I thank my hon. Friend for that contribution, and that is certainly the feedback that I am getting from my constituents. In the past, there has been a very good relationship between the local PCT and the services offered. There is real concern that a move to a bigger authority will lead to the loss of links that have been built up in the past few years, and that that will have a detrimental impact on the services provided. However, only one proposal—for a single primary care trust—has been put forward for consultation, and the argument is that it will provide a more strategic role. If that is the case, why would we continue to need a strategic health authority?

The changes do not stop at PCTs, ambulance trusts and strategic health authorities. Other significant changes will kick in this year, including payment by results, practice-based commissioning and even the new dental contracts, which are all closely interrelated with the changes in the structures. Sir Nigel Crisp was not kidding when he said:

"2006 will be an important transitional year for the NHS."

That is possibly the understatement of the year.

When I talked with the chair of an NHS trust in my constituency last week, the point was made—the Minister made it again today—that this is not a time of evolution for the NHS, but a time of rapid and continual revolution. It is unclear what the NHS will look like when we reach the end of this year. A series of potentially destabilising changes will take place simultaneously in an already uncertain climate, in which a quarter of NHS trusts already have to deal with deficits. The impact of many of the changes, even if taken in isolation, is largely unknown because many have not been properly piloted. There has certainly been no piloting of the possible cumulative impact of the changes.

For example, payment by results will start in the next financial year, but concerns are already being raised about the tariff levels for some operations. In Norway, a system of payment by results was introduced at 60 per cent., not for 100 per cent. of care, and it was seen to create perverse incentives, so it was scaled back to 40 per cent. But this Government think that the best approach is to introduce 100 per cent. payment by results straight off, and damn the consequences—even if that may create even greater financial insecurity and instability for many trusts already struggling with deficits, and even if it will lead to incentives to give every headache patient a CT scan to add to their treatment. Such perverse incentives are like the small butterfly wings flapping that create a hurricane further down the line.

Another example of inadequate piloting before rolling out the changes can be seen in the new dental contract. We will not know what the impact of the new contract will be until it rolls out across the country, but I know from surveying dentists in my constituency that about 75 per cent. are thinking of leaving the NHS altogether as a result. That is another unknown factor to be added to an already unstable and high-risk situation. The changes look increasingly like ingredients for a rushed recipe for disaster.

Why the hurry and impatience from the Government? After all, they have had eight years to formulate a solution. Is it the funding time scale of increased investment in the NHS, and the looming end to increased investment in 2008, that is causing the panic? If the changes are not in place and bedded down by then, is their future success even more in doubt? Or is it the hurry to find those pesky efficiency savings demanded by the Gershon review? If so, it would explain the "any size, so long as it's bigger" rationale.

Will the savings be real, or will many of them be lost in setting up and branding the new structures? Given that many PCT mergers will have to take place in mid financial year, has the Department made any assessment of the extra costs of having to file two separate accounts, or any of the other transition costs that will result from the changes?

It is clear that it is not the wishes of the public that are driving the changes. That is evident from the amount of time given to consultation on the changes—and often from what proposals are put forward for consultation.

As I said, in Cornwall only one proposal for a single primary care trust has been put forward for consultation, so there is no choice of options for the local people.

The Secretary of State's own consultation in Birmingham also showed that the Government's priorities for the NHS were not those of the invited public. The citizens summit in Birmingham last year showed that the public were not interested in improving contestability or even the choice agenda—especially in rural areas, where getting to the local hospital is already enough of a struggle for most people. What they were interested in was increased GP opening hours and out-of-hours provision, which the Government did away with in the most recent contract negotiations. Whatever the priorities of the public—indeed, in spite of their needs and priorities—the changes continue to be pushed apace.

The irony is that at the end of all the changes—three upheavals under this Labour Government—we will be back almost exactly where the NHS was when Labour came to power. Bigger primary care trusts will have become like the health authorities, strategic health authorities will be more like the regional authorities that Labour abolished, and GP fundholders will have become practice-based commissioners. What is even more ironic is that the Conservatives oppose the proposals that will take us back to the last days of their Government.

Greater local democratic accountability could provide better mechanisms to reflect and serve local needs and bring the accountability for underperforming trusts closer to home, rather than centralised up to the Secretary of State. Instead of pursuing and pushing forward contestability at all costs, when the regulatory framework is undeveloped and in some cases gives private providers an unfair advantage, surely trusts would be better served through greater co-operation and sharing best practice.

The Health Committee, in a recent report, described the changes that have been undertaken since Labour came to government as an

"ill judged cycle of perpetual change."

This year and future years represent a time of change and an exposure to huge risks for many NHS bodies. That in turn represents great uncertainty for NHS staff and patients alike. It is time for the Department of Health to take greater account of the needs of the public rather than the steamroller of centralised reform, which takes no account of the need for locally accountable bodies to lead locally appropriate reform and locally appropriate provision for our health services. Bigger is certainly not always or automatically better.

Several hon. Members *rose—*

Madam Deputy Speaker: Order. I remind right hon. and hon. Members that Mr. Speaker has imposed a 10-minute limit on Back-Bench speeches.

7.56 pm

Mr. Bob Blizzard (Waveney) (Lab): I suspect that most hon. Members will want to speak tonight about the reorganisation of the primary care trusts. I must say how good it is to have PCTs in the first place. Most hon. Members will wish to support their local PCT, and I suspect that that support is based on the fact that they are local, because that is their great strength. They are able to focus the NHS on a local area, more accurately assess local need, and receive fair funding provision based on applying the formula to a precise local area. They can also develop good local relationships with GPs, pharmacists, other providers and the voluntary sector. They can be held to account locally by local stakeholders, not least patients and hon. Members.

Waveney PCT, which serves my area, is the best thing that has happened to that area organisationally. However, with the introduction of GP practice-based commissioning, mergers are necessary. In determining the new configuration, we should apply the same principles that I have just given as the benefits of PCTs, so that the merged bodies can effectively focus on and serve a local area. For my area, that has to be a merger between Waveney and Great Yarmouth PCTs.

I have mentioned Great Yarmouth PCT, so I must declare an interest in that my wife works for it. However, my wife long ago gave up calculating what might be the consequences for her of NHS reorganisations in our area, because she has been reorganised four times in the past 10 years. We can all agree that we could do with less reorganisation in the NHS, but my area has had at least one positive result from all the reorganisations we have had, in that clear lessons have been learned about what works and what does not work in the area. We know that county-wide NHS organisation does not work for my constituency, but the Great Yarmouth and Waveney combination does. When we had Suffolk health—

Mr. Gummer: Does my constituency neighbour agree that it is a remarkable fact that the other part of Waveney covered by the PCT is in my constituency, and we agree entirely that it should be amalgamated as he suggests? Did not it take much effort to get the authorities even to allow that alternative to be discussed, and is that not the problem with the consultation?

Mr. Blizzard: When the right hon. Gentleman and I, and every strand of clinical opinion in our area, are in agreement, the SHA and the Secretary of State should listen.

Before I was elected, the provision of resources under the Suffolk health authority did not meet the needs of my area; we merely received a share of the Suffolk average and the needs and deprivation in our part of the county were not taken into account. That organisation was remote and out of touch. It instituted locality management, but that negated the savings that it claimed would be achieved. We ended up with bad relations between the health authority and the community, and even worse relations between the health authority and the medical professionals.

Fortunately, our Labour Government created Waveney primary care trust. I thought we had won and that we had been delivered from the unbearable. Since the trust was created, Waveney has worked closely with Great Yarmouth, even sharing the same chief executive for a time. Before the last election, it was clear that there would be mergers and everybody in our area expected that the natural merger would be between Great Yarmouth and Waveney. In fact, the strategic health

[Mr. Blizzard]

authority encouraged that, recognising the area as a discrete performance unit for things such as the roll-out of the national programme for information technology. When Sir Nigel Crisp's letter arrived last July, asking PCTs to come up with proposals, everybody locally thought that Yarmouth and Waveney was a no-brainer, and the other PCTs in the respective counties were comfortable with that.

Some time last summer, however, another message came from the centre, which seemed to be talking about county-wide PCTs—the proposal that the SHA made to the Secretary of State, despite representations against it. Because of the strength of our cross-party case and the willingness of the Secretary of State to listen, we now have two options, and there is no doubt that the Yarmouth and Waveney proposal is the healthy option. Those neighbouring areas have similar characteristics, including deprivation factors and health inequalities. They are both very different from their respective counties, from which they are relatively isolated. We share the same general hospital—the James Paget hospital, a three-star trust that is about to achieve foundation status. We have a natural health economy; the two PCTs have for some time undertaken joint working on cancer networks, emergency care and the implementation of National Institute for Health and Clinical Excellence policy, and share some services and a director of public health.

Yarmouth and Waveney has sub-regional status in the eastern region, and the Office of the Deputy Prime Minister has recently created an urban regeneration company spanning the two areas, part of whose remit is a public health agenda to overcome deprivation. The company wants to work with a Yarmouth and Waveney PCT rather than dealing with the separate counties. Both trusts are performing well, with two-star ratings—the best in the area. Yarmouth's budget is in balance. Waveney's budget is close to balance, and KPMG concluded that the trust would be out of deficit next year. Most important, the two PCTs work closely with GPs; there is a 100 per cent. sign-up to practice-based commissioning, which will not happen under a county-wide PCT.

A Yarmouth and Waveney PCT would have to work with the two county council social care departments, but that is not a problem. It is already happening; both councils organise their social care on a locality basis, each matching the Yarmouth and the Waveney PCT areas. There is already a strong record of partnership, with joint and developing initiatives, integrated management arrangements and integrated services under section 31 agreements, and each county leads for the other; for example, Norfolk provides social care services for Suffolk at the James Paget hospital. Social care is not a problem, and as those departments become less and less of a provider, patient choice will take patients from my area across the county boundary.

The proposed PCT would be large enough to realise economies of scale. The required savings of 15 per cent. could be made, but the PCT would be sensitive enough to know and meet local needs. However, I question whether, faced with the two options—the one that the SHA put to the Secretary of State and the one that the community and its representatives put to the Secretary of State—the SHA is behaving neutrally. We have some concerns. In the consultation document, the SHA said that the Yarmouth and Waveney option would

"inhibit the development of practice-based commissioning".

The people who know—GPs—wholly contradict that; they say that the county-wide option would inhibit that development. There were questions about size, but smaller PCTs in other parts of the country are proposed as single options. We should not fall foul of the size rule.

Will the Minister confirm what was said to me in letters from the Secretary of State and from Lord Warner? I was told:

"There is no standard, national template. The proposals could be based on large or small PCTs, providing that they deliver what is required locally, including a stronger commissioning capability."

I fear that our SHA has a template based on the county model, so I hope that my hon. Friend will reassure us that that is not the view of the Department or the Secretary of State.

Finally, will my hon. Friend keep faith with local people and their representatives? The option that I have proposed is supported not only by me, my hon. Friend the Member for Great Yarmouth (Mr. Wright) and the right hon. Member for Suffolk, Coastal (Mr. Gummer), but by Waveney district council, Great Yarmouth borough council, the two PCTs, the James Paget Healthcare NHS Trust, the patient and public involvement forum, all the GPs, the Lowestoft and Great Yarmouth urban regeneration company and the local strategic partnerships. It is hard to find anybody locally who does not support the proposal. Will my hon. Friend keep faith with the local community and the medical professionals who serve it? The proposed PCT would be the people's PCT. A Great Yarmouth and Waveney PCT would make the reforms in commissioning a patient-led NHS work, but I fear that if we take the other option those reforms could fail.

8.7 pm

Mr. John Gummer (Suffolk, Coastal) (Con): I entirely agree with what the hon. Member for Waveney (Mr. Blizzard) said, and commend him for it. The joint cross-party arrangements show how strongly we feel. I have to depart from the hon. Gentleman, however, when I talk about the strategic health authority. Five Members of Parliament for Suffolk invited their SHA to answer a series of questions, as you will know, Mr. Deputy Speaker, because you were there. The questions were answered in two ways: the SHA could not help, either because the decision was a Government one or because it was a PCT one.

There was no question to which the SHA replied, "Yes, we can do that." It cannot do anything. There is no known position on which the SHA contributes at all. Unfortunately, it has not done the one thing it should have done—overseeing the PCTs to ensure that they did not get into the debt they are now experiencing. The fact that the SHA was unable to do that shows that SHAs have no purpose whatever.

My PCT is very much in debt, as are all the Suffolk PCTs except Waveney. One of the reasons for that debt is that on average, under the funding formula, for every 100p, we receive 90p, while Manchester receives 124p.

yet we have a high proportion of old people. The formula hits us strongly; it is not entirely overspending but underfunding that has contributed to the debt.

The unfortunate changes in the way that the funds are doled out have hit rural areas with large numbers of old people. Because of those numbers we used to receive sufficient funding, but that is no longer the case. Labour Members say that we do not have the hospital closures that used to take place, but there are two in my constituency: a full closure in Felixstowe and a half-closure in Aldeburgh. That has happened since the election.

Interestingly enough, before the election, we were told that a reorganisation would take place and a perfectly reasonable plan was proposed that would improve patient care. I supported that plan. I took the chair of the meeting to encourage people who had doubts about it that that was the reasonable thing to do. Immediately after the election, it was announced that that plan was no good and that those involved had found a new model of patient care. That happened in two months—it was a very clever, speedy change—and during that time, the PCT announced that their new model patient plan involved the closure of one hospital and the halving of the other. That was an interesting decision, but we were told that it had nothing to do with money or the general election. I found that most of my constituents were unable to take that quite as literally as it was put.

The problem is that my constituents see a model of care that makes the NHS in my area worse than it has been for 30 years. So I thought that I would ask the Minister a series of simple questions. About a fortnight ago, I asked when the financial and management specialist team would report its findings. I just asked for the date. The answer from the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton) was:

"I shall reply to the hon. Member as soon as possible."

I then asked how many people made up the team and how many days they spent investigating, and the answer was:

"I shall reply to the hon. Member as soon as possible."

I then asked what representative bodies the group discussed things with, and the answer was:

"I shall reply to the hon. Member as soon as possible."

I then asked the Secretary of State for Health:

"what sanctions are available to her against a primary care trust and its board members should poor administration be found by the financial and management specialist team."

Anyone would think that she ought to know that, but the answer was:

"I shall reply to the hon. Member as soon as possible."

I then asked:

"will she require the NHS Appointments Commission to change its policy of reappointing chairmen and non-executive members of primary care trust boards where those appointees have presided over trusts that are failing or under investigation."

The answer was:

"I shall reply to the hon. Member as soon as possible."

The Minister could have said, "Yes," "No," or, "I'm thinking about it"—but no, there is the same cursory attitude to Members of Parliament who seek information as there is to local people when they go in for consultation. The consultations are a sham, and the only intention is to reach the same conclusion as the Government have decided on anyway. To reappoint to my failing PCT the same people who have presided over the debts, which must now be paid by patients in my constituency, is a scandal.

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): My right hon. Friend says that the consultation process is a sham. Huntingdonshire PCT has already been informed that some £12 million to £13 million will be taken away from its budget in the 2006–07 financial year. Does he agree that that clearly reflects the fact that this is a sham?

Mr. Gummer: I cannot speak about Huntingdonshire, but it is clearly a sham when we always have the same answers. Let us take the regionalisation of the ambulance service. Is it not amazing? We ask those in the charge of the police, and curiously enough, they suggest the regions as the natural way of policing. We ask people about the fire service, and curiously enough, a whole lot of other people make exactly the same proposal—that for the fire service, the region is the ideal unit. We then ask the ambulance people—well, we do not ask too many of them, but we ask those who might come to an answer—and what do they say? Surprisingly enough, they think that the regions are the answer. We then to the SHA, and it says that regions are the answer. Regions are the answer because the Government want them to be the answer, not because anyone inside those organisations thinks so.

Mr. Wills: I want to clarify something about ambulance trusts. Earlier, the hon. Member for Eddisbury (Mr. O'Brien) said that only ambulance trusts should decide whether they undertook managerial reform. Does the right hon. Gentleman agree with him?

Mr. Gummer: I agree with what my hon. Friend said during the rest of his speech as well, which was that we should at least listen to the ambulance trusts and to others around them. It all seems very peculiar, when none of the ambulance trusts have campaigned for regional operation.

I then asked the Minister about dentists. I said that I could not find any dentists for my constituents in the southern part of my constituency and asked him to tell me where they could be found. He sent a letter back and said, "I rang up NHS Direct and here is a series of dentists." I looked at them. Half of them no longer took NHS patients or had closed their books, and the other half of them were in Frinton. He had not noticed that there is a river between us and Frinton, so instead of the dentists being 10 miles away, they were 45 miles away, unless people can swim. That shows the Government's understanding of my locality. It was a rude letter, too, because it suggests that I could have found out the information for myself—and I probably should have done that, given the sense and intelligence of the answers that I received from the Government.

The Government are now going back to the same pattern as the one that they abolished three years ago in many of the areas that they are talking about. As was suggested by the hon. Member for Falmouth and Camborne (Julia Goldsworthy), who spoke for the

[Mr. Gummer]

Liberal party, the Government are demanding "anything, so long as it's bigger"—I am not sure that she is quite right—unless they can make it a region, when the region is the answer.

The Government are also demanding that we should take seriously their definition of PCTs. PCTs are nothing other than the creatures of the Secretary of State, but she is busy pretending that if the PCT loses money, it is nothing do with her, nothing to do with the control from the centre and nothing to do with the SHA. She says that that is to do with the PCTs. So the Government reappoint the people who made the mistake and fine the locality for the mistake that has been made, because those sums must be found in so short a time that no sane organisation would possibly consider doing so.

I thought that I would find out whether any Minister at the Department of Health had ever run a large organisation, and I find that none of them has done so. There is not a chief executive of any major company, nor even a chief executive of a Government organisation among them. All they have run are things that other people have decided on, and they are now asking us to believe that we should blame the PCTs for the mistakes that have been made by central Government, when those mistakes have been made necessary because central Government have fiddled the funding formula, so that in many areas, particularly in the south and south-east, we are underfunded.

We are therefore asked to be serious about consultation. My local PCT has now consulted on three separate ways to deal with the problems of my constituency in less than 18 months, each of which is dramatically different, and we are told that each has been proposed entirely for clinical reasons. I do not believe that; no one in Suffolk believes it; not even the local Labour party believes it. The only person who does believe it is the hon. Member for Ipswich (Chris Mole), who is looking for a job. No one else believes it.

I therefore went to see the Minister of State, the hon. Member for Doncaster, Central—a person whom I respect—and she turned half way through the meeting to the SHA representative and said, "Well, none of these new changes will come in until they're ready, and when they're ready and they take over, then we'll close the hospitals." She was told, "Oh no, you're wrong, Minister: we close the hospitals first, because we haven't got the money to make the changes."

What are the changes? They are to ask for care in the community. We still do not have sufficient people to carry out care in the community now, without the changes. There are no more people to do that work in Felixstowe and Aldeburgh and along the coast that I represent—and if I may say so, Mr. Deputy Speaker, as you are unable to speak, in your constituency next door exactly the same is true. Those who can pay cannot find people to do that work, and we must try to pretend that the poor in my constituency should be faced with an inferior service because money must be saved to pay for debts that now stretch back for years.

I find it impossible to take seriously the Government on the health service. Those of us who represent constituencies such as mine know that the Government have presided over the worst changes to the health service that we can remember. I have represented my constituency for nearly 30 years, and now know that the health service that the Government leave will be significantly worse than the one that I was able to welcome when I was first elected to the House.

8.19 pm

Mr. Eric Martlew (Carlisle) (Lab): I did not really take seriously what the right hon. Member for Suffolk, Coastal (Mr. Gummer) said. I remember when he was Minister of Agriculture, Fisheries and Food and his Department was a shambles. I was surprised that he said that there had been no improvement. Anyone who has been a Member of the House for any period of time—new Members can be forgiven—will remember the letters that we got about waits for hip replacements of two, three or four years. That does not happen anymore. Although we have a problem with dentists, there have been massive improvements. When people ask where the money has gone and why productivity has not increased, the answer is simple: a lot of money had to be used to pay the staff a decent salary because they were underpaid under the Conservative Government—I sometimes wish that the staff would remember that, too. The reality is that we now have a lot more nurses and consultants.

I welcome the opportunity for the debate that the Conservatives have given us, although they cannot be taken seriously because when we debated extra money for the NHS—the penny on national insurance—they voted against it. Conservative Members may say that their PCTs are in trouble, but they really would have been in trouble if the Conservatives had won that vote.

Mr. Paul Truswell (Pudsey) (Lab): Does my hon. Friend agree that Conservative Members have a brass neck when it comes to talking about changing the NHS? He has been a Member for longer than me. Does he remember the hugely expensive chaos that was caused by so-called general management, when our area got the manager of a biscuit company to run the NHS? The family practitioner committee became the family health services authority, and that authority amalgamated with the district health authority. The district health authority was then split between three provider trusts and a commissioning health authority, but the commissioning function was then divided between a health authority and a family health services authority. Are we not hearing absolute doublespeak from Conservative Members?

Mr. Martlew: I remember that well. My only caveat is that the biggest employer in my constituency is a biscuit factory and its manager is very good.

I would like to talk about the situation in the north-west and Cumbria. I must say from the outset that we have had too many reorganisations, so I hope that we get this one right. I was a young member of a city council back in 1972 when the ambulance service was part of the local authority, but I do not know whether Conservative Members advocate going back to that situation. Of course, the service was then taken into the health authority, but we must have had eight or nine serious reorganisations since then. I agree that reform is needed because last time it happened in our area, it was not done very well.

Bob Spink (Castle Point) (Con): While the hon. Gentleman is talking about massive changes due to reform, is he aware that Essex strategic health authority is trying to remove the excellent cancer centre from Southend hospital? Does he agree that there can be too much change to, and meddling with, NHS structures without any clear purpose or evidence that it will improve service levels and outcomes, which should be our aim?

Mr. Martlew: The hon. Gentleman wanted to get that in. I have got to know him well over the years and suggest that one reason why he lost his seat at one election was the way in which the Conservatives ran the NHS.

Let me come back to the serious problems caused by reorganisation in Cumbria. In 2002, I wrote a letter to the chief executive of the North Cumbria health authority, who has now retired. I said that the proposals being put forward for my area—the hon. Member for Falmouth and Camborne (Julia Goldsworthy) used this term—were a "dog's dinner".

Keith Vaz (Leicester, East) (Lab): The hon. Lady said, "Dog's breakfast."

Mr. Martlew: My hon. Friend is right.

I said at the time that it was nonsense to create three PCTs in the area of north Cumbria, which used to be Cumberland, for its population of 350,000, but that was what happened. One of the PCTs covered fewer than 70,000 people. All the other north Cumbria Members disagreed with me, as did all the district councils and the county council, but in 18 months, instead of having three management teams, it was decided that there would be one management team and three trusts. We thus have the nonsense at the moment of having three chairs of trusts—one for west Cumbria, one for Carlisle and one for Eden—and those trusts' non-executive members, but one management team. It cost millions of pounds to make the change, but it caused tremendous confusion about which PCT was responsible for which service because, for example, Carlisle and District PCT could end up being responsible for services in west Cumbria. That is why I support the reorganisation.

Cumbria and Lancashire strategic health authority has come up with a solution, but unfortunately it is not the easy one, which would be to keep Morecambe Bay PCT, which is working well and covers the south of the county and part of Lancashire, and create one PCT for north Cumbria. Instead, it has decided to use the county boundaries and go for a county-wide PCT. I accept from Conservative Members that that is basically what the Government want, rather than a reasonable rationale.

Anyone who knows Cumbria will realise that it is vast. Its two centres of population are my constituency of Carlisle and Barrow-in-Furness. Those places are 90 miles apart and have little to do with each other, yet it is suggested that we create one PCT for the area. However, everyone knows that two-tier local government is to be reformed, so we could end up in three years—this is a 50:50 bet—having created a PCT for Cumbria that is not conterminous with the new local government boundaries, which would not make any sense.

The Home Secretary announced yesterday that Cumbria is not really that important because its police service will be in with that of Lancashire—I do not have major worries about that. The ambulance service will be merged, too. I have been to see the chair of my local ambulance trust and the chair of the control. They are not concerned because they believe that being part of a big consortium will create greater buying power, so the service will be able to get the equipment that it has been lacking under the present scheme and thus be brought up to the standard that exists in the rest of the north-west. I do not buy the idea that there is an issue about mergers. If it was left to some hon. Members, we would still have the old county borough of Carlisle ambulance station. We have to think about saving money.

We need a PCT in the north of Cumbria and the one at Morecambe bay. We also need—this was mentioned by my hon. Friend the Member for North Swindon (Mr. Wills), who is no longer in his place—to take that process further. The acute trust should manage the community services and, eventually, the social services. We should have a care trust in the north of the county. That works well, as a pilot scheme in Northumberland has shown.

We will end up with another unsatisfactory situation, and we will reorganise again. We do not want any more reorganisation. It is not necessary; it costs money and on many an occasion it has cost us talented people.

The right hon. Member for Suffolk, Coastal mentioned the problem of rural areas. In north Cumbria, the population determines that we have one district general hospital, but because of the geography, that population is split between Carlisle and the west coast, so we need two. We find it very difficult to manage with the moneys that are available. Governments of both parties have ignored that. There used to be a thing called the RAWP, or resource allocation working party, formula—only two people understood it, and one of them was mad—and that never gave us adequate money. We welcome the extra resources from the Government, but I feel, and I may be alone among north Cumbria's MPs, that they have got it wrong. I felt that last time, and I was right then.

8.30 pm

Michael Fabricant (Lichfield) (Con): The hon. Member for Tamworth (Mr. Jenkins) said that he has no objection to his PCTs merging, as long as it provides a better service, but he is concerned about the criteria for such mergers. I agree with him.

I am not here tonight to talk about the South Staffordshire PCT; I am here to talk about the merger of the Staffordshire ambulance service. A few months ago, a friend of mine, a youngish guy, went jogging round Whittington, a village in my constituency. He felt sick. He did not know what was wrong with him. He went home, took a shower and started feeling worse. He went downstairs and suddenly thought, "There's something seriously wrong." He dialled 999 and then collapsed.

All Staffordshire ambulance service staff are paramedics; in fact, the service was the first in the United Kingdom to employ paramedics. The ambulances are strategically placed, controlled by global positioning system satellites, which Staffordshire was also the first to introduce. So the ambulance arrived within five

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minutes, and the paramedics defibrillated my friend. They gave him an injection of decoagulants and he was taken to Burton hospital; he survived. If that had happened in the west midlands, he would undoubtedly have died. The simple fact is that the response times in the west midlands are far worse than those in Staffordshire. In fact, Staffordshire enjoys the fastest response times not just in the United Kingdom but in the whole European Union.

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): Will the hon. Gentleman give way?

Michael Fabricant: I will give way to a fellow Staffordshire Member of Parliament.

Mr. Flello: Will the hon. Gentleman mention also that, of all the ambulance services, Staffordshire probably uses the most anticoagulant drugs to good effect?

Michael Fabricant: The hon. Gentleman is absolutely right. In fact, the service's use of those drugs is beyond the normal clinical protocols for the national ambulance services. Staffordshire ambulance service can also provide angioplasty, and through cardiac enzyme testing, which is generally not available elsewhere, it can manage patients with chest pain who are not transported to hospital. There is even a cooling protocol for those with post-cardiac arrest, to stop brain damage and other tissue damage. That is unique, yet the Government, either wittingly or unwittingly, are to destroy it.

The response to life-threatening emergencies within eight minutes in Staffordshire is a staggering 88 per cent. The NHS average is only 75 per cent. In the east midlands, where there has been a merged ambulance service, it is only 75 per cent. These are Department of Health figures. For category B, which are serious emergency call-outs, in Staffordshire the response is within eight minutes 85 per cent. of the time. In the west midlands it is only 46 per cent. of the time, and in the east midlands, the model for a regional system of ambulance services, it is only 27 per cent. of the time. Any doctor will tell you that time is life. There is a golden period in which, perhaps, someone can be rescued from death. The Staffordshire ambulance service succeeds in that while other ambulance services fail.

I suspect that the Minister will say that, if Staffordshire ambulance service is merged with the west midlands, standards throughout will be raised. I do not think so, and nor does the board of the Staffordshire ambulance service. Members of the board say:

> "Our concerns are that there is little, if anything, in the documents to explain how high performance will be protected.
>
> Staffordshire consistently responds quicker, saves more lives from cardiac arrest and heart attacks and operates a cheaper response to emergency patients.
>
> Discussions within the West Midlands region lead us to feel more, not less, alarmed at the prospects of standards falling, and of lives being lost which otherwise would have been saved."

All of us as Members of Parliament have a duty of care to our constituents. What can be more important than standing up in this House and trying to do something to stop the unnecessary loss of our constituents' lives? Amazingly, it is estimated that, if other ambulance services adopted the practice of the Staffordshire ambulance service, some 3,000 extra lives a year in the United Kingdom could be saved.

Yet, are the Government saying, "Yes, we will preserve the Staffordshire ambulance service and we will use its protocols across other services"? No, they are not. The Minister gave it away in her introductory speech. She said that the object of the exercise is to provide a regional-based system—but why? If it were a regional-based system that could improve response times, that would be fine by me. I would not care if a regional system were best. If it were larger than a region, that would be fine. I am interested in only one thing, and that is a better service for my constituents. What is clear from looking at the east midlands model and from listening to the professionals in Staffordshire and, indeed, in Birmingham and the west midlands as a whole, is that the fine, high standards maintained in Staffordshire would be lost, and that that would result in lives being lost in Staffordshire and elsewhere.

The irony is that the Government may be concerned solely with saving money, but Staffordshire ambulance service is the most cost-effective service in the country. It says:

> "To our knowledge, there are no services of the proposed size anywhere in the world that achieve high performance"

as the Staffordshire ambulance service does. We should be rejoicing in this Chamber; the Minister should be saying, "We are proud as a Government that we have achieved that in Staffordshire, and we want to repeat it elsewhere." The Staffordshire ambulance service goes on to say:

> "We would argue that the creation of eleven regional services is not only a step too far, too soon, but a barrier to high performance."

I agree.

The figures are clear; the lives saved are indisputable. If the Staffordshire ambulance service is merged with the west midlands, lives will be lost. They will be unnecessarily lost and this Government will be to blame.

8.38 pm

Paul Farrelly (Newcastle-under-Lyme) (Lab): After listening to the two opening Opposition Back-Bench speeches—that of the right hon. Member for Suffolk, Coastal (Mr. Gummer) and the moving contribution of the hon. Member for Lichfield (Michael Fabricant)—I hope that the Minister will not groan at a similar refrain in the latest instalment from Staffordshire.

From previous plain-speaking encounters, the Minister and the Secretary of State will be well aware of what a prickly subject ambulances and PCTs are in my constituency and the whole of our county. However, like my hon. Friend the Member for Carlisle (Mr. Martlew), before I come to the thorny issues I will accentuate the positive. I shall not reel off reams of statistics, but spending on the NHS in north Staffordshire has almost doubled since 1997. Like for like, it has increased from £267 million in 1997 to £521 million today—a 95 per cent. increase. There is not a single MP who has not seen the benefits of such investment through their constituency casework—shorter waiting lists, fewer complaints about delays in treatment and even the odd thank-you once in a while.

In north Staffordshire, we also have a new medical school in partnership with Keele university. New health centres are bringing better NHS care right to people's doorsteps in Newcastle, as elsewhere in the country. Of course, not everything in the garden is rosy. Like any company, a huge organisation such as the NHS always faces challenges in managing that investment, not least in the face of constant organisational change The PCTs in my area and the university hospital of north Staffordshire face varying degrees of deficit, despite the increase in spending. That is a pressing management issue but it is important to keep the scale of the problems in perspective. There should be no short-term panic measures conflicting with investment to meet long-term need.

In our area, we were happy to hear from the new management at the hospital last week that plans for our brand-new hospital remain on track—and rightly so, if I may be partisan for a moment as we approach the 100th anniversary of the parliamentary Labour party. The hospital is the single most important investment ever promised by a Labour Government to an area that has stuck with Labour through lean and fallow, through thick and thin.

Aside from painful decisions about costs and deficits, there is little more disruptive and demoralising than constant, continual reorganisation, not least when the benefits are unproven, the perception is of change for change's sake, and the end result may be a reduction in standards, a loss of responsiveness and a more impersonal service in our much-envied NHS. That is where we stand in Staffordshire in respect of proposals to merge the county ambulance service into one super-organisation in the west midlands covering over 5 million people and over 6,000 square miles in all.

My hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins), as well as the hon. Member for Lichfield, referred to the ambulance service. My hon. Friend and neighbour has done sterling work in leading the call for the Staffordshire ambulance service to remain just as it is. She is representing the concerns of her constituents in the border towns and villages of the most northerly part of the west midlands region about a reorganisation that will see yet another HQ based in Birmingham.

Those concerns about local responsiveness are shared by people in my border villages—I will be in hot water if I do not name them all—Audley, Bignall End, Wood Lane, Halmer End, Alsagers Bank, Scot Hay, Miles Green, Betley, Balterley and Wrinehill in the constituency of Newcastle-under-Lyme. Over 3,000 residents from the villages signed a petition that I presented to the Secretary of State before Christmas. Many of them turned out last night, too, at a packed public consultation meeting in Newcastle about the changes, to support the continued operational independence at the very least of the Staffordshire ambulance service. That is a political translation of, "Hands off our ambulances."

I shall not repeat all the arguments made so well by my hon. Friend and neighbour, but I shall give one short anecdotal example, not necessarily to compete with the hon. Member for Lichfield, but to exemplify the common-sense concerns that people have. Fortunately, I have had the need to call an ambulance only twice in my life. The first time was at a funeral in Newcastle about two years ago, when the emotion was too much for one elderly person. He collapsed with a heart attack. I and other people called 999 and got straight through. The ambulance, stationed on a street corner, arrived within four minutes and the paramedics undoubtedly saved his life.

The second occasion was for an emergency with my family here in London before Christmas. In the early hours of the morning, I called the London ambulance brigade not once, not twice, but three times. Each time, I was held up at the call centre with the same pre-recorded message: "We apologise. We are experiencing unprecedented demand for our services." When I got through the third time, the operator told me that they had no record of the first two calls—"Probably because we get so many hoaxes," she said. The air, I am afraid to say, by this time was blue. That is one of the reasons that I have not complained. I would be very embarrassed to listen to the tape recordings. We got to the hospital eventually by minicab. I know that that night, the London ambulance service did not return calls to my mobile and no ambulance ever arrived at my house.

I cannot draw conclusions from one experience, but I can well understand from that experience the plain, everyday concerns of local people in Staffordshire. Those concerns are heightened by the fact that, despite the widespread campaign in the west midlands by our strategic health authority, there is only one option on the table in this consultation, and we are all politicians enough to know what a shortlist of one really means. We need guarantees about the operational independence of Staffordshire ambulance service.

Primary care trusts are the bodies that we set up just over three years ago to make the NHS more local, more responsive and therefore, in everyday terms, more efficient in meeting local needs. Here, I am glad to say that we have had more success, with the Department's help, in making the consultation more meaningful. Instead of just one option, we have two: one for the whole of Staffordshire bar Stoke-on-Trent and one, bringing me even closer in my tryst with my hon. Friend the Member for Staffordshire, Moorlands, for a merger of our two local PCTs.

That was not arrived at without a struggle—a bare-knuckle fight would be a better description. I must acknowledge the help of Ministers in the Department, who had to remind the SHA of its duty to be fair and balanced in consultation. Nevertheless, as appeared to be the case in Waveney and Great Yarmouth, it had to be dragged kicking and screaming. It was not good enough to sing the praises of option 1—the super-sized approach—while adding a grudging PS in the first draft of the document: "By the way, here's option 2, which all the local people, voluntary groups, professionals and medics in north Staffordshire support, but we think is rubbish."

I hope that that is not the end of it. Colleagues in the south and east of the county are also balking at being thrown into one super-PCT, and we will support them as they develop their proposals. One of the non-sequiturs used by the proponents of a super-sized PCT for the whole of Staffordshire is that outside the northern sub-region, which is identifiable in its need, there is no coherent health community. That is clearly designed to set one part of the county against another. It is, of course, patent nonsense to suggest that it is better to have one super-sized PCT covering

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782,000 people—by far the biggest in the west midlands—that would then have even less in common as regards health needs. When the consultation is finished, I urge Ministers to reject that sort of reasoning and likewise to reject redrawing the NHS simply for the administrative convenience of the officials concerned.

Much has been made, without any evidence, of the benefits of coterminosity on our patch—that is, the alignment of the PCT and county social service boundaries. My hon. Friend the Member for Carlisle mentioned the local government White Paper due this summer, which may mean that coterminosity is a transient concept. From my experience, I wish that Staffordshire social services was shaken up to be just as responsive as my local PCT. That is what the county now says that it is going to do by restructuring it to follow our district boundaries. That remains to be done. The county still has to prove that it can get it right. To use that to justify shuffling the NHS furniture into one super-sized option at the same time defies common sense, particularly given that the PCTs in Newcastle and Moorlands already work well together, and with Stoke. They are getting things right, yet follow two discrete district boundaries.

Other claims have been made for a single PCT, but again without evidence. First, it is said that, by being bigger, it will assist the new practice-based commissioning. There are smaller PCTs in the region and that argument of convenience simply does not hold water. Secondly, it is said that a super-sized option will save on the costs of bureaucracy. That is unproven. The SHA, unable to produce the costings, has recently admitted that the two options would be financially neutral.

That brings me to my concluding observation about the driving force behind the reorganisation—cost savings. Of course we must direct more resources to the front line—we made a manifesto commitment to save £250 million through "further streamlining"—but we must do it intelligently. It is not good enough simply to shake up SHAs, PCTs and ambulance services and say to each of them, "This is your £X million share of the cost savings to bear." It is not good enough for our regional health authority to say from on high, "This is the only option." Like other Members, my target has been the approach adopted by the SHA. I am grateful for the help that has been given by the Department in the consultation on PCTs. On that basis, I will support the Government tonight, but they must continue to listen and learn from the profound concerns that have been expressed throughout this debate.

8.48 pm

Mr. Richard Spring (West Suffolk) (Con): I echo the sentiments that were ably expressed by my hon. Friend the Member for Eddisbury (Mr. O'Brien) in saying that the NHS is of course a patient-centred organisation—he paid tribute, as I do, to the wonderful work that is done by the nurses, doctors and ancillary workers in our hospitals. I myself spent some time working as a porter in West Suffolk hospital, and I saw the professionalism and good humour of those who work magnificently in our NHS. I emphasise that point because people who work so ably and selflessly in the NHS in Suffolk are under massive pressure and subject to great anxiety because of a crisis in funding and an implosion in some of the services.

Before I became a Member of Parliament in 1992, there was a West Suffolk health authority. We were told that a pan-Suffolk health authority was essential on the grounds of economies of scale, procurement, minimising overlapping and so on. Somehow it was deemed to be the right way to go. A few years ago, we were told that that was all wrong and that we had to have primary care trusts because decisions had to be made more locally and be more attuned to the circumstances of the area. They had to be made closer to the patient.However, a huge error was made. In a county the size of Suffolk, which has a population of only 683,000, no fewer than five PCTs were created, all with expensive chief executives and staff, despite the opposition of Members of Parliament, councillors and health professionals. The Government ignored all their advice. The PCTs were introduced in 2002 and we were told that it would take 18 months to assimilate the reforms. We were supposed to experience the benefits only 18 months afterwards. I say with great regret that there have been few benefits.

The new proposals go full circle, back to a pan-Suffolk health authority. Goodness knows the amount of taxpayers' money that has been wasted in getting back to the future, but the problem is not organisational. As we know from the consultation process, which has elicited responses from throughout the county, the problem is the operation of the funding formula. The Under-Secretary shakes his head, so I shall spell out the matter clearly.

After the first change was made in 1998, I went to the then Secretary of State for Health and pointed out its likely effect on rural areas, especially those with an ageing population. Since 2001, no fewer than four changes have taken place. Suffolk West PCT has the third worst audited deficit in the country and is £13.7 million in debt. West Suffolk hospital, the biggest hospital in the area, is running a deficit of £11.3 million this financial year. The total deficit in the county of Suffolk is £35 million. For the strategic health authority area, it is a gargantuan £85 million. That is the heart of the problem and it springs substantially from the change in the formula for NHS per capita spending, which has discriminated against an essentially rural area with an ageing population. No organisational changes in the county will remedy that.

If the figures sound abstract, I point out that, even in the midst of the consultation process, no fewer than 55 beds have been removed from the West Suffolk hospital in the past few months and 260 staff—15 per cent. of the total—have lost their jobs. Hospitals throughout the county—in Ipswich, Bury St. Edmunds or, indeed, Addenbrookes hospital—are permanently on red or black alert. The position is therefore serious.

We held a meeting here with the strategic health authority—the body that is charged with overseeing the finances of the PCTs—at the beginning of 2005. There was complete complacency in that meeting. The Members of Parliament present understood what was going on, but the SHA representatives seemed to have no grip of the situation. How could that be? Their function was inexplicable to all of us.

By June, the SHA had a new chief executive because the previous one resigned, as did the chairman. When its representatives came up to the House of Commons, their attitude was that we Members of Parliament were being somewhat hysterical, and that the problem that concerned us so much did not exist. However, they had changed their tune when we had another meeting last month. There was a sense of desperation in the SHA management, amid concerns that it might not be possible for Suffolk's NHS trusts even to meet their national insurance and tax liabilities.

As the SHA has overseen the development of such problems, my colleagues on the Front Bench are right that it should be abolished. It has no clear function whatsoever. The SHA's chief executive earns £145,000 a year, and the directors of performance and of service modernisation—what a wonderful euphemism—both earn more than £100,000. Its clinical director gets £150,000 and the chief executive of the work force development confederation £100,000. If those people are being paid such sums to look after three counties, goodness knows what will happen if their responsibilities extend to six. Will they get a proportionate increase in pay? It is no wonder that people feel that the NHS is being undermined by a level of expensive bureaucracy that is not appropriate for its task.

Suffolk is a rural county, and my constituency of West Suffolk gets £1,156 per capita in health service funding. The Prime Minister's constituency gets £1,576, and the Secretary of State's Leicester, West constituency gets £1,428. The Minister of State's constituency, Doncaster, Central, gets £1,489, while the national average is £1,388. If the county of Suffolk received even the national average, we would not be facing the current crisis. The same is true right across the south and south-east of the country.

Of course I accept that there have been medical improvements and huge technological advances over the past few years. That has happened continuously since the NHS was created after the war, but the cuts being made are unprecedented. The White Paper mentions various much cherished and valuable community services but they are now under threat, with rehabilitation beds already being closed down.

The Minister who is to wind up the debate may think that I am exaggerating, but I can tell him that the clergy in and around my constituency have been organising petitions. They are anxious about NHS provision in the area and about the stories that their parishioners tell them. The state of the health service is such that they feel compelled to place petitions about it in their churches and places of worship. The situation is terrible.

Amalgamation may offer some managerial advantage, but the Government must address the problem of funding and deal with the dead hand of the SHAs by abolishing them. Unless those steps are taken, the NHS will never deliver proper value. That will have consequences for the people in our communities who want the service to work and to succeed, and who are hugely disappointed that it is failing to do so in wide swathes of the country.

8.58 pm

Mr. Robert Flello (Stoke-on-Trent, South) (Lab): I shall deal in turn with the issues of PCTs, SHAs and the ambulance service, but I want to begin with a few general comments. We in this House agree that we must ensure that NHS funding is used most effectively on the front line, but we must also accept that we cannot preserve the service in aspic.

At the risk of mixing my metaphors and similes, we might compare the NHS with a supertanker. A vessel that is so big can turn only very slowly, and in the same way change in the NHS must involve many incremental alterations. I shall offer another illustration: if the NHS were a country, the size of its budget means that it would bear comparison with Poland. It is important that we recognise that the NHS needs to change; the question is how those changes are brought about and implemented. We also need quality management and good administrators in the NHS, and we need to value those support staff. Equally, we need to test every pound that goes into the health service to ensure that we get best value for patients.

The Conservatives devalue some of their arguments by suggesting that everything in the NHS was wonderful before 1997, and that it has all become terrible since then. That is contradicted by the Fenton health centre, which has just been opened in my constituency, and by the Willow Bank surgery, which opened about a year ago in Longton. It is also contradicted by all the additional doctors and nurses that we now have.

Mr. Stewart Jackson (Peterborough) (Con): Does the hon. Gentleman acknowledge that between 1979 and 1997, there was a 64 per cent. real-terms increase in funding for the NHS, and that £1 million was spent on a capital project in the NHS for every week of every year of that Conservative Government?

Mr. Flello: I am grateful to the hon. Gentleman for that interesting intervention. The revenues from North sea oil would have funded a new hospital roughly every week during that time, yet there were no new hospitals built until we came into Government. Constituencies such as mine saw no infrastructure changes of any note in the period that the hon. Gentleman mentioned. My hon. Friend the Member for Newcastle-under-Lyme (Paul Farrelly) made the point that there has been a 95 per cent. increase in NHS funding in the past few years, thanks to the new investment that is going in. It is disingenuous of the Conservatives to suggest that everything was perfect before 1997 but not since; the opposite is in fact the case.

There are two primary care trusts in Stoke-on-Trent—North Stoke and South Stoke. They were, de facto, merging; they were working together more closely all the time. To suggest having a single PCT for the whole city therefore makes a lot of sense. It is simply making a reality of what was happening anyway. I pay tribute to the work of my hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins) on these issues, but there is still a lot of work to be done to ensure that the appropriate options are put in place for the rest of Staffordshire and that they are able to be introduced.

We need to recognise, however, that the existing system is not the most effective. The Donna Louise Trust, the children's hospice in my constituency about which I have lobbied the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne), is a perfect example of primary

[Mr. Flello]

care trusts not working together collectively. In that instance, a smaller number of PCTs might have the clout to do more.

That brings me to the subject of strategic health authorities. The system of consultation has not been open or accessible to the people of Staffordshire; it has not been working. The SHA in charge of putting that consultation system together has done a splendid job, if I can put it like that, of obfuscating and making a mess of the whole thing. If that is its role, heaven help us, but I hope that it will have a much more positive one in future. One such role might be in the managing and integration of services, involving not only the PCTs but social services in coterminous areas. The SHA could have a role to play there.

Grant Shapps (Welwyn Hatfield) (Con): Will the hon. Gentleman tell us how expanding a PCT or an SHA to cover a much wider region would make it easier to persuade it to consult and carry out its work properly? Surely that would be a move in the wrong direction.

Mr. Flello: No, I think that the opposite is the case. In north Staffordshire at the moment, there are about a dozen primary care trusts going off in all directions. However, a much smaller number would be able to focus much more closely on a hospice such as the Donna Louise Trust, for example, and address its funding in a much more focused way.

Rosie Cooper (West Lancashire) (Lab): Widening SHA areas to a regional authority area would resolve some serious anomalies. In my area of west Lancashire, for instance, PCTs are responsible to the Cumbria and Lancashire SHA, while the hospitals are responsible to the Cheshire and Merseyside SHA, which is an absolute nonsense. The reality is that the challenge for the Government is to make PCTs big enough to be strong commissioners and for there to be a tension in the system, and small enough to be absolutely responsive to the needs of local areas. The size of an organisation should not be easily dismissed.

Mr. Flello: I am grateful for that intervention, as it brings me to the point made by the hon. Member for Falmouth and Camborne (Julia Goldsworthy) about the idea that one size is okay as long as it is bigger. That is not what this is about. The issue is not one size; it is what is an appropriate size for merging PCTs. I hope that the consultation, once the SHAs get their paws off it, will be about making sure that PCTs are the right size for the localities concerned.

Julia Goldsworthy: Will the hon. Gentleman therefore list any primary care trusts that will either get smaller or stay the same size under the reconfiguration strategy?

Mr. Flello: I would love to have the data to hand to be able to give the answer to that question. The hon. Lady's comment has no doubt been heard by my hon. Friend the Minister.

I am conscious of the ever-ticking clock. Before I move on to the ambulance service, however, I want to refer to a telling point that was made to me about three years ago by someone who was at that time a manager in the health service, and that relates to my observation about the comments of Opposition Members that everything was rosy up to 1997. That point was that NHS managers had for so many years been used to try to save money, cut budgets and reduce funding, that they did not necessarily have the expertise to apply the huge amount of money that they were suddenly given. I hope that my hon. Friend the Minister will return to that point in her wind-up.

Many comments have been made about the ambulance service. The hon. Member for Lichfield (Michael Fabricant) and some of my hon. Friends have rehearsed the arguments in relation to Staffordshire very well. A couple of points have not been mentioned. As everyone knows, the M6, which has perhaps more cars on it than any other road in western Europe, gets very congested from time to time, notably on Friday evenings. It only takes a fairly small incident for the motorway to become closed. Frequently, when it is closed or subject to huge delays, some drivers using that motorway are taken ill. One of the things that the Staffordshire ambulance service has been used for in the past—which, as I understand it, it would not be able to do under the proposals—is ferrying off the motorway people who have been taken ill or diabetics who must eat at certain times of the day and suddenly find themselves stuck in traffic for three or four hours and not able to eat. They can be moved off the motorway to a place where they can receive suitable treatment or be treated at the roadside. That is an important role, which shows the innovation and dedication in Staffordshire ambulance service.

Comments were also made about fast access and survival rates. In certain parts of the country—I will not name them, for fear of upsetting residents of those areas—if someone is taken ill with something like a heart attack, he or she has no chance of survival because the ambulance services there do not bring anybody to hospital alive in such circumstances, whereas in Staffordshire one has a very good chance of survival.

Mr. Stewart Jackson: I am listening intently to the hon. Gentleman's eloquent speech expressing his sincerely held beliefs. Does he agree that one of the problems with the mergers is that we have had, in effect, phoney consultations? In my area of the eastern region, under the auspices of the NHS Appointments Commission, a chairman's post was advertised a full nine weeks before the public consultation ends. Does he not agree that that undermines public confidence in the efficacy of such public consultation?

Mr. Flello: The clock ticks ever faster, but I am sure that those comments have been heard.

Today the Staffordshire *Sentinel* reported that the chief executive of the local ambulance service had suggested that he should form a private company. No doubt that would pose ideological problems for some Members, who would not want a private sector organisation to be funded through the NHS, although it had done such a fantastic job in the past. That would cause some angst to us on the Labour Benches.

In principle, it is not necessarily a bad idea to merge ambulance services, because in some areas best practice could be shared. What the west midlands does not want

is to lose the fantastic service provided in Staffordshire for something that will not be as good. If the reverse were happening and Staffordshire were the dominant area, that would be better.

9.11 pm

Dr. Richard Taylor (Wyre Forest) (Ind): I am grateful to have been called because I feel very deeply about the issue.

The Government frequently say that they want a patient-led NHS. The consultation document in my area on the mergers of PCTs bears the sub-heading "Ensuring a patient-led NHS". My understanding of that phrase seems rather different from the Government's. It is a glib phrase that sounds good, but to me it really means something: it means that the views of patients and the public are listened to, valued and acted on. Those views should be picked up from a wide variety of sources—independent patient groups, independent patient forums, GP practice participation groups, overview and scrutiny committees and—as the Minister said—health professionals, who have the closest contact with patients.

To be fair to the Government, they have tried to listen to people. They organised a large listening event in Birmingham—a 1,000-person citizens summit. However, I have seen some of the questions that were submitted to the summit. They were loaded—they expected only the answer that the Government wanted. One question, about the shifting of care, asked

"To what extent do you support or oppose providing more services closer to home including community hospitals, if this means that some larger hospitals concentrate on specialist services and some merge or close?"

Of course, not many would vote against that proposal, but if people had been given the extra information that in losing those hospitals they would probably lose their local accident and emergency departments, the answer would have been very different.

If ever there was a top-down proposal, this is it. It is the very antithesis of a patient-led decision. It is the Department of Health leaning on strategic health authorities, which are leaning on the trusts beneath them to do, in effect, the Government's bidding for reasons that are largely financial and—as the Health Committee's report shows—open to very serious question. We should think of the 19 or 20 SHA chief executives and the 200 or so PCT chief executives who are likely to lose their jobs. They are like turkeys planning for Christmas. How can they plan for the future when they know that they are not part of it? How can they be accountable for what they are planning when they are no longer there?

Incidentally, when those chief executives have left they may well be paid by the taxpayer if past experience is anything to go by. Take the example of Finnamore Management Consultants, who are used, I believe, quite widely by the NHS to address some of the deficits. If we look them up on the web, the vast majority of their staff are ex-NHS managers. Presumably, they were made redundant. They may even have been sacked, or changed jobs for higher salaries.

I tried to find out a bit more about that firm through a parliamentary question, but I had no luck. The response said that responsibility for financial control belonged to strategic health authorities and denied any knowledge of those consultants. That sort of response annoys me intensely. The Government devolve things when they do not want to answer a question, and impose top-down changes while at the same time talking about devolution.

I come to my area, west midlands south. I pay tribute to the strategic health authority for carrying out a certain amount of pre-consultation. I regret to say that I responded to that pre-consultation without too many objections because I thought that it was a done deal and that resistance would have little effect. I got into tremendous trouble with some of my friends at home over that passive response. The Health Committee inquiry has brought me round to the other side.

A lot has been said already about mergers of SHAs. I do not think that SHAs are of the slightest importance. If they go back to being regional health authorities, good luck to them. On local ambulance trusts, as long as I keep my all-singing, all-dancing local computerised control centre, which is as good as any ambulance authority's control centre, I shall be satisfied. As Staffordshire Members have said, if there are mergers, they must lead to a levelling up of services, not a levelling down.

I object strongly to the merger of the PCTs in my area and I just hope that, with the consultation, local people will really have a chance to make a change. I am not very hopeful because we are being consulted on a preferred option, which sounds the death knell of open, genuine consultation.

Many hon. Members have examined the main reasons for mergers. The financial argument does not stand up. As I have said, the Health Committee expressed doubt about that. Restructuring involves redundancies and structures to secure local involvement—but those will be incredibly costly. Another argument is that mergers strengthen the commissioning function. That is already happening. The Minister mentioned collaboration, but collaboration is already happening. For a good example, one has to look only at *Whitehall & Westminster World*, which I am sure we all read. The current edition describes a national decontamination project. It states:

"Collaborations of up to 8 trusts are now in process and every strategic health authority has signed off a local plan which is consistent with the national plan."

So collaboration is working already, without the need for mergers.

I have objections. Many hon. Members have mentioned the number of reforms. I regret to tell them that they have all got their numbers wrong. During the Health Committee foundation trusts inquiry, we received a list of all the reorganisations from 1982 until the date of that inquiry—there were 21. Since that date, there have been at least another seven, so on a conservative estimate there have been at least 28 reorganisations.

As we have heard, PCTs have only been going three years. They are just beginning to find their feet. Reorganisation affects an organisation badly—we were told on the Health Committee that it can take 18 months to recover from the disruption and another 18 months for the benefits appear. Locally, there are tremendous objections to the merger of three PCTs into one. We

[Dr. Richard Taylor]

believe that we will lose some of the professional input from doctors, nurses and physiotherapists. We believe that we will lose the local public health input and, worst of all, we believe that we will lose the local input from patient forums.

I believe that it is far, far more important for a PCT in each local area to be coterminous with its district council and its local strategic partnership than for it to be coterminous with a much bigger area. I hope that consultation throughout the country is genuine and that where the status quo is correct, it will remain as an option.

Edmund Burke said:

"The people are the masters."

On 7 May 1997, the Prime Minister said:

"We are not the masters. The people are the masters. We are the servants of the people . . . . What the electorate gives, the electorate can take away."

9.21 pm

Keith Vaz (Leicester, East) (Lab): It is a pleasure to follow the hon. Member for Wyre Forest (Dr. Taylor), who owes his parliamentary career to a successful campaign to defend Kidderminster hospital—which, I understand, is still there. He speaks with great authority on these matters.

I am sorry that my near neighbour, the Secretary of State for Health, the right hon. Member for Leicester, West (Ms Hewitt), is not here today. I understand that she is unwell. I share a hospital with her, I share a city with her, but I did not share the meal with her last night that caused her illness. We would like her to get well soon and come back to Leicester this Friday, for two reasons.

First, we want to thank her for the huge amount of money that the Government have given to Leicester over the last eight years. There has been an increase of about 98 per cent. in PCT funding, I understand, with three brand new health centres in the city. Two are in my constituency; one in Hamilton and the other soon to start in Charnwood. Secondly, we want to thank her for giving us a PCT that was so responsive to the needs of local people, and I pay tribute to Carolyn Clifton for her excellent work. When I and others have raised issues with her, she has responded swiftly to those concerns and provided us with the services that we need.

That is why I am so surprised that the Government wish to reorganise the PCTs in Leicester when they are doing so well. We have a particular expertise in our part of the city, where we deal with problems different from those encountered by those who live in the constituency of my right hon. Friend the Secretary of State.

With things going so well, so much more money being provided and the PCT being so responsive, I am surprised that the Government feel it necessary to merge the two organisations. I am sure there is a justification—I have heard a justification made on the grounds of money—but there is not a justification in terms of responsiveness to the local community. I hope that when the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne), replies, he will give more of a justification than saying that it will save £1.5 million a year, or whatever it is. In a budget so vast and ever-increasing, that sounds like a small amount of money, given that we spent much more than that when we set up the PCTs a few years ago. I hope that we will have a response that justifies that decision.

I am concerned about the abolition of the Eastern Leicester PCT because I am worried about the pathway project, which is central to the rebuilding of the hospital in my constituency, the Leicester general hospital. I have now represented Leicester, East for almost 20 years and I was promised—as were the other right hon. and hon. Members who have represented the city for a generation—that we would have new hospitals as a result of the pathway project.

I understand that because of the reorganisation, the pathway project in Leicester is now on hold. That means that the investment of £761 million that was to be made in the NHS in Leicester will not now take place. That means that we will not get a new Leicester general hospital, nor the extra cancer facilities that we were promised, nor the new children's hospital, which was to be based in Glenfield, in the constituency of my right hon. Friend the Secretary of State. That is a worry to my constituents and me, because we believe that the Government are absolutely sincere in their commitment to spending money on the NHS and spending it wisely.

In addition to the pathway project, other hospitals will also be put on hold. I know that a similar decision has been taken at Barts, for example. I was telephoned yesterday by one of the Barts consultants, who is very concerned that the Leicester changes are being linked to what is happening in other parts of the country. So when the Minister responds, I hope that he can reassure me that the proposed reorganisation of Leicester PCTs—I understand the arguments in favour of such reorganisation, but it needs better justification—will not in any way affect the additional money coming in. I know that some of my colleagues do not favour private finance initiatives—they believe that they will somehow prove unhelpful to local people—but I favour them, because I will get a new hospital out of such expenditure.

Anne Milton (Guildford) (Con): I thank the hon. Gentleman for giving way, and I should declare an interest, in that my husband works for a PCT. Does the hon. Gentleman agree that in addition to the reorganisation of PCTs being destabilising, it is ill judged in the extreme, as the Health Committee report said, and patient care will suffer?

Keith Vaz: There are grave concerns about the proposals. I do not know the situation in Guildford and that part of the country, although I was the European parliamentary candidate for Guildford many years ago; indeed, I cycled over the Hog's Back between Guildford and South-West Surrey. I lost that election by 60,000 votes, however, so it is a part of my life that I do not care to remember. The situation in the hon. Lady's constituency may well be as she describes, but my concern is what will happen in Leicester, and how responsive the changes to PCTs will be to the needs of my constituents.

Sir Nicholas Winterton (Macclesfield) (Con): On PCTs, does the hon. Gentleman not think it very

unfortunate that the authorities have put forward a preferred option, which means, in effect, that they are not prepared to consider any other option? That is what happened in east Cheshire, where there is a preferred option of reducing four PCTs to one. In my view there should be two PCTs, in order to recognise the differing cultural needs of east and west Cheshire. Does the hon. Gentleman not support me when I say that a preferred option is not the way to proceed? All options should be equal in the consultation process.

Keith Vaz: I agree that such matters need to be put out to consultation, but as I have not stood as a European parliamentary candidate—or any other candidate, come to that—in that part of the country, I cannot comment on the configuration there. But it must be right for proper consultation to take place.

That brings me to my final point: the proposed abolition of the ambulance service in my part of the east midlands and the creation of a new east midlands service. The hon. Member for Lichfield (Michael Fabricant), who is no longer in his place, and my hon. Friend the Member for Newcastle-under-Lyme (Paul Farrelly) were right to raise in this House their concerns about ambulance response times, and I have an example similar to the one given by my hon. Friend.

I attended a funeral at the Gilrose crematorium, which is in the constituency of my right hon. Friend the Secretary of State. One elderly gentleman there was extremely upset, and he became very ill and collapsed. I telephoned the ambulance service and asked it to send an ambulance to take him from the crematorium literally down the road to Glenfield hospital, which is one of the finest hospitals in the country. I offered to take him in my car, but I was asked by the ambulance service operator not to do so unless I was a doctor, which clearly I am not. I said, "I am not a doctor, I am a Member of Parliament, so could you please send the ambulance as quickly as possible." An hour later, the ambulance still had not arrived. Exactly the same circumstances described by my hon. Friend with regard to the London ambulance service applied to the ambulance service in my example.

Hon. Members may ask why I would want to keep a service that did not respond quickly. Well, I want to keep the service because it is a local service. It is wrong to merge it into such a large area. It is only common sense that the response times will not be as quick as those for a local service.

My very final point concerns the decision by the local health authority to close the Goodwood ambulance centre in my constituency. It is a brand new centre, near the Leicester general hospital. It houses several ambulances and enables them to get to local people much more quickly. The proposal is to close that ambulance station as part of a merger that will cover the whole of Leicester, with another centre built in another part of the city—or, indeed, of the county.

Mr. Flello: Does my hon. Friend accept that one of the successes of the Staffordshire ambulance service is that ambulances have been taken out of the ambulance centres and placed strategically, where they are likely to be needed, at crossroads or theme parks?

Keith Vaz: I accept that point, and that is why I want the centre to stay at Goodwood—near the general hospital and next to a major intersection that links Nottingham to Leicester, and the A46 to the A47, which goes to Peterborough. I cannot understand why it will be removed and why we are merging ambulance services. We are, in a sense, misleading people into believing that the proposals are for consultation, while at the same time advertising the top jobs for the new ambulance service in national newspapers. Like other hon. Members, I have seen such advertisements appear at the same time as we are talking about consulting with local people. I hope that my hon. Friend the Minister will bear that in mind.

I am a loyal Back Bencher. I am loyal to this Government, who were elected on a Labour party manifesto. I have great affection for, and am a great supporter of, my right hon. Friend the Secretary of State for Health, who will be a great holder of that office, judging by the White Paper that she introduced last week. But even I am tempted not to support the Government on reorganisation, because of the effects that it will have on local people. I ask Ministers to remember what we did to the national health service university. We created a wonderful organisation and then, a few years later, abolished it, leaving a lot of skilled people without jobs and taking away an important concept for educating and training people who work in the NHS. I ask my hon. Friend the Minister to respond to my points and also give me an assurance that further consultation will be held on those issues, and that local people will be listened to in Leicester and throughout the country.

9.33 pm

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): The Minister of State, the right hon. Member for Liverpool, Wavertree (Jane Kennedy) and I both come from the same neck of the woods and I have the greatest respect for her. I have heard her use an expression that is often used in Liverpool: "God loves a trier." Well, the Minister really tried today to sell the merits of the reorganisation of PCTs, but I am afraid that she was not very persuasive to Opposition Members.

Reorganisation of my local PCT, which is three years old and cowed by debt, would be disastrous. Next month, Bedfordshire Heartlands PCT will be £20 million in debt, and the only way left for it to recover that debt is to restrict emergency services, which is almost a contradiction in terms. When I spoke to the chair and chief executive of the organisation and asked how they intended to restrict emergency services, the answer was frightening. They want GPs to keep patients with them for longer before calling an ambulance to send them to hospital. I asked what would happen if I were a parent with a child with suspected viral meningitis. What should the GP do in such circumstances? The answer was that they would like the GP to make sure that the child really had the illness. Whereas previously, a GP would dial 999 and have the child sent straight to hospital, now the PCT wants the GP to hang on to the patient.

The proposal caused concern in several areas, not least at Bedford hospital. On Saturday, a consultant from the hospital brought me an e-mail, which I shall happily hand to the Minister once I have removed the top. Bedford hospital is £12 million in debt and its recovery plan to achieve a reduction includes cutting

[Mrs. Nadine Dorries]

10 theatre sessions a week, closing two wards and the children's physiotherapy unit, and restricting the use of agency nurses and doctors. The list goes on.

The e-mail states that unfortunately, there will be a

"serious financial situation . . . where we will be requiring to make a further all-round cost improvement of 7.1 per cent."

to achieve

"a further saving of £2.27 million".

The cuts to achieve that saving will be a further £530,000 from nursing, a further £375,000 from theatres, a further £1.02 million from medical pay, and a further £200,000 from critical care. Those are all front-line service cuts, in addition to the recovery plan. Only £100,000 of those cuts of £2.27 million will come from administration. The e-mail concludes with the words, "An awesome challenge". It is indeed.

Members of my PCT do not want reorganisation. The PCT is only three years old and is staggering under its debts. As the Health Committee report noted, reorganisation will cause damage from which it will take 18 months to recover. The move is not advisable, and will do nothing to aid Bedford PCT or Bedford hospital.

We want to get rid of SHAs, but the Minister asks who would oversee PCTs. May I suggest that she or the Department could do so? SHAs are accountable to nobody and have allowed PCTs to go into debt—by £20 million, in the case of my local PCT. The SHA has no purpose whatever in Bedfordshire. Perhaps if the Minister oversaw PCTs we might have a more efficient service.

Anne Milton: Does my hon. Friend agree that the reforms seem to be less to do with patient care and a patient-centred NHS and far more to do with saving money and getting rid of the debts?

Mrs. Dorries: That is highlighted by the cuts detailed in the e-mail; they are all from front-line services and will have a direct impact on patients. Only £100,000-worth of those cuts will be made in administration and back-room services.

Mr. Brooks Newmark (Braintree) (Con): May I draw my hon. Friend's attention to the situation in my constituency? For more than 10 years local people have been promised a new community hospital, which is still not forthcoming. Does my hon. Friend agree with many of my constituents that the Government are more obsessed with structures than actually delivering front-line services?

Mrs. Dorries: Certainly. Front-line services are paramount. Structures seem to concern the Government, but I ask the Minister to reconsider the reorganisation of PCTs and the damage it would cause to my PCT in Bedfordshire.

9.39 pm

Dr. Andrew Murrison (Westbury) (Con): I have been in and around the national health service since 1979. It has been a quarter of a century of constant change, much of it for the better, but the near recreation of regional district health authorities and fundholding rebadged as practice-based commissioning is without precedent. While Ministers are absorbed in rearranging the deckchairs, the Opposition prefer to focus on deficits, because they affect our constituents profoundly.

The Secretary of State for Health may be pleased to dismiss deficits because they represent about 1 per cent. of the NHS budget, but Members of Parliament whose constituencies have PCTs that are in the red know that 1 per cent. means the closure of community hospitals and slamming the brakes on patient services.

We have heard a total of 11 high-quality Back-Bench contributions this evening. The hon. Member for Falmouth and Camborne (Julia Goldsworthy) said that size matters in relation to trusts and authorities. She is certainly right. The hon. Member for Waveney (Mr. Blizzard) also thought that size was important and made a convincing case against a county-wide PCT. He offered a more functional grouping that would cut across local government boundaries and form what he called the people's PCT. Although I might perhaps bridle at the description, I would certainly endorse his sentiments about functional, not necessarily geographic, linkages.

My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) rightly drew attention to a funding formula that hits rural areas with elderly populations. In his constituency, as in mine, that has led directly to hospital closures.

The hon. Member for Carlisle (Mr. Martlew) was mildly critical of PCT reorganisation in his area and made a plea for no more reorganisation—a sentiment that was echoed by many right hon. and hon. Members.

My hon. Friend the Member for Lichfield (Michael Fabricant) emphasised the importance of ambulance response times. I agree that response times should be a crucial determinant in any reorganisation. The hon. Member for Newcastle-under-Lyme (Paul Farrelly) also spoke in support of the independence of the Staffordshire ambulance service. He also supported the thesis of the hon. Member for Waveney in pleading for mergers on a functional, not a geographic or administrative, basis. That thesis is quite correct. The hon. Member for Stoke-on-Trent, South (Mr. Flello) added more support for Staffordshire ambulance service autonomy, based on the so-called golden hour for effective early medical intervention. He also talked about a natural alignment of PCTs in Stoke.

My hon. Friend the Member for West Suffolk (Mr. Spring) rightly attacked the waste implicit in constant reorganisation and pointed out that it would not address the financial difficulties of his local health economy one jot.

The hon. Member for Wyre Forest (Dr. Taylor) quite correctly slated false consultations. People give of their time freely to consultations in the NHS and elsewhere, and I tend to agree with the hon. Gentleman that it does the process no good at all if those views are not taken seriously. I know from my experience of my own area about the damaging effect that sham consultations can have on the debate locally and nationally. We mentioned briefly the consultation in Birmingham, and I suspect that, like me, he has his own views on that process and its results. He also argued for local PCTs

that are coterminous with local government boundaries—something that contrasted with some earlier contributions.

The hon. Member for Leicester, East (Keith Vaz) was worried about the abolition of his local PCT and the non-appearance of a new general hospital in Leicester—that, of course, involves a £574 million PFI scheme.

My hon. Friend the Member for Mid-Bedfordshire (Mrs. Dorries) finished by highlighting service cuts that result from the financial recovery plan in her PCT. She feared that PCT reorganisation would set things back 18 months. I would tend to share some of her concerns.

In redesigning services, structure must follow function—not the other way round—but it is not yet clear what PCTs will be responsible for. As for SHAs, many of us are mystified by their current role, let alone what Ministers intend for them in the future. At the moment, the SHAs' ability to be strategic—whatever that means—must be constrained by their preoccupation in areas such as mine with financial deficits. Of course, there will be some benefits to all of this: the perpetual merging, axing and reforming of health bodies is a fantastic way to blur accountability. People who have tried to identify those who should be held to account for deficits know that very well.

We have a number of questions, some of which have been fielded already in today's debate, and we would like the Minister to answer them. First, we would like to know what the Minister intends that PCTs will be doing in the future because that is far from clear. What will be the residual provider function of PCTs? In the summer, "Commissioning a patient-led NHS" said:

> "the direction of travel is clear: PCTs will become patient-led and commissioning-led organisations with their role in provision reduced to a minimum."

However, the Secretary of State, Sir Nigel Crisp and Mr. John Bacon then issued contradictory interpretations of what that meant. The confusion has caused real discomfort to NHS staff who are employed directly by primary care trusts. Furthermore, it has made a complete mockery of the restructuring exercise. How can an organisation possibly be restructured if the people at the top do not have the first idea what that organisation will be doing? If Ministers want to use the private sector more—they say that they do—what message do they think that the vacillation will send to non-NHS providers that are possible partners? It will suggest unreliability.

Ministers might say that PCTs will be commissioning care, but how will they do so when patients are free to choose and book? I have to say that under our proposals, they would be even freer to choose the treatment that they receive and where it is received. If PCTs are largely divested of provider and commissioning functions, will they not simply become GPs' account clerks? If so, will they be further reconfigured to reflect a new vestigial role? If that is not the case, how will we manage the split between providers and commissioners in the new organisations? It seems to me that Ministers are extremely unclear about that point, so any clarity that the Minister can give us today would be most welcome.

The Prime Minister apparently often regrets not being bolder, which is when we understand that he is at his best. How does that fit with practice-based commissioning? Does the Prime Minister in fact know full well that abolishing fundholding was foolish and recognise that practice-based commissioning is the closest approximation that he will get without primary legislation and the embarrassment of a complete about turn?

The Government's interpretation of the dubious consultation exercise "Your health, your care, your say" was different from mine and that of several hon. Members who contributed to the debate and people elsewhere. Will the Minister admit the extent to which the consultation was bent to the purpose that had already been devised by his colleagues and confirm specifically that his vision of contestability was largely shunned by the consultees who were selected to give their views? I offer no defence or otherwise of contestability, but it is important that we reflect accurately and sincerely views expressed during the course of consultation exercises. It seems to me that that has not been done in this and other areas. My point obviously relates directly to the consultation in Birmingham, so I would be grateful if the Minister would shed some light on what those who responded in Birmingham thought about contestability.

Where does the Minister think that public health function will reside in the new scheme of things? Those of us who take an interest will have witnessed directors of public health being sidelined in PCTs that are largely focused—often unsuccessfully—on financial management. Could it be that the manifest failure to communicate the recent change in policy on BCG vaccination, for example, is symptomatic of the malaise in public health in recent years? The Faculty of Public Health's latest work force survey reveals that more than 100 senior public health posts have already been lost in the past three years. It estimates that the latest reorganisation could lead to the loss of a further 120 posts. I hope that the Minister agrees that that would be grossly unsatisfactory. It would be useful to hear from him how the set of reorganisations will enhance public health function, rather than damage it further.

Will the restructure achieve the Government's intended saving of £250 million, or will it, like most of its type, end up sapping resources from front-line services? If trusts make savings through reorganisation, for example in the merged Avon, Gloucestershire and Wilshire ambulance trust, will the Minister confirm that they will go towards improving front-line services in the trust, rather than being siphoned off to address financial deficits at the strategic level?

In summary, the structure of the NHS is pretty well back to where it was in 1997, when we left it. It would be churlish if I sat down without acknowledging the compliment.

9.49 pm

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): Our debate this evening has been very good if, in places, a little less consensual than the debate earlier this afternoon.

In some ways, this debate underlines how far the health service has moved under this Government. When we were elected in 1997, the public's priority, and therefore ours, was to lift the NHS off its knees and rebuild the services that had been ground down over

[Mr. Liam Byrne]

18 years under the Conservative party. We had to end the inequity of GP fundholding, under which some patients could jump to the top of the queue without rhyme or reason. In particular, we had to rescue our hospitals because, of course, some one in 10 people were languishing, waiting for an operation for two years or more.

The situation today is somewhat different: 100,000 extra staff, the biggest hospital-building programme ever and, as a result, the shortest waiting lists since records began. Indeed, on 31 December 2005, just 12 patients had been waiting over six months for care. The result, of course, is that people are now living longer. The death rate from circulatory heart disease is down 31 per cent., and the death rate from cancer is down 12 per cent. That benefit is especially felt by older people; life expectancy in the over-65s is rising and the level of vaccinations among those over 65 is at an all-time high. Delayed discharges are down by two thirds, and 1.7 million bed days have been saved through the changes that this Government have introduced.

Now, having stabilised the NHS, the question facing us is how we move forward. Not only have we introduced new choices of hospitals, but last week we laid before the House our White Paper, which is important because it signals a new direction of travel for the NHS, with greater personal care, greater access to primary care services, a shift of resources into prevention, which I think Conservative Front-Bench Members decided to welcome, and a far better relationship between the NHS and local government.

If the NHS can deliver on that agenda, there is a great prize here to be won—great inroads into health inequalities. Over the past seven years we have made great strides in creating far more opportunity in this country, so surely our challenge now, after the longest record of economic growth and after putting more people into work than ever before, is to make sure that everybody, in every community, has the health and well-being to seize those new chances. That is exactly why we have to update PCTs and ambulance trusts, not because of the damaged legacy that we inherited in 1997, but for the opportunities of 2006.

Mr. Lansley: Will the hon. Gentleman give way?

Mr. Byrne: I know that the Conservative party is firmly fixed in listening mode at the moment, so if the hon. Gentleman will forgive me, I plan for him to listen just a little longer.

My hon. Friend the Member for Leicester, East (Keith Vaz) asked why we have to change—why we have to adapt. Governments have been talking about the need for a shift in the balance of primary care since the 1920s. In 1976, Baroness Castle set out in "Priorities for Health and Social Services" her ambition to move care into the community. The truth is that over the next four years and the subsequent 18 years of Conservative Administrations, we did not achieve that shift in the balance of care. This time, we have to make sure that the shift takes place. I am happy to give my hon. Friend an assurance that the new fair funding that we have introduced will stay in the places to which it has been awarded.

We have to make sure that, where appropriate, PCTs are coterminous with local authorities. We have to make sure that they are strong enough to hold GPs to account. We have to make sure that they can connect effectively with local communities because that is the only way that they will deliver on the ambitions that we set out in the White Paper.

Julia Goldsworthy: Will the Minister give way?

Mr. Byrne: I shall address the hon. Lady's remarks directly in a moment, if she will have a little patience.

My hon. Friend the Member for Waveney (Mr. Blizzard) put a powerful case for one of the two options in his local consultation, saying that it was the healthy option, the people's PCT. I am sure that what he said was heard clearly by those local health professionals managing the consultation. I am happy to give him an assurance that there is no template.

My hon. Friend's near neighbour, the right hon. Member for Suffolk, Coastal (Mr. Gummer), did himself no favours by quoting answers to named day questions. Frankly, it was shameful of him not to recognise the advances that have been made in his local NHS. It is not worse than 30 years ago, and it is an insult to the performance of NHS staff in his area to pretend that waiting lists and death rates have not come down thanks to the new funding that we have put in, which I might add he voted against—I think—not on one occasion but on four occasions over the past three years.

The hon. Member for West Suffolk (Mr. Spring) added that he was frustrated with the way that funding was not geared to areas of need, but that is exactly what the new funding formula has done. He knows full well that £73 million extra is going to his PCT over the next few years. He has the opportunity over the next few years to distinguish himself by having a conversation with the right hon. Member for Charnwood (Mr. Dorrell), who is chairing the policy review on health.

Mr. Spring *rose—*

Mr. Byrne: The hon. Gentleman has the opportunity to say that his party's fiscal rule that the proceeds of economic growth should be shared between public service investment and tax cuts should not apply to the health service, and he should ensure that the right hon. Gentleman comes out with a clear commitment to match our levels of investment.

Mr. Spring *rose—*

Hon. Members: Give way.

Mr. Byrne: Turning to—*[Interruption.]*

Mr. Speaker: Order. I must be allowed to hear the Minister. I have to hear what he is going to say.

Mr. Byrne: Turning to the west midlands, the hon. Member for Lichfield (Michael Fabricant) made a powerful and persuasive case in which he underlined and celebrated the achievements of Staffordshire ambulance service. It is indeed an ambulance service

from which many in the country could learn. He was, perhaps, over-hasty in writing off the performance of the rest of the west midlands, but there is a clear message that we should take from his remarks, and it was underlined by my hon. Friends the Members for Newcastle-under-Lyme (Paul Farrelly) and for Stoke-on-Trent, South (Mr. Flello): there must be localisation of control. Surely the question in this consultation, though, is how we export that excellence, not just to other parts of the west midlands but to other parts of the country, and how we ensure that Staffordshire gets better in future. Surely it has not reached its full potential.

My hon. Friend the Member for Carlisle (Mr. Martlew) was dissatisfied with current arrangements and welcomed a change. I know that his input into consultation arrangements will be well informed by his previous experience.

The hon. Member for Wyre Forest (Dr. Taylor) had a great deal to say about consultation. I was heavily involved in consultation on the White Paper. I would recommend it to Members in all parts of the House. There could well be more listening to be done on health policy.

I listened very hard to the hon. Member for Falmouth and Camborne (Julia Goldsworthy). I was trying to detect any hint of what Liberal Democrat health policy might be. I know that the right hon. Member for Ross, Skye and Lochaber (Mr. Kennedy) instigated a sweeping policy review not long ago, saying that he would approach it with a blank sheet. That blank sheet, it seems, is his legacy, and from tonight's debate we can deduce that it will withstand the test of time. I can think, therefore, of no better quote than that of the former vice-chair and chair of the Hodge Hill Liberal Democrat party, who led a mass defection to Labour on Saturday night. He said that there is a lack of leadership not just in Westminster but in local communities. I think that I can see what he meant.

Julia Goldsworthy: Will the hon. Gentleman give way?

Mr. Byrne: No, I must address the remarks made by Conservative Members.

We did not hear too much—

Julia Goldsworthy: Will the hon. Gentleman give way?

Mr. Byrne: No, I will not give way, because I have a bit more to finish.

We did not hear too much about the Conservative alternative. It remains a bit of a mystery, wrapped in an enigma, wrapped in a taskforce, although the alternative for health benefits from quite sensible leadership. We were not expecting an apology for voting against the National Insurance Contributions Act 2002 or against the Finance Acts of 2002, 2003 or 2004, but I thought that we might have heard a little clarification about the new fiscal rule of the right hon. Member for Witney (Mr. Cameron). Are the fruits of growth to be shared with tax cuts, or—

Mr. Patrick McLoughlin (West Derbyshire) (Con) *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 216, Noes 291.

Division No. 152] **[9.59 pm**

AYES

Alnyie, Adam	Gauke, Mr. David
Ainsworth, Mr. Peter	George, Andrew
Alexander, Danny	Gibb, Mr. Nick
Amess, Mr. David	Gidley, Sandra
Arbuthnot, rh Mr. James	Gillan, Mrs. Cheryl
Atkinson, Mr. Peter	Goldsworthy, Julia
Bacon, Mr. Richard	Goodman, Mr. Paul
Baker, Norman	Goodwill, Mr. Robert
Baldry, Tony	Gove, Michael
Barker, Gregory	Grayling, Chris
Baron, Mr. John	Green, Damian
Beith, rh Mr. Alan	Grieve, Mr. Dominic
Benyon, Mr. Richard	Gummer, rh Mr. John
Beresford, Sir Paul	Hammond, Mr. Philip
Binley, Mr. Brian	Hammond, Stephen
Blunt, Mr. Crispin	Hands, Mr. Greg
Bone, Mr. Peter	Harper, Mr. Mark
Boswell, Mr. Tim	Harvey, Nick
Bottomley, Peter	Hayes, Mr. John
Brady, Mr. Graham	Heald, Mr. Oliver
Brazier, Mr. Julian	Heath, Mr. David
Brokenshire, James	Heathcoat-Amory, rh Mr. David
Brooke, Annette	Hemming, John
Browne, Mr. Jeremy	Hendry, Charles
Browning, Angela	Herbert, Nick
Burns, Mr. Simon	Hermon, Lady
Burrowes, Mr. David	Hoban, Mr. Mark
Burt, Alistair	Hogg, rh Mr. Douglas
Butterfill, Sir John	Hollobone, Mr. Philip
Cable, Dr. Vincent	Holloway, Mr. Adam
Campbell, Mr. Gregory	Holmes, Paul
Campbell, rh Sir Menzies	Horam, Mr. John
Carswell, Mr. Douglas	Horwood, Martin
Cash, Mr. William	Howarth, David
Chope, Mr. Christopher	Howarth, Mr. Gerald
Clark, Greg	Hughes, Simon
Clarke, rh Mr. Kenneth	Hunter, Mark
Clifton-Brown, Mr. Geoffrey	Hurd, Mr. Nick
Cox, Mr. Geoffrey	Jack, rh Mr. Michael
Crabb, Mr. Stephen	Jackson, Mr. Stewart
Curry, rh Mr. David	Jenkin, Mr. Bernard
Davey, Mr. Edward	Johnson, Mr. Boris
Davies, David T.C. *(Monmouth)*	Jones, Mr. David
Davies, Philip	Kawczynski, Daniel
Davis, rh David *(Haltemprice and Howden)*	Kirkbride, Miss Julie
	Knight, rh Mr. Greg
Djanogly, Mr. Jonathan	Lait, Mrs. Jacqui
Donaldson, Mr. Jeffrey M.	Lamb, Norman
Dorrell, rh Mr. Stephen	Lancaster, Mr. Mark
Dorries, Mrs. Nadine	Lansley, Mr. Andrew
Duddridge, James	Laws, Mr. David
Duncan Smith, rh Mr. Iain	Leech, Mr. John
Ellwood, Mr. Tobias	Leigh, Mr. Edward
Fabricant, Michael	Letwin, rh Mr. Oliver
Fallon, Mr. Michael	Lewis, Dr. Julian
Farron, Tim	Liddell-Grainger, Mr. Ian
Featherstone, Lynne	Lidington, Mr. David
Field, Mr. Mark	Lilley, rh Mr. Peter
Forth, rh Mr. Eric	Llwyd, Mr. Elfyn
Foster, Mr. Don	Loughton, Tim
Francois, Mr. Mark	Luff, Peter
Fraser, Mr. Christopher	Mackay, rh Mr. Andrew
Gale, Mr. Roger	Main, Anne
Garnier, Mr. Edward	Malins, Mr. Humfrey

Maples, Mr. John
Maude, rh Mr. Francis
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Williams, Hywel
Williams, Stephen
Willis, Mr. Phil
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Mr. Henry Bellingham and
Mr. David Evennett

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dobbin, Jim
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Francis, Dr. Hywel
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Iranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McGovern, Mr. Jim
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg

Murphy, Mr. Jim
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Noes:
Mr. Parmjit Dhanda and Mr. Dave Watts

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order 31 (Questions on amendments), and agreed to.*

MR. SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the Government's determination to reform primary care trusts (PCTs) and strategic health authorities (SHAs) to ensure all patients get the services they need, to shift the focus of services more towards prevention and tackling health inequalities, to engage better with GPs in developing services that meet patients' needs, to reduce bureaucracy and to deliver better value for money for taxpayers; further welcomes the widespread support within PCTs and SHAs for the principles on which Commissioning a Patient-Led NHS has been based; and further welcomes the Government's consultation on reforming ambulance trusts to ensure more care is provided in the home and at the scene, to give better advice to patients over the telephone and to deliver faster response times to save more lives, in line with the recommendations from the National Ambulance Adviser Peter Bradley's review "Taking Healthcare to the Patient: Transforming Ambulance Services".

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

INTELLECTUAL PROPERTY

That the draft Artist's Resale Right Regulations 2006, which were laid before this House on 15th December, be approved.—*[Joan Ryan.]*

Mr. Speaker: I think the Ayes have it.

Hon. Members: No.

Division deferred till Wednesday 8 February, pursuant to Standing Order No. 41A (Deferred divisions).

NATIONAL LOTTERY

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

That the draft National Endowment for Science, Technology and the Arts (Increase of Endowment) Order 2006, which was laid before this House on 9th January, be approved.—*[Joan Ryan.]*

Question agreed to.

PETITIONS

Staffordshire Ambulance Service

10.19 pm

Mr. William Cash (Stone) (Con): I rise to present the petition of thousands of concerned Staffordshire residents and patients, which declares:

That the Government's plans to merge and centralise the Staffordshire ambulance service will lead to a poorer service, undermine morale and increase costs. The petitioners therefore request that the House of Commons opposes the planned merger of the Staffordshire Ambulance Service into a regional West Midlands Service.

And the Petitioners Remain.

To lie upon the Table.

Student Debt

10.20 pm

David Taylor (North-West Leicestershire) (Lab/Co-op): Five days ago, in business questions, I flagged up the parlous state of many students of nursing and midwifery, and I am here tonight to present a petition that has been compiled by my constituent, trainee midwife Andrea Simpson of 20, The Green, Donington le Heath, Coalville. The petition states:

To the House of Commons: the petition of 2,947 residents of north-west Leicestershire and other areas declares that there is a persistent and growing problem of student debt, particularly among those training in nursing and midwifery, as evidenced by a Royal College of Midwives survey showing that over 20 per cent. of such students, many of them more mature ones, do not complete their studies due to financial hardship.

The petition notes that student midwives are sometimes taking out overdraft facilities, remortgaging their homes, cashing in endowment policies and buying food on credit cards in attempts to make ends meet.

The petition regrets that trainees for these key health professions are in such difficulty.

[David Taylor]

The petitioners therefore request that the House of Commons urge the Secretary of State for Health to work with the Chancellor of the Exchequer to examine the possibility of ensuring that all NHS Students of Nursing and Midwifery receive a non-means-tested bursary of £10,000 per year for their course, to enable them to train for their chosen career.

And the petitioners remain.

To lie upon the Table.

Network Rail (Sutton Coldfield)

Motion made, and Question proposed, That this House do now adjourn.—*[Joan Ryan.]*

10.21 pm

Mr. Andrew Mitchell (Sutton Coldfield) (Con): I am delighted to have secured this Adjournment debate regarding the behaviour of Network Rail towards my constituents in Sutton Coldfield. I have been in extensive correspondence with Network Rail and its chief executive, John Armitt, since 13 October 2004 regarding a line of grey stainless steel fencing that has been erected along a section of the freight line at East View road in my constituency. That fencing is ugly, does not fit in and is an eyesore.

This is a story of arrogance and insensitivity, but, above all, of a complete lack of corporate accountability. East View road is a residential area in the green belt, located next to the picturesque New Hall Valley country park. It is an environmentally sensitive area and, although my constituents accept that they live next to a freight line and that line security is important, they do not accept the kilometre of monstrous, ugly grey steel fencing that has been erected. They want it to be replaced by green powdered fencing, which would be more suitable for the area. Network Rail has been asked to replace the grey fencing that it erected with more appropriate green fencing, but it has refused point blank.

My constituents have been pursuing this point with Network Rail since March 2004 and I took up their case in October of that year. We have since been in frequent correspondence, and held a series of site visits and meetings—all to no avail. Network Rail has never truly engaged with the complaint or displayed any signs of sympathy towards the case. The arrogance and lack of interest that my constituents' complaint has received has been truly insulting. We can only conclude that Network Rail, although it states that it has an interest in being a responsible neighbour, has no intention of being anything of the sort. I therefore have no alternative but to highlight this sorry case to the House tonight. Network Rail has, through its behaviour, clearly demonstrated that its publicly stated environment policy and improved customer relations objectives are nothing more than box-ticking exercises. They hold no currency in the day-to-day business of Network Rail.

In its stated key objectives, Network Rail claims that consultation with community groups, Government agencies and local authorities

"is essential to our success."

It continues:

"We are rebuilding trust in the nation's rail network by listening to our customers."

Network Rail's published environment policy, which was signed by John Armitt, the chief executive, in March 2003, claims to offer environmental safeguards. Its stated vision is to "achieve environmental excellence" by engaging in dialogue with stakeholders and to seek continual improvement in its environmental performance. The company claims:

"We are committed to developing our relationships with the community and strive to be good neighbours across the areas in which we operate."

There is no evidence whatever of that in the case of East View road.

John Armitt is coming to the House next Monday to hold an MPs' "surgery" over line-side issues. I am sure that he is coming with every intention of promoting Network Rail's neighbourly credentials. However, if he did not feel that it was worth accepting my invitation to visit the East View road site and was unable to use his authority to address my constituents' problems, why should we think that that surgery is anything other than just another tick-box exercise, a cynical stunt straight from a public relations textbook?

When one of Mr. Armitt's staff came to meet my constituents, after many requests, he was reduced to an embarrassed silence and was unable to defend the actions and attitudes of Network Rail in any way. He promised to go back to Network Rail to try to ensure that a fair and equitable solution was agreed. Nothing of the sort occurred. The subsequent letter that I and my constituents received was a muddle of smug, complacent bureaucracy that addressed none of my constituents' arguments.

The views of the residents of East View road are being swept aside by the over-mighty Network Rail and their line-side issues simply ignored. Network Rail did not engage in any dialogue prior to the erection of the stainless steel fence, either with the local residents or the city of Birmingham planning office. The residents' first knowledge of Network Rail's plans to construct the fence was when they awoke to the sound of workmen cutting back trees, removing bushes and digging up the undergrowth before hastily putting up the fence. The residents of East View road only received correspondence from Network Rail after they had vociferously complained. A request for a temporary halt for a meeting to discuss the issue was rejected out of hand.

Despite representations made by my constituents, Birmingham city council planning office and me to request the use of green fencing, it has refused in a most uncompromising, unsympathetic and offhand manner. The current grey fencing is acknowledged to be environmentally insensitive and completely inappropriate for areas in or around the green belt. At other locations in Sutton Coldfield, more suitable fencing of the green powder-coated variety is used. The question from my constituents is: why cannot they be treated the same as others and have appropriate fencing?

Frustratingly, my constituents and I have no recourse to pursue Network Rail for breach of the local authority planning regulations, as Network Rail does not come under its jurisdiction. Birmingham city council planning control office confirmed on 22 June 2004 that the Town and Country Planning (General Permitted Development) Order 1995 allows Network Rail to carry out permitted work on its land without planning permission. Fencing does not therefore require planning permission, and Birmingham city council, whatever its view, has no power to intervene.

Had the residents tried to put up such a fence, Birmingham city council would have insisted, due to the environmentally sensitive nature of East View road, as made absolutely clear by the city's planning policy, that the fencing must be green. There are innumerable examples of Birmingham city council having erected the sort of green powder-coated fencing that my constituents are seeking. For example, at the nearby Bishop Walsh school, which is also adjacent to the railway line and New Hall Valley park. The city council granted planning approval subject to the condition that the fencing would be powder-coated green. The reason for that condition is to

"safeguard the visual amenity of the area".

As a result all security fencing fronting the highway in this locality is coloured green.

The Walmley local action plan of May 2002, produced by Birmingham city council's planning department, declares:

"the area does contain an historical legacy that is probably unique in the city. This centres on New Hall Valley and its listed buildings which represent a microcosm of a centuries old rural landscape and way of life".

It also proclaims

"This strategy is grounded in the widely accepted belief that the quality of the environment is of fundamental importance to the quality of life for local residents."

Furthermore—this is highlighted in capital letters in the action plan:

"Any Development proposed within the green belt will be strictly controlled to protect the character of the area and will only be approved if in line with the city council's more detailed guidance for green belts set out in the Birmingham plan."

The plan identifies the area around the railway track as a wildlife corridor, and says that as such it requires careful consideration.

According to the Walmley plan, any security fencing that is erected should be green, and whoever at Network Rail made the decision to use galvanised steel fencing had no regard for the local neighbourhood or for its own environmental policy. Birmingham city council did try to seek a voluntary solution, without success, finding Network Rail

"to be unhelpful and unsympathetic".

Network Rail has made a gross error of judgment in not treating the location with sensitivity and respect, and in not rectifying the clear errors that it made at the outset. It has been unable to give my constituents its reasons for not installing a green fence, despite having installed green fencing in other locations around Sutton Coldfield, including Mulroy road and Four Oaks station. Network Rail says that

"the type and finish of the fencing was correctly assessed prior to its erection and given this it will remain".

It has refused to give details of how the assessment was made.

In August 2004, Network Rail suggested a compromise—that the residents paint the fence green themselves. Network Rail agreed to provide the paint, but the offer was later withdrawn on health and safety grounds. My constituents sought to use the Freedom of Information Act 2000 to obtain more information about Network Rail's green fencing policy, only to find that Network Rail was not classified as a qualifying body under the Act. However, the rail regulator—the Office of Rail Regulation, as a qualifying body—offered to try to obtain the information on behalf of my constituents.

The ORR was told by Network Rail that it was under no obligation to release any information under the Act, and it therefore arrogantly refused to release any

[Mr. Andrew Mitchell]

information relating to my constituents' request. My constituents asked the ORR whether it could force Network Rail to install green fencing in environmentally sensitive locations. The ORR explained that while it was sympathetic to the cause, it only set the contractual and financial framework within which Network Rail operates and was not involved in the details.

This is a very difficult situation for my constituents. The residents of East View road have the impression that Network Rail is an uncaring, unaccountable and faceless organisation that can exercise its powers without challenge and in an arbitrary way, while ignoring any local resistance to its actions. The ORR has no direct control over Network Rail; it only provides a framework. The local planning authority has no powers, as Network Rail has permitted development rights. My constituents are unable to refer the matter to any third party for a review. They cannot refer it to an ombudsman, to an appeal body or to a judicial review. As for the Network Rail environment policy, it is policed by Network Rail itself and cannot be challenged. The key objective of improved customer relations set out by Network Rail has also been ignored. Network Rail has simply not listened to its stakeholders.

It that context it adds insult to injury for my constituents that John Armitt, chief executive of Network Rail, received a salary of three quarters of a million pounds in 2005—£754,757, to be precise. If it goes up any more, we shall soon be talking serious money. His bonus was presumably not linked to the company's environmental policy targets.

It is my strong contention, having regard to the sensitivity of the location, and in line with Network Rail's fencing policy in Mulroy road, Wylde Green road, Station approach, Bowlas avenue and Lichfield road close to Four Oaks railway station, that the fencing in East View road should be fully replaced with green powder coated fencing. However, I acknowledge that there are significant cost implications. I want to be helpful, constructive and suggest a compromise solution. Instead of removing the whole fence and the posts supporting it, which is where much of the expense would arise, it should be perfectly feasible to remove just the panels themselves, which are simply bolted on, and it would take just minutes to remove each one. The original support posts could remain and new green powder coated panels bolted on. The existing silver grey fencing could be reused elsewhere, although only where appropriate and not in an environmentally sensitive area such as this.

Network Rail should put an end to the sorry situation and work with the community in East View road, respecting their environment and their opinions to find an acceptable solution. No MP would stand for such arrogant treatment of their constituents, which is why I bought the case to the House.

We look to the Minister, who has in the past shown sensitivity on these issues, to call in the chief executive, to remonstrate with him over the way in which my constituents have been treated, to remind him and Network Rail of their environmental obligations—not least those obligations set out by Network Rail itself—and to make it clear that, as the Minister responsible for Network Rail, he does not expect to see that high-handed and arrogant behaviour replicated anywhere else.

10.36 pm

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): I congratulate the hon. Member for Sutton Coldfield (Mr. Mitchell) on securing the debate. It is clear from his remarks that this is a matter of ongoing concern in his constituency. I thank him for the information that he provided before the debate, which has been helpful in preparing the response to the important matter that he has raised.

Before dealing with the specific issue, I would like to say a few general words about Network Rail and its structure, objectives, responsibilities and priorities. Network Rail is a very large organisation and has a diverse and extensive portfolio of land and property. It employs more than 30,000 staff and owns and maintains 21,000 miles of track. Network Rail's priorities must be focused on the effective management of the rail network. Its first priority is to operate a safe, reliable and affordable railway.

The hon. Gentleman is concerned that Network Rail is not accountable to Ministers and that it is unclear to whom it is accountable. In truth, Network Rail has a large number of stakeholders, and I will say more about that shortly.

The concerns in Sutton Coldfield arise from the installation of new line-side fencing. The main reason for that is to improve safety and to prevent trespass on the railway. The primary responsibility for preventing trespass on the national rail network lies with Network Rail. In doing that, Network Rail works closely with the British Transport police, the Department for Transport and others in the rail industry and the wider community.

Network Rail's national fencing programme is designed to reduce the scope for unlawful access to the rail network, and is recognised as a good initiative. I note that neither the hon. Gentleman nor his constituents dispute the need for fencing along East View road.

The hon. Gentleman raises concerns about Network Rail's lack of accountability to local planning authorities, in particular with regard to planning policies about the colour of fencing. As a statutory undertaker, Network Rail enjoys permitted development rights, under part 17 of the Town and Country Planning (General Permitted Development) Order 1995, for development on its operational land required in connection with the movement of traffic by rail. Statutory undertakers have acquired such rights for very good reasons. They provide an essential service to the public. It would therefore be unreasonable and inefficient to require them to make a planning application for essential development each time they needed to build something on their operational land.

The Office of the Deputy Prime Minister is carrying out a review of the permitted development order arising from its 2002 Green Paper outlining proposals for fundamental reform of the planning system. The review included a research study of the permitted development rights available to railway undertakers. Following publication of the study in September 2003, ODPM will undertake a public consultation before implementing any proposed changes to current rights.

I would like to go into more detail about Network Rail's status and responsibilities. Network Rail is a private sector company operating on a commercial basis. It is a "company limited by guarantee". It has no shareholders and so does not have to earn dividends to pay them. Instead, any surplus it makes can be reinvested in the rail network for the benefit of all.

I think that at this point it would be worth explaining the new railway structure following the Railways Act 2005. The changes are vital to drive up standards, improve overall performance and underline who is best placed to deliver. The Government have taken charge of setting the strategic direction of the railways. In future, the Government will decide the high-level outputs they wish to buy from the railway and the public sector funding available for this.

Network Rail has been given clear responsibility for operating the network, and for its performance, timetabling and route utilisation. Train and track companies are working more closely together through the introduction of joint control rooms. The Office of the Rail Regulation now covers safety, performance and economic regulation. As part of being a company limited by guarantee, Network Rail's board is accountable to its 100-plus members. These are drawn from the industry and wider rail stakeholders including local and regional bodies, passenger groups as well as individuals. The Department for Transport is also a member.

Network Rail's members hold the board to account as shareholders would do in a PLC, although of course they have no financial interest in Network Rail. They appoint and reappoint directors, approve directors' remuneration and agree the company's annual report and accounts, but they do not get involved in the running of the company. Network Rail's priorities inevitably must be focused on the effective management of the rail network. Its first priority is to operate a safe, reliable and affordable railway and securing the network plays an important part in achieving this goal. However, Network Rail must also strike a balance between operating a safe and reliable railway and addressing environmental and community concerns.

Network Rail is accountable to its regulator, the Office of Rail Regulation. The ORR ensures that Network Rail sticks to the terms of its licence in running the network. If it thinks it is not doing a good enough job, it can take—or consider taking—enforcement action against Network Rail. The ORR also sets the income that Network Rail should receive and the outputs it must deliver for that income. Network Rail is also accountable to its major funders—the Secretary of State and, from April this year, Scottish Ministers. It must be for Ministers, who are accountable to Parliament, to set the national strategy for the railways. Under the new arrangements implemented by the Railways Act 2005, the Government will set the level of public expenditure and take the strategic decisions on what this should buy.

Network Rail is accountable to its local communities. The company owns 21,000 miles of track. That is a lot of neighbours, including, of course, those in the hon. Gentleman's constituency. Despite the problems in his constituency, I welcome Network Rail's ongoing engagement with wider communities and its initiatives against railway trespass; for example its innovative "No messin!" campaign last summer to warn youngsters of the dangers of "playing" on the network, and targeted at route crime hotspots.

I am glad to see that the chief executive of Network Rail is actively engaging with hon. Members through the planned line-side surgeries. I understand the concerns that the hon. Gentleman has raised, but it is a good initiative. I also believe that Network Rail is concerned about the local environment.

The hon. Gentleman raised concerns as to whether Network Rail's responsibilities to its neighbours fell short of what was expected in this instance. I very much hope the concerns of his constituents about the type and finish of the fencing can be resolved to everyone's satisfaction. But subject to Network Rail complying with the terms of its licence and relevant statutory requirements, we have no powers to intervene in operational decisions. Except in a limited range of circumstances related to security or major emergencies, Ministers have no powers to issue directions or any other binding instructions to Network Rail.

I shall certainly bring the concerns that the hon. Gentleman has raised, and his compromise proposal, to Network Rail's attention and ask it to respond directly to him.

Question put and agreed to.

Adjourned accordingly at sixteen minutes to Eleven o'clock.

House of Commons

Wednesday 8 February 2006

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

NORTHERN IRELAND

The Secretary of State was asked—

Education

1. **Mr. Graham Allen** (Nottingham, North) (Lab): What proposals for the revised curriculum which will operate from September will broaden the types of religious and non-religious value system education in schools in Northern Ireland; and if he will make a statement. [48304]

The Parliamentary Under-Secretary of State for Northern Ireland (Angela E. Smith): The revised curriculum aims to develop young people as contributors to society by fostering citizenship. Pupils are given the opportunity to learn about a range of religions, values and ethics, and about the importance of respecting diversity.

Mr. Allen: Thinking back to the beginning of the troubles, almost 30 years ago, where does my hon. Friend think we might be today, had we started then to introduce more secular education in Northern Ireland and not allowed further faith schools of any denomination to be built? I know that she is conducting an education review. Will she put herself in the position of being at the Dispatch Box in 30 years' time and begin that process in earnest now, so that young children are not indoctrinated with one religion or another at school, but only if their parents choose to do so at home? Will she take steps, through the review, to introduce such a proposal and to have more secular education in Northern Ireland?

Angela E. Smith: I thank my hon. Friend for his confidence that I will be at the Dispatch Box in 30 years' time. He makes a plea for integrated education, and there is clearly a great unmet demand on the part of parents for such education. The Government have obligations in that regard and dealing with this issue is a challenge, but we must also meet the challenge of falling school rolls. There are 50,000 spare places and one in eight school desks are empty. The review that my right hon. Friend the Secretary of State has initiated will consider how we can be smarter in managing the school estate and how we can ensure that we meet parental demand for integrated education, along with every other form of education.

Sammy Wilson (East Antrim) (DUP): I am sure that the Minister views with horror the prospect of standing at the Dispatch Box in 30 years' time as the Minister with responsibility for education in Northern Ireland. Does she accept that having six different education providers in Northern Ireland has wasted resources and contributed to the overcapacity in school provision to which she referred? Will she explain to the House why she did not take the chance that she had under the review of public administration to cut the number of funded providers and why she continues to open Irish-medium schools and integrated schools, for example, in areas where there is a surplus—

Mr. Speaker: Order. One supplementary is fine.

Angela E. Smith: I suspect that there is little difference between the hon. Gentleman and me in respect of the review that we are taking forward. He is right to say that having so many different education providers has proved very expensive, but the review of public administration cuts the number of education administrators. In examining the existing types of education during the forthcoming review, the key issue has to be parental choice. He suggests that parents do not want Irish-medium education and integrated education, but such demand does exist. We have to be a bit smarter in how we provide such education and see whether we can share services to cut bureaucracy and administration while still meeting parental choice.

Paramilitary Organisations

2. **Lady Hermon** (North Down) (UUP): If he will make a statement on the level of co-operation between loyalist paramilitaries and the Independent Monitoring Commission. [48305]

The Minister of State, Northern Ireland Office (Mr. David Hanson): The Government will continue to work with loyalist representatives to ensure decommissioning. The IMC will make itself available to talk to a wide range of organisations, but it does not disclose the nature of such contact or the level of co-operation.

Lady Hermon: I am most grateful to the Minister for that perfect parliamentary response, which is entirely accurate but tells me nothing. Does he agree with the IMC's latest assessment of the progress—or lack of it—made by loyalist paramilitaries toward decommissioning their weaponry?

Mr. Hanson: I am disappointed to note that the IMC has concluded that the Ulster Defence Association in particular is deeply involved in violence, especially in the events in Whiterock last September. The Government and I encourage organisations on the loyalist side that are involved in violence to move away from it. I am confident that we will have the opportunity to discuss proposals to ensure that those organisations do move away from violence, and I hope that progress will be

made this year in that regard. As with all violence associated with paramilitary activity, it is not acceptable to the Government. We need to take violence and intimidation out of the politics of Northern Ireland. The IMC has identified that it still exists and I repeat that the Government find that unacceptable. We need to find mechanisms to ensure that we move on from that situation.

Mr. Eddie McGrady (South Down) (SDLP): I am sure that the Minister is aware that the IMC has been advised that

"the UDA is prepared to address the issue of arms in the context of a satisfactory consideration by the British Government of its community's socio-economic concerns."

Does the Minister agree that there are three lessons to be learned here? First, much of the social deprivation in areas controlled by paramilitaries is in fact caused by paramilitaries. Secondly, socio-economic problems should be addressed irrespective of paramilitaries. Thirdly, the addressing of such problems should not be regarded as a reward for ceasing to commit crimes of violence and terror, as has happened in the past. These issues should be disconnected and socio-economic matters should be addressed irrespective of what the paramilitaries are doing.

Mr. Hanson: I am happy to say that I agree with my hon. Friend's analysis of the situation. The report being compiled by my chief official in the loyalist areas task force, Alan Shannon, has identified the influence of paramilitary activities as one of the specific blocks to making progress on social and economic matters in those areas. We need to address those deep-seated problems, but the Government will not be held to ransom by a trade-off between taking action on them and decommissioning. Decommissioning is central to making political progress in Northern Ireland: we want it to happen, but we also want there to be social justice, and to tackle economic deprivation.

Rev. Ian Paisley (North Antrim) (DUP): The Minister is aware of our proposals about the districts that need help and I heartily endorse what the hon. Member for South Down (Mr. McGrady) said. Such aid cannot amount to a reward system for paramilitaries who say, "If you do this, we'll do that." Will the Minister give me an assurance that the elected representatives in those areas will be the first to negotiate with him about these matters? They have been elected by the people to do so.

Mr. Hanson: The right hon. Gentleman will know that I have undertaken a number of engagements—I think 46 so far—in various areas across Northern Ireland, and that I have looked at these problems. It is right that paramilitary influence is one of the major stumbling blocks to making progress in many of the areas of economic deprivation, and I have met 12 or 13 Members of the Assembly from the right hon. Gentleman's own party to discuss the matter. As my hon. Friend said, we need to tackle social and economic deprivation, and at the same time take the gun out of Northern Ireland politics. That applies both to the IRA and to the loyalist paramilitary organisations and is an essential prerequisite to progress. The continuation of threats, intimidation and armed activity is one of the blocks to tackling social and economic deprivation in many parts of Northern Ireland.

Sir Patrick Cormack (South Staffordshire) (Con): Is not the biggest stumbling block the continued involvement of paramilitaries from both sides in organised crime?

Mr. Hanson: Absolutely. The hon. Gentleman chairs the Northern Ireland Affairs Committee, which is examining that very issue. He will know that organised crime is a key problem and that, sadly, many paramilitaries—especially on the loyalist side now—are still involved. We must decide how to tackle that, and all the ministerial team agree that there will be no room in Government for lack of action against criminality and paramilitary involvement in crime. We must look at how, in the long term, we can take the gun out of loyalist politics—a point that takes us back to the question asked by the hon. Member for North Down (Lady Hermon). That is central to Northern Ireland's economic success, and especially to those deprived areas that in part are held back by the influence of the loyalist paramilitaries.

Mr. David Lidington (Aylesbury) (Con): There is evidence that paramilitary organisations, both loyalist and republican, are moving assets from criminal enterprises into legitimate businesses. In view of that, can the Minister give an assurance that the police and the Assets Recovery Agency will continue to pursue the profits of crime, even if they have been laundered in that way, so that no paramilitary group can benefit from preying on the communities of Northern Ireland?

Mr. Hanson: I am pleased to give the hon. Gentleman an unequivocal yes to that question. It is clear to the Government that profits are being made from criminality throughout Northern Ireland. That problem is being dealt with by my right hon. Friend the Secretary of State and by the Under-Secretary of State, my hon. Friend the Member for St. Helens, South (Mr. Woodward). They have made it clear that the Assets Recovery Agency has a mandate to pursue the profits of crime, and the hon. Gentleman will know that it has made major efforts in that respect over the past couple of weeks. People in Northern Ireland who are involved in criminality or paramilitary activity need to know that the Government will close them down and remove the assets when we find out who is responsible for their generation.

Invest Northern Ireland

3. **Mr. Gregory Campbell** (East Londonderry) (DUP): What measures Invest Northern Ireland is taking to assist economic regeneration in areas where substantial job losses are likely to occur within the next three months. [48306]

The Parliamentary Under-Secretary of State for Northern Ireland (Angela E. Smith): Invest NI has helped client companies throughout Northern Ireland become more entrepreneurial, innovative and internationally oriented, offering £400 million of

assistance towards £1.5 billion of total planned investment. Where clients encounter difficulties, Invest NI proactively tries to avert redundancies. Where they prove unavoidable, Invest NI and the Department for Employment and Learning work closely with the company to minimise their effects.

Mr. Campbell: The Minister will be aware that 380 of my constituents and their families face a bleak future after Farm Fed Chickens announced its possible closure within three months. Will she ensure that Invest NI increases the lamentable number of potential inward investors in my constituency over the past few years so as to replace those jobs with durable, high-quality employment opportunities?

Angela E. Smith: I assure the hon. Gentleman that Invest Northern Ireland is already working with Farm Fed Chickens to look at ways in which we can help to research alternative markets. The Department for Employment and Learning is also providing advice and support for workers who have been made redundant. Invest Northern Ireland is demand-led and supports investors who want to invest in Northern Ireland. The key to ensuring that Invest Northern Ireland can attract investors is the skills of workers in Northern Ireland. That is why the skills and science fund, launched by my right hon. Friend the Secretary of State, is so important. It will ensure that we have the skills that attract investors to invest and create jobs in Northern Ireland.

Dr. Alasdair McDonnell (Belfast, South) (SDLP): In taking measures to tackle recent unemployment, could we begin to develop a strategy to tackle long-term unemployment? Does the Minister agree that the best opportunities for economic growth lie in high-wage, high-value added technology? We need a greater focus on the newer technologies, especially biotechnology, where we might not be as focused as we could be.

Angela E. Smith: I agree with the hon. Gentleman that that is where the focus is needed, and that is where the focus is. There is considerable investment in biotechnology to show that Northern Ireland can be a world leader in that area. The skills and science fund is the key to ensuring that we get those high-value technological jobs that will attract investors and create more sustainable long-term jobs in Northern Ireland.

Lembit Öpik (Montgomeryshire) (LD): Does the Minister accept that, as we go into yet another round of talks, they are once again about the constitutional issues and does she agree that we need to start focusing on the practical economic realities in Northern Ireland? In that context, will she agree to consider setting up an all-party forum to look in detail at the problems facing the Northern Ireland economy, accepting that such a format may be useful in the future for education and health issues?

Angela E. Smith: I guide the hon. Gentleman to the speech by my right hon. Friend the Secretary of State to the Fabian Society, in which he made those very points about engaging everybody in looking at the future of Northern Ireland. We have several forums for debate and discussion on such issues and I am not sure that a further forum would add value. I can however give him a guarantee that the forums that we have will be used to ensure that we obtain investment and provide jobs, and we will ensure that the work force have the skills to take advantage of that investment. That is the key to attracting investment to provide long-term sustainable jobs.

Mr. Laurence Robertson (Tewkesbury) (Con): As we discussed in the Northern Ireland Grand Committee yesterday, there are several bright spots in the economy of Northern Ireland, but there are one or two problems. The Minister will be aware that many people in Northern Ireland are concerned that the Province is over-dependent on the public sector, which appears to be growing. What does she intend to do to redress that growing imbalance?

Invest NI has raised several concerns, such as the low spending on research and development by businesses, the low rate of business start-ups and the fact that Northern Ireland has the highest economic inactivity rates in the UK. Those are real problems and I wish the Minister well in tackling them. Can she tell us exactly what she will do to improve matters?

Angela E. Smith: The hon. Gentleman is quoting from my right hon. Friend's speech last week, in which he identified those very problems. The hon. Gentleman can be a little negative, as I pointed out to him yesterday, but employment levels are the highest ever, unemployment is the lowest average in the UK, manufacturing output is growing and is significantly higher than in the rest of the UK, and manufacturing exports are up. I take the point about the over-reliance on the public sector, which is why the review of public administration would reduce the number of councils from 26 to seven and reduce the number of public bodies. That is also why the work being done by Invest NI to grow the private sector is so important. I accept the hon. Gentleman's point, but he should not underestimate the gains that are being made.

Hospital Waiting Times

4. **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): What steps he is taking to reduce waiting times for hospital treatment in Northern Ireland. [48307]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. Shaun Woodward): We are undertaking a dramatic reform programme in Northern Ireland. As regards in-patients, one year ago more than 4,000 patients were waiting more than 12 months on in-patient and day case waiting lists and nearly 1,000 waited more than 18 months. Within a few weeks, we will be on track to ensure that nobody in Northern Ireland will wait more than 12 months, and I will shortly announce further reductions in in-patient waiting lists.

Mr. Bailey: It is not altogether clear from my hon. Friend's reply whether that period includes the time from GP referral. Can he tell me what steps he is taking to ensure that the overall time delay is reduced?

Mr. Woodward: I am glad that my hon. Friend raised that question. Out-patient lists in Northern Ireland have been an especially huge problem and the number of

people waiting for referrals has been considerable. Until recently, nearly one in nine people in Northern Ireland were on out-patient lists, and 10 per cent. of them were waiting for more than two years. For that reason, I have announced a dramatic reform programme for out-patient lists to ensure that by 2008 no patient will wait more than 13 weeks from time of consultation with a GP to seeing a consultant. We will bring an end to those lengthy lists by a programme of reform and investment.

Mrs. Iris Robinson (Strangford) (DUP): On behalf of all multiple sclerosis sufferers in Northern Ireland, I thank the Minister for his announcement yesterday of the release of an additional £2 million for MS sufferers who need access to beta interferon. In two years, I shall come back to check that no one is on the waiting list.

What targets has the Minister set to tackle child and adolescent psychiatry out-patient waiting times, which can extend to four years? What efforts will be made to enhance work force capacity in that speciality?

Mr. Woodward: I pay tribute to the hon. Lady's work with the Multiple Sclerosis Society on the campaign to help to bring about the announcement that I made yesterday. There are 163 people waiting for treatment and they will indeed come off the list within the next two years, so nobody will wait.

On waiting times for mental health patients, I shall shortly make an announcement about mental health in Northern Ireland that will cover a broad spectrum, including those in mental health dealing with younger people. I hope that I shall be able to please the hon. Lady with an announcement similar to yesterday's.

Northern Ireland Assembly

5. **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): When he expects to lift the suspension of the Northern Ireland Assembly. [48308]

The Secretary of State for Northern Ireland (Mr. Peter Hain): The Prime Minister and I have made it clear that 2006 is decisive for the process. I want the institutions restored as soon as possible, and we held constructive discussions with all the parties at Hillsborough on Monday to discuss the way forward.

Daniel Kawczynski: The right hon. Member for North Antrim (Rev. Ian Paisley) confirmed to me yesterday that his party will not take part in Stormont unless it is confident that the IRA has given up its weapons. Will the Secretary of State give the House an assurance that the Government will not try to bludgeon that party into submission? Only when it is confident that the IRA has given up its weapons will it agree to participate in the new chamber.

Mr. Hain: Knowing the right hon. Member for North Antrim (Rev. Ian Paisley) as well as I have been able to do over past months, I can tell the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) that nobody tries to bludgeon him—or at least they do so at their peril, so I am certainly not going down that road.

Things cannot continue as they are: 2006 is a make-or-break year. The clock is ticking. The Assembly is costing £9 million a year, with Assembly Members not doing their jobs but receiving salaries and expenses averaging £85,000 a year. That situation cannot continue for ever and everybody realises that there must be some energy and momentum in the political process, which we intend to achieve.

Mr. Peter Robinson (Belfast, East) (DUP): Does the Secretary of State accept that many people in Northern Ireland feel that he has been dipping into his optimism pills too much—*[Interruption.]*

Mr. Speaker: Order. The hon. Gentleman must be heard. This is an important issue.

Mr. Robinson: In his timetable, the Secretary of State hopes that legislation on constitutional issues will be put before the House by April. Does he accept that, if he cannot make that journey in one step, a phased approach must be more sensible, so will he consider starting the process with a lower level of devolution?

Mr. Hain: That is one of the very proposals that the hon. Gentleman and his right hon. and hon. Friends have put to me in their "Facing Reality" document, and it is one that we intend to discuss in some detail at the next meeting on 20 February. In the meantime, however, there is a legislative opportunity in the business programme to introduce legislation to take forward some of the detailed, comprehensive proposals of December 2004, to which his party made a major contribution, and I want to consult the other parties on the detail to get agreement to make that legislative change in April, if I can.

Andrew Mackinlay (Thurrock) (Lab): Has the Secretary of State noticed, when he walks down any high street in Northern Ireland, that there are more offices of Members of the Stormont Assembly than chemist's shops? Is it not time that we capped such public expenditure? I can accept all that he said earlier, but to put additional moneys on top of that this afternoon is unacceptable to his taxpayers and to mine.

Mr. Hain: I am not going to anticipate the debate this afternoon, but I will say that there is an additional point behind the one that my hon. Friend makes: the people of Northern Ireland are fed up with the fact that their politicians are not doing their jobs. People elected to an assembly ought to be in an assembly, up and running, doing their jobs, which is what these discussions are all about achieving. *[Interruption.]*

Mr. Speaker: Order. I ask for quietness in the Chamber—otherwise, it is unfair.

Mr. Tobias Ellwood (Bournemouth, East) (Con): Does the Secretary of State agree that anyone wishing to participate in the national Assembly should relinquish any link with criminal activity and that, if they re-establish those links, they should be removed from the new national Assembly?

Mr. Hain: We want to see criminality stamped out of Northern Ireland and not infecting its politics, whether on the republican or loyalist side. Last week's report from the Independent Monitoring Commission showed very extensive progress by the IRA, but there is still too much localised criminality, and we will continue to bear down on that and it must stop.

Mr. David Lidington (Aylesbury) (Con): We very much hope that the talks in the political initiative that the Government have now set in train will succeed and result in the restoration of inclusive devolution to Northern Ireland, but the right hon. Gentleman mentioned last week's IMC report. Does he accept that it confirmed, contrary to the views earlier voiced by the Under-Secretary of State for Northern Ireland, the hon. Member for St. Helens, South (Mr. Woodward), that leading members of the republican movement are still involved in serious organised crime and that it would be unreasonable to expect—

Mr. Speaker: Order.

Mr. Hain: I very much welcome the hon. Gentleman's support for the political process. I know that he and his party wish that it succeeds and I think that it can succeed. The IMC report, of course, pointed to localised criminality, which must be stopped, but it also made it absolutely clear—I am happy to quote all the passages—that criminal operations, including robberies, have been closed down and that the leadership of the Provisional IRA has set its objectives clearly on the strategic focus of political and democratic methods. He ought to welcome that, and I know that he does.

Independent Monitoring Commission

6. **Rosie Cooper** (West Lancashire) (Lab): What assessment he has made of the most recent report from the Independent Monitoring Commission. [48309]

The Secretary of State for Northern Ireland (Mr. Peter Hain): This is a positive report, which states that the IRA leadership is delivering its promise to end terrorism, but there is still too much local criminality.

Rosie Cooper: Although I accept that the IMC report referred to localised IRA criminality, does my right hon. Friend believe that the report confirms that there is a world of difference in the situation in Northern Ireland, even compared with just 12 months ago?

Mr. Hain: Yes, indeed. My hon. Friend is right that the IMC did confirm that there has been a huge change, a sea change, compared with what occurred even a year ago—let alone five, 10, 20 or 30 years ago, when people were being killed or bombed pretty well every day in Northern Ireland. That is why, as the report confirms, the leadership of the republican movement has set a strategic course on democratic and peaceful politics. We ought to support that, while insisting that local criminality is stopped and closed down for ever.

Dr. William McCrea (South Antrim) (DUP): Does the Secretary of State realise that, no matter how much guff and bluff there is from Ministers, Sinn Fein-IRA and their colleagues are still involved in criminal activity in Northern Ireland? Those who are connected to that are not worthy of being called true democrats and we should move on without them.

Mr. Hain: I agree with the hon. Gentleman that any republicans, including from the Provisional IRA, who are still involved in especially petrol smuggling and cigarette smuggling—the IMC report says that some are even though operations have been closed down—must stop their activities. The IMC will continue to report on such activity and we will continue to demand that it is stopped. We will continue to support the police and the Assets Recovery Agency in their work.

The hon. Gentleman will also agree that the report confirms a massive change that is light years away from the old dark days of violence in Northern Ireland. Sinn Fein leaders have played an important part in achieving that objective.

Mark Durkan (Foyle) (SDLP): Does the Secretary of State recognise that parties would do better to reflect on the full reality of the IMC report rather than reacting to reactions? Does he agree that both Sinn Fein and the Democratic Unionist party, for their own purposes, have exaggerated the negative aspects of the IMC report rather than the positive aspects? Does he also agree that the Governments would have helped the reception of the IMC report if they had published the decommissioning body's report earlier rather than leaving it to the same day and causing confusion?

Mr. Hain: I do not agree with the latter point, but I very much accept the hon. Gentleman's first point. Some Sinn Fein leaders have said that the organisation is squeaky clean and some Unionists have said that there has been no change. Both statements are untrue. There has been huge change, but there is still too much local criminality, which we intend to stamp out.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [49474] **Mr. David Jones** (Clwyd, West) (Con): If he will list his official engagements for Wednesday 8 February.

The Prime Minister (Mr. Tony Blair): This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Mr. Jones: Two weeks ago, the Prime Minister told the House that he would have to listen carefully to what the people were saying on the question of police restructuring. This week, the Government announced that they were pressing ahead with plans to amalgamate the Welsh police forces despite the intense opposition of Welsh police authorities. Just how loudly do the people of Wales have to shout before the Prime Minister starts to listen?

The Prime Minister: Surely, as the hon. Gentleman knows, there is, in fact, a disagreement within Wales as to the right way to go. There are senior police officers who are saying precisely the opposite of what he is saying. Therefore, we must listen to the representations being made, but there are circumstances in which there are different representations being made and we obviously have to come to a decision. I know that he and some other Members of Parliament had a meeting with the Home Secretary earlier in the week, but we have put forward this option because there is strong support for it from within Wales.

Mr. Mohammad Sarwar (Glasgow, Central) (Lab): Does the Prime Minister agree that while we recognise and respect freedom of speech and expression, that does not extend to a right to insult, humiliate and hurt people, which is clearly what the irresponsible publication of the cartoons of the Prophet, peace be upon him, has done, causing deep offence to millions of Muslims around the world? Does my right hon. Friend further agree that people have the right to protest peacefully, but that those who advocate violence and condone barbaric acts such as 7/7 must be dealt with by the full severity of the law?

The Prime Minister: I think that what my hon. Friend says about the protests against the cartoons being conducted peacefully is absolutely right. I also think that it is particularly important that he, as a leader from the Muslim community, is making it very clear that the vast majority of Muslims in this country completely abhor the type of protests that took place that resulted in violence and in people glorifying acts of murder and terrorism. That has no place in any part of our community—certainly not in any respectable part of our community.

Mr. David Cameron (Witney) (Con): As the Prime Minister has just said, the demonstrations in London over the weekend caused widespread concern. Muslims, as he has also just said, contribute an enormous amount to this country and, for the overwhelming majority, Islam is a religion of peace. Does he agree that, in all of this, there is a danger that their voice will be drowned out?

The Prime Minister: I hope very much that the voice of the moderate majority is not drowned out because, as my hon. Friend the Member for Glasgow, Central (Mr. Sarwar) made clear, the fact is that the vast majority of people in the Muslim community and across the Muslim world totally abhor acts of terrorism and those who incite or glorify terrorism. It is important that we make it clear that we use the full force of the law against people who break the law, but remain united as a country—across communities of all faiths—in resisting terrorism wherever it rears its head.

Mr. Cameron: On the specific point of policing that the Prime Minister just mentioned, we all agree that the existing laws on incitement must be enforced. Does he agree that while smart policing may mean holding back from arresting people on the spot, it must never mean turning a blind eye to those who incite violence, or perhaps even worse?

The Prime Minister: No; I agree, of course, entirely. It is extremely important that the police use the powers available to them. One of the reasons for the legislation currently before the Houses of Parliament is precisely that it willl strengthen the law. It is important that we can agree on the measures that are necessary to do that because the law will be strengthened in very important ways. First, indirect encouragement to acts of terrorism will be made unlawful and glorification will be mentioned specifically as an example of indirect incitement to terrorism. Secondly, it was extremely important—I should be grateful if the right hon. Gentleman would look again at the Conservative party's position on this—that the original provisions in the Bill allowed us to proscribe groups that glorified terrorism. Those provisions were removed from the legislation in the House of Lords. It is important that we send out a very strong signal that any group, or people, who glorify terrorism in any way at all will be committing a criminal offence and that those groups that rely on glorifying terrorism to attract recruits should not be able to operate in our society.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): The Secretary of State for Defence recently told the House that the deployment of our troops in Afghanistan would be in Helmand province. In the light of recent events, will the Prime Minister tell us whether our troops will now have a roving commission, firefighting around the whole of Afghanistan?

The Prime Minister: No, of course they will not. However, in any situation, especially when other troops are under threat, as happened recently, I am sure that our troops would want to go to the help of their allies. The important thing is surely that we, together with the troops of many other countries, are in Afghanistan to help that country towards the democracy that its people want and to ensure that the Taliban or al-Qaeda cannot again use the country as a failed state for their own purposes. We can be not only immensely proud of the work that our troops do there, but immensely determined to ensure that they can carry on doing that work. I assure my hon. Friend that there is no intention that they should have a roving commission throughout Afghanistan, but if, as happened the other day, troops of another country working alongside us are under threat, of course our troops will want to go and help them.

Sir Menzies Campbell (North-East Fife) (LD): The Prime Minister will be aware that police mergers are controversial not just in Wales, but throughout the whole country. Will he tell us why the biggest change to policing in 40 years is being pushed through in a matter of a few months?

The Prime Minister: The reason for the proposals, as I explained during Prime Minister's questions some time ago, is that after we commissioned a report from Her Majesty's inspectorate of constabulary into the whole issue, it came forward with proposals showing why the present configuration of forces was wrong. There is sometimes a notion when talking about this that the number of forces that we have at the moment—just over 40—has somehow been the case for ever. Actually, 30 to

40 years ago, a similar exercise was undertaken involving substantial mergers. The question is what is the most effective form of policing. Since we got the report saying that the present configuration is not effective, surely it is sensible for us to look at how we can make it better.

Sir Menzies Campbell: Apart from the issue of the loss of connection with local people, the Prime Minister will know that the Association of Police Authorities estimates the cost of the proposed mergers as something in excess of £500 million. What will that mean: higher council tax bills, or fewer police on the streets?

The Prime Minister: It will mean neither, actually, because we do not accept that figure. As I have said, there are different views, including within the police service, but what is important is to get the most effective way of configuring local police forces, and community policing is best done at a community level. It is entirely consistent with proper community policing to have a proper strategic force at the right strategic level, and then to have greater devolution of power to community policing. If the right hon. and learned Gentleman looks at the history of police services in this country, he will see that there have been many changes over the years. Once those changes take effect, it is interesting how quickly the opposition dissipates.

Ms Dawn Butler (Brent, South) (Lab): In my constituency, we recently had a tragic murder when Tom ap Rhys Price was killed close to Kensal Green station, which was unstaffed. Will my right hon. Friend condemn the rail companies for not investing more of their profit into ensuring that stations are properly staffed? Will he also congratulate the Mayor of London on committing an extra 89 British Transport police officers to staff stations?

The Prime Minister: It is important, as the Mayor indicated, not merely that we have more British Transport police, but that we increase the number of neighbourhood policing teams. My hon. Friend knows that those have been strengthened from four to six officers and rolled out across the whole of London. I shall certainly look carefully into the issue that she raises about that particular station.

Mr. Cameron: The Prime Minister has said that every time he introduced a reform, he wished he had gone further. Why is it that on the biggest reform of this Parliament—education—he is going backwards?

The Prime Minister: I am surprised that the right hon. Gentleman says that. A couple of weeks ago he asked me whether I would undertake categorically to ensure that schools had the freedom to own their buildings, employ their own staff and develop their own culture. They will have those powers, and they will be in the education Bill. I thought that he now agreed with me that we do not want to return to selection.

Mr. Cameron: I love it. One minute we have big concessions to win over Back Benchers; the next minute we have no changes at all. Instead of flip-flopping, why cannot the right hon. Gentleman get out and sell the reforms? *[Interruption.]*

Mr. Speaker: Order. The Leader of the Opposition.

Mr. Cameron: Whatever happened to the right hon. Gentleman leading his party, not following it? Whatever happened to no reverse gear? Whatever happened to the historic turning point? If he keeps turning, it is not going to be very historic.

Given that the right hon. Gentleman has Opposition support, will he make it clear: no more concessions?

The Prime Minister: I see that the right hon. Gentleman has raised the issue of flip-flopping. I have with me a leaflet that has just been put out in the Dunfermline and West Fife by-election with a letter from one David Cameron. It says:

"I'm a liberal Conservative."

It also says:

"Issues that once divided Conservatives from Liberal Democrats are now issues where we both agree"—

like Iraq. Is that the same man who two weeks ago told *The Daily Telegraph*:

"I am, and always have been, a Conservative to the core of my being"?

One week ago, he was the heir to new Labour; today he is a Liberal Conservative. No wonder he is against identity cards.

Hon. Members: More!

Mr. Cameron: I love it—*[Interruption.]*

Mr. Speaker: Order.

Mr. Cameron: I love getting a lecture in consistency from a Prime Minister who spent all week in reverse gear. Perhaps he could have a word with the Chancellor, who has just endorsed a book that says Iraq was an unjust war. Is it not time that the Prime Minister faced down the rebels and did the right thing for teachers, parents and pupils? Why is he trying to appease those who do not want reform when he could be working with those who want it?

The Prime Minister: I do not know about me facing anything down, but it is about time that the right hon. Gentleman faced the same way for more than a day at a time. The fact of the matter is that we will have those freedoms in schools but, yes, we will ensure that they cannot go back to academic selection. I thought that we both agreed on that. I hope that he will do that now, as well as reversing the following Conservative policies: the patient's passport; the foundation hospitals; the asylum quotas; section 28; the licensing laws—does he remember those?—and opposition to antisocial behaviour. I hope that in respect of all those, and more, he will reverse the Conservative position, but in particular tell us now how much he regrets voting against the extra investment for schools and hospitals. Once he has completed those U-turns, we will know where he stands—but he will not stand with any credibility anywhere. *[Interruption]*.

Mr. Speaker: Order.

Colin Burgon (Elmet) (Lab): I am sure that my right hon. Friend the Prime Minister shares the satisfaction that is felt by many on the Labour Benches about the shift to the left that has taken place in Latin America. To use a phrase, this is bringing Governments into power who will be in the interests of the many and not the few. Does my right hon. Friend agree with me that it would be bad news for all concerned if we allowed our policy towards those countries, especially Venezuela, to be shaped by a really right-wing US Republican agenda?

The Prime Minister: Up to a point. It is rather important that the Government of Venezuela realise that if they want to be respected members of the international community, they should abide by the rules of the international community. I say with the greatest respect to the President of Venezuela that when he forms an alliance with Cuba, I would prefer to see Cuba a proper functioning democracy. I entirely understand the point that my hon. Friend is making, and I will obviously reflect on it carefully, but I have to say to him that the most important thing is that countries in south America and north America realise that they have much in common, much to gain from each other and much to gain from each other particularly through the principles of democracy.

Q2. [49475] **Charles Hendry** (Wealden) (Con): Has the Prime Minister seen the Government's own figures, which show that 90 per cent. of prisoners have some form of mental health illness, and that more than 5,000 prisoners have a severe mental illness? Does he believe that prison is the right place to keep, treat and rehabilitate people with a mental health illness?

The Prime Minister: I think that they have to be treated in the right way for them. They also have to be treated in a way that is conducive to public safety. The hon. Gentleman is entirely right in saying that many prisoners have severe mental health problems. Many prisoners have a series of problems to do with upbringing, drug abuse and so on. I hope he understands that there would be an immediate reaction the other way if we were releasing people from prison with severe mental health problems who could cause damage in the community.

The point that the hon. Gentleman is making is absolutely right and we are acting upon it, to increase the help and support that we give to prisoners with mental health problems.

Anne Snelgrove (South Swindon) (Lab): Would my right hon. Friend be interested to learn that councillors on Conservative-controlled Swindon borough council backed on-the-spot fines and antisocial behaviour orders recently? Does he agree that the measures in the respect action plan will improve the lives of hard-working Swindon families, and that it would be far better for the country if the Tories stopped saying one thing when in power and another in opposition?

The Prime Minister: That is absolutely right, of course. I have to say in all fairness to the right hon. Member for Witney (Mr. Cameron) that although he was opposing the measures as a gimmick in the morning, by the evening he was supporting them.

Q3. [49476] **Mr. James Arbuthnot** (North-East Hampshire) (Con): We do need to build new affordable housing to keep communities together, but does the Prime Minister accept that we have to have the infrastructure to support that housing first? Is he aware that in Fleet, where the Deputy Prime Minister has just imposed an extra 300 new houses, the schools are full, the primary care trust is in deficit and water levels are dangerously low?

The Prime Minister: I agree entirely that it is important that we have the infrastructure spending that goes along with any increase in housing. That is precisely the reason for the large investment in our public services, both in health and education and elsewhere. Obviously I do not know the particular situation in Fleet but I am happy to write to the right hon. Gentleman about it.

Q4. [49477] **Mr. Gordon Prentice** (Pendle) (Lab): Why is it that so many influential people outside the House think that knighthoods and peerages can be bought by sponsoring city academies? Is it because six sponsors have been honoured so far? What about independent trust schools that are seeking partners in the private sector? What is in it for Tesco, B & Q, Burger King and Virgin Mobile?

The Prime Minister: If my hon. Friend went and looked at the city academies, he would see that many schools that used to be hugely under-subscribed are now over-subscribed. He would see the children receiving a first-class education and the possibility and potential that they have as a result, so I hope that perhaps he would take a different view of city academies and their sponsors.

Angela Watkinson (Upminster) (Con): The London borough of Havering has just received a comprehensive performance assessment of one star, despite receiving four, three and two stars for a range of services. Does the Prime Minister agree that giving a comprehensive performance assessment in accordance with the lowest score is not only unfair but does nothing to encourage local authorities to aspire to providing better services?

The Prime Minister: I plainly do not know the reasons for that, so I will get in touch with the hon. Lady to give them to her. Obviously, the rating is made across the whole range of services, but I cannot comment on the individual case.

Q5. [49478] **Mary Creagh** (Wakefield) (Lab): My right hon. Friend will be aware that this month is the 100th anniversary of the foundation of the parliamentary Labour party. [HON. MEMBERS: "Hurray."] The Labour pioneers who sat on these Benches dreamed of ending poverty and unemployment, clearing slum housing and providing decent health care and education for everyone, regardless of their income. One hundred years from now, what does my right hon. Friend believe our lasting achievements will be?

The Prime Minister: I hope, at the moment, the increase in the number of people in work and, obviously, the huge investment in public services and the reduction in pensioner and child poverty. My hon. Friend is right to draw attention to the 100-year centenary, and I hope those original 29 founders would be very happy to have a third-term Labour Government in place today. There were three great things on which they campaigned 100 years ago—first, the minimum wage, which we have delivered; secondly, home rule, which we have delivered; and, thirdly, prohibition, which we have not.

Q6. [49479] **Mr. Nigel Dodds** (Belfast, North) (DUP): Given the confirmation of continuing illegality, criminality, spying, racketeering and so on practised and sanctioned at the highest level by senior members of Sinn Fein-IRA, does the Prime Minister—I note that he is shaking his head, but it is in the report by the Independent Monitoring Commission, if he would read it instead of spinning it—not agree with his right hon. Friend the Leader of the House, who said that if

"organisations are not committed to a peaceful process and to democratic work, they should not be entitled to"

parliamentary

"allowances"?—[*Official Report*, 26 January 2006; Vol. 441, c. 1528.]

That is especially the case when they do not come to the House and they do not do any work.

The Prime Minister: I do not agree that I am unbalanced about the report. It is absolutely correct to draw attention to criminal activity, and we have made it clear that that is a significant problem. However, the IMC report also says:

"We are of the firm view that the present PIRA leadership has taken the strategic decision to end the armed campaign and pursue the political course which it has publicly articulated."

If one is being fair and balanced, both things have to be put into the equation. The report goes on specifically to recommend the lifting of the financial sanctions that were imposed on Sinn Fein in March 2005, after a previous IMC report. The present report says that it is right to lift them, which is why we are acting as we are.

Q7. [49480] **Mr. Mark Hendrick** (Preston) (Lab/Co-op): May I ask my right hon. Friend to join me in celebrating the election to the House of Mr. John T. Macpherson, the first Labour MP for Preston, who, along with 28 others, set out a radical agenda for change in the 20th century? If those 29 MPs could be here today to see this radical agenda, they would be proud.

The Prime Minister: I am sure that they would. My hon. Friend's predecessor had to wait rather a long time to see, from another place, a third-term Labour Government, but now that we have one, let us make him really proud and have a fourth-term one.

Q8. [49481] **Tim Farron** (Westmorland and Lonsdale) (LD): Is the Prime Minister aware that the primary care trust proposes to close the mental health wards at Westmorland general hospital in Kendal in my constituency? Given that his Government have indeed put additional funding into the national health service, will he explain to my constituents why they are facing cuts in mental services in our area, and will he act swiftly to prevent those cuts from taking place?

The Prime Minister: Again, I would have to know the reasons for the proposals. It is a matter for those in charge of the local health care system. The hon. Gentleman rightly drew attention to the fact that there has been a massive increase in spending. How that money is spent, however, must be a local decision. Again, in respect of the particular situation regarding mental health services in his constituency, I will have to write to him, but I am sure there are reasons why the proposals are being put forward.

Mr. Mike Hall (Weaver Vale) (Lab): What does my right hon. Friend say to hon. Members who are happy to accept the protection of an ID card here in the Palace of Westminster, but are prepared to deny that protection to people outside?

The Prime Minister: I hope that the Opposition and others will think again about the identity card. It is extremely important. As I have constantly said, we have the biometric technology. In any event, because of changes happening not just in this country but around the world, we have moved to biometric visas and biometric passports. With the new technology, therefore, and with the huge level of identity abuse in both the private and the public sector, it makes perfect sense to move towards identity cards. I have no doubt that in the end that is where the United Kingdom will go.

Q9. [49482] **Mr. Michael Ancram** (Devizes) (Con): The Prime Minister opened his responses today, as he does each week, with the words,

"In addition to my duties in the House, I will have further such meetings later today."

Will he list his duties in the House and say whether, by any chance, they include voting?

The Prime Minister: Periodically is the answer to that. Since I know that accountability to Parliament is a hot Conservative topic now, I am sure the right hon. and learned Gentleman will have caught up with the fact that I am the first Prime Minister to appear in front of the Liaison Committee, and that if anyone looks at the number of statements I have made and the number of hours I have spent answering Prime Minister's questions, that compares extremely well with all my predecessors.

Q10. [49483] **Dan Norris** (Wansdyke) (Lab): Is it time for the more hysterical critics of the Licensing Act 2003 to eat humble pie?

The Prime Minister: Perhaps I should touch wood at this point. It is important to emphasise that the Act was not just about greater flexibility in licensing. Additional powers were given to the police and local communities

to make sure that those who abuse the licensing system are more severely dealt with—fixed penalty notices, for example, for people who are drunk and disorderly, and the power that the police now have to close pubs or clubs where there are regular disturbances or fighting. Flexible licensing, balanced by those additional powers, was and has been shown to be the right thing to do.

Mr. Ben Wallace (Lancaster and Wyre) (Con): Both the Scottish Parliament and the Welsh Assembly have said that they will not make ID cards a condition of delivering public services. If the Prime Minister pushes forward with his ID card scheme, is he not in danger of creating a two-tier Britain, where some citizens of these isles will not be required to carry an ID card and some citizens of England will?

The Prime Minister: Precisely because we think it sensible for access to public services, we want the provisions to remain. The ability to check people's identity properly is of benefit to the user, never mind to the Government or state. I say to the hon. Gentleman and other Conservative Members that most people carry forms of identity in our society today. It is not a great deal to ask people to do, when the benefits of it are so very clear.

Q11. [49484] **Keith Vaz** (Leicester, East) (Lab): In his speech in Oxford last week, the Prime Minister pledged to continue the economic reform agenda in Europe. Given that Italy, France and Spain have achieved only three of the quantifiable benchmarks set at Lisbon, which is half of what we have achieved in the United Kingdom, what further steps does he propose to take to encourage our European Union colleagues to ensure that the vision set out at Lisbon to create the most dynamic economy in the world will be realised?

The Prime Minister: The most important thing will arise in connection with the summit in March, which will be devoted particularly to the Lisbon agenda and to economic liberalisation, but there are two important issues before the European Parliament. One is to do with the services directive, and I hope we can get early progress on that—within the next few weeks, indeed. The second is in respect of the working time directive, as there is an increasing desire to make sure that we have sufficient flexibility in European labour markets. There will be changes as a result of Lisbon, but my hon. Friend is right—there is a great deal more that we have to do.

Education White Paper

Q12. [49485] **Dr. John Pugh** (Southport) (LD): Whether he plans to meet the Association of School and College Leaders to discuss the education White Paper.

The Prime Minister: I will be meeting Dr. John Dunford shortly.

Dr. Pugh: Last month, the Association of School and College Leaders issued this press statement:

"we have had 20 Education Acts in 20 years. We do not need another one in 2006. Heads are fed up with being the guinea pigs in the government's education laboratory".

Is there not a fairly obvious downside to permanent revolution and reform?

The Prime Minister: Much the same thing was said about specialist schools when they were first introduced, but now more than half of comprehensives are specialist schools and their results are significantly better than those obtained by traditional comprehensives. The Liberal Democrats always oppose any reform, but a combination of investment and reform has delivered the best school results at 11, 16 and 18, which is why, 100 years on, people should keep voting Labour.

Tom Levitt (High Peak) (Lab): Derbyshire county council was the only county council to be classed as excellent in the recent assessment. People throughout Derbyshire welcome the greater assurance given this week on the continuing positive role for local authorities in delivering the excellence agenda in our schools. Will my right hon. Friend assure me that the Bill will be used to make sure that all local authorities are partners in providing excellence for all of our children?

The Prime Minister: The fact is that many local authorities fulfil that role. What is important is that schools have the freedom to involve external partners and that local authorities concentrate on raising standards in schools. We have come an immense way in the past eight years, and there is no doubt about the improvement in schools—in particular, the number of failing schools has been more than halved in the past few years. However, Labour Members will not rest while children still do not get the education that they need, which is why the programme of improvement through investment and reform will continue.

Point of Order

12.31 pm

Mr. Dominic Grieve (Beaconsfield) (Con): On a point of order, Mr. Speaker, I wonder whether you have received an application from the Prime Minister to come to this House to correct the record in respect of the answer that he gave to a question from my right hon. Friend the Member for Witney (Mr. Cameron) about the proscription in the Terrorism Bill of organisations that indirectly encourage terrorism. He told the House that the House of Lords had prevented the proscription of such organisations, but an immediate perusal of the Lords amendments shows that that is not the case. Proscription remains in the Bill, and indirect encouragement has been helpfully defined as the

"making of a statement describing terrorism in such a way that the listener would infer that he should emulate it".—[*Official Report, House of Lords*, 17 January 2006; Vol. 677, c. 587.]

In view of the fact that the House has been inadvertently misled, has any such application been made?

Mr. Speaker: I understand that the Lords amendments are returning to this House next week, which is when the hon. Gentleman should seek to set the record straight.

Local Government Referendums

12.33 pm

Bob Russell (Colchester) (LD): I beg to move,

That leave be given to bring in a Bill to require a local authority to hold a referendum about a matter of major local importance for which it is responsible if one tenth of its electorate demand the holding of such a referendum; and for connected purposes.

There is already provision under section 116 of the Local Government Act 2003 for a local council to hold a referendum, but the decision on whether to do so rests with the local council concerned. Not surprisingly, few councils have chosen to hold one. The principle of local referendums is not an issue to be debated in connection with my Bill, nor do I wish to get drawn into the wider debate on referendums such as those on regional assemblies or the euro. Representative democracy has served us well. Without taking the route of referendums being part of the decision-making process, as in Switzerland, I believe that there are occasions when Governments—in this case, local government—need to have a safety valve for the community to challenge what is being done in its name.

My Bill would give the power of determination over a referendum to the local community. However, unlike a parish poll, as set out in the Local Government Act 1972, whereby as few as 10 people at a parish meeting can demand that one is held, my Bill has a very high threshold in order to deter frivolous actions or those on matters over which the local council has no responsibility. It would require a local authority to hold a referendum about a matter of major local importance for which it is responsible if one tenth of its electorate demand the holding of such a referendum. In the case of my own borough, that would require around 15,000 people on the electoral roll petitioning for a referendum. That 10 per cent requirement is double the 5 per cent which is all that is required to trigger a referendum to have an elected mayor as set out in the Local Government Act 2000.

My Bill has been prompted by the arrogance of Conservative-run Colchester borough council and its contempt for the overwhelming majority of my constituents. The council wants to shut the town's bus station and build a loss-making £17.2 million contemporary visual arts facility, even though that is in clear breach of the council's own adopted borough plan. Furthermore, the council is having to make cuts in many other areas. This reveals an interesting choice of the ruling party's priorities, for the arts came 17th out of 18th in the council's recent survey of residents' priorities.

Public opinion is clearly opposed to what the council is up to. That has been demonstrated by a petition signed by more than 15,000 people who want to keep the bus station and through newspaper polls and correspondence, and confirmed by my own random sample selection of names from the electoral roll. It is not in my interests to misread or misrepresent what my constituents are telling me. However, my efforts to ascertain the true sense of local opinion were challenged by the non-elected chairman of the Colchester local strategic partnership, who questioned the validity of my survey. She had attended a special council meeting to argue against a referendum, yet had the audacity to

[Bob Russell]

challenge the town's democratically elected Member of Parliament on a matter of local democracy. It is a funny old world.

The most recent poll was organised last month by the *Essex County Standard*. It was good of the newspaper to do so, and it was intended for its readers. Regrettably, that phone poll was hijacked by those driving the art gallery project. Full-time staff at the town's existing publicly-funded art gallery sought to rig the vote by circulating by e-mail just the "yes" number to likely supporters. Two professors in the department of art history at the University of Essex also sought to influence the phone poll by e-mailing around to ask people to phone in. Is not that a misuse of public resources? Nevertheless, even their dubious antics were not enough to prevent a 3:1 vote against the council's proposals.

At a meeting in the town last year, where there was no scope for any members of the public, let alone the town's MP, to question what we were being told, I challenged one of the Tory councillors, who just happened to have been my opponent at last May's general election, saying that what we were witnessing was not democratic. He replied: "I am not a democrat. I am a Conservative." That just about sums it up. His words were duly reported in Colchester's *Evening Gazette*.

On 22 November last year, Labour and Liberal Democrat borough councillors convened an extraordinary meeting of the council at which a motion was tabled calling for a referendum in accordance with section 116 of the Local Government Act 2003. The council's Conservative and independent councillors voted this down. Most of the Tory councillors represent the rural areas of the borough. The majority of the councillors in my Colchester town constituency are either Labour or Liberal Democrat. It is the people of the town who are most up in arms at what is happening, but the rural-based Tory councillors are calling all the shots. Only one of the eight cabinet members lives in the town.

I believe that if a referendum was held, the people of Colchester would vote overwhelmingly against what the council is inflicting on the town, aided and abetted by quangos and others—generally those who do not live in the town, yet who are able to drive through an agenda that local people do not want. This is not democracy. It is not good enough to say, "Oh well, the people can vote out the councillors at the next local elections." By then, a damaging, irreversible decision could have been made. The arrogance of power needs to be checked in such circumstances. My Bill would provide that check.

Nobody in local government who is truly committed to democratic accountability and good governance will be opposed to my Bill. Only those who want to ride roughshod over the community and make decisions which they know are not in accordance with what residents support will hope that the intentions of my Bill do not materialise. I commend the Bill to the House.

12.39 pm

Mr. Bernard Jenkin (North Essex) (Con): I am grateful for the opportunity to speak, and I commend the hon. Member for Colchester (Bob Russell) for introducing his Bill. I have some problems, however, with the detail of the principle of the Bill. I do not know whether the threshold should be set in stone in the long title of the Bill. I am therefore happy to speak against the Bill.

I also have some serious problems with the way in which the hon. Gentleman has presented the Bill. I cannot help feeling that the former Colchester councillor and Colchester mayor has forgotten that he is now a Member of Parliament—he is not meant to be second-guessing the local authority, of which he used to be a member, on matters of such detail. The House has heard—and is entitled to a broader explanation—a lot of small-town politicking from him, which I fear does neither him nor the town of Colchester any credit, and under-sells what is a major project for the benefit of the people of Colchester.

The visual arts facility to which the hon. Gentleman referred is a £17.2 million investment in a run-down area of Colchester, St. Botolph's. The bus station that he appears to celebrate as a great landmark of historical importance in Colchester will be replaced by a new bus station paid for by the developers. I do not therefore know why he is conducting such a campaign. He is sending out a negative signal about this positive project that will attract more than 120,000 visitors annually, directly create 33 full-time jobs, indirectly create 38 new full-time jobs, create 160 construction jobs during its 18-month construction period, and offer 28 new places for undergraduate and postgraduate students at Essex university. It will provide a vast new retail facility for Colchester—350,000 sq ft of retail development—as well as the brand new bus station, enhancement of the heritage area including the Roman wall around St. Botolph's priory—*[Interruption.]* The hon. Gentleman is muttering that this area is not in my constituency. I remind him that we share the borough of Colchester, and I believe that he has misused his position and these procedures to run a local vendetta into the national arena, against the interests of the people he seeks to represent. *[Interruption.]*

Mr. Speaker: Order. Whatever happened, the hon. Member for Colchester (Bob Russell) was heard in silence, and the hon. Member for North Essex (Mr. Jenkin) must also be heard in silence.

Mr. Jenkin: I am grateful, Mr. Speaker.

In response to a parliamentary question, I found out how much public money the hon. Gentleman has wasted on his campaign. He made a vexatious complaint to the Audit Commission about some land transfers involved in the project, and alleged that there had been some dirty work at the crossroads and that somehow the taxpayer had been short-changed. The Audit Commission duly conducted an investigation at his behest. The investigation cost £20,000. Because the complaint was vexatious, of no merit whatever, that £20,000 has fallen to the council tax payers of Colchester to pay.

The hon. Gentleman would do well to take a broader view of the interests of the people of Colchester, rather than using parliamentary procedures to conduct what amounts to a vendetta against a policy that, incidentally, Liberal Democrats on the borough council supported when they were in power.

Question put, pursuant to Standing Order No. 23 (Motions for leave to bring in Bills and nomination of Select Committees at commencement of public business), and agreed to.

Bill ordered to be brought in by Bob Russell, Annette Brooke, David Taylor, Mr. David Drew, Mr. Mike Hancock, Mr. Michael Clapham, Dr. Ian Gibson, Mrs. Janet Dean, Paul Rowen, Mr. Phil Willis, Paul Holmes and Norman Lamb.

LOCAL GOVERNMENT REFERENDUMS

Bob Russell accordingly presented a Bill to require a local authority to hold a referendum about a matter of major local importance for which it is responsible if one-tenth of its electorate demand the holding of such a referendum; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 17 March, and to be printed [Bill 127].

Mr. David Heath (Somerton and Frome) (LD): On a point of order, Mr. Speaker. I listened carefully to the speech of the hon. Member for North Essex (Mr. Jenkin). He said that my hon. Friend the Member for Colchester (Bob Russell) had made a vexatious complaint. I believe that that has a specific meaning in law, and I ask you, Mr. Speaker, whether it is a parliamentary term. I do not expect an immediate response, but may I ask you to look into the matter?

Mr. Speaker: Let me say this to the hon. Gentleman: I have heard nastier. What was said was in order.

Business of the House

12.45 pm

The Leader of the House of Commons (Mr. Geoffrey Hoon): I beg to move,

That, at this day's sitting, the Speaker shall put the Questions necessary to dispose of proceedings on the Motions in the name of Mr Geoffrey Hoon relating to Opposition Parties (Financial Assistance) and Support for Members who have chosen not to take their seats not later than Six o'clock and such Questions shall include the Questions on any Amendments selected by the Speaker which may then be moved; proceedings may continue after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.

The motion is designed to facilitate today's business. It provides for the motions on financial assistance for Opposition parties and support for Members who have chosen not to take their seats to be considered together. The debate may continue until 6 pm, when the questions necessary to dispose of proceedings on the motions, and on any amendments selected by you, Mr. Speaker, will be put.

The House has already considered the principle of support for Members who have chosen not to take their seats on two occasions, in 2001 and again last year, when it agreed to suspend the allowances. Today we shall also debate a motion relating to financial assistance for Opposition parties. I do not intend to take up any time now in talking about the substance of the debate, and I hope that the House will agree to the motion swiftly, so that we can proceed to consider the important business before us.

I commend the motion to the House.

12.46 pm

Mrs. Theresa May (Maidenhead) (Con): I can relieve the House by saying that I have no intention of speaking at length, or indeed of opposing the proposal from the Leader of the House. I think that we have been allowed a reasonable amount of time for the debate. As many Members will wish to speak in that debate, I shall take up no more of the House's time.

12.47 pm

Mr. David Heath (Somerton and Frome) (LD): I am a little surprised at the attitude of the right hon. Member for Maidenhead (Mrs. May). This is House business, not party political business. There is every probability that every single Member may have strong opinions on such a contentious matter. We have heard no explanation of why the time that is normally allotted—the time before the point of interruption—is to be abbreviated.

Mr. Peter Robinson (Belfast, East) (DUP): If the hon. Gentleman recalls what was said during business questions, he will know precisely what the reason is: the Leader of the House wants to have his photograph taken. In fact, the motion is not intended to facilitate the business of the House; it is intended to facilitate the parliamentary Labour party.

Mr. Heath: I was aware of that, but I did not imagine for a moment that, in fulfilling his duties to the House, the Leader of the House would allow a photographic

[Mr. Heath]

opportunity for the Labour party to get in the way of the business of the House. Even if we assume that it would be possible for all the members of the Labour party to face in the same direction, that cannot be a reason for abbreviating the business.

I do not want to take up too much time, but it seems to me that three important issues need to be debated, and that we shall need to hear explanations from Ministers. We shall clearly need to know why the allowances are to be resumed, and I have every expectation that that will form the main part of the debate. We shall also need a clear explanation of why it is felt necessary to backdate the allowances. I know that an amendment to that provision has not been selected, but Members on both sides of the House will clearly wish to explore the issue.

A third aspect that I think will bear careful scrutiny is the proposal to provide funds for the parties that do not take part in our parliamentary business in support of what is described as their representational role. That is in sharp contradistinction to what is already in the Short money resolution of 1975, which clearly states

"that the expenses in respect of which assistance is claimed have been incurred exclusively in relation to that party's parliamentary business".

This is a matter for the Leader of the House rather than the Secretary of State for Northern Ireland, and I want to ensure that there is time for him to explain why the distinction exists between parliamentary business that applies to parties whose Members take their seats in the House and parliamentary business that applies to those whose Members choose not to do so, who apparently have carte blanche to spend money from public sources in different ways.

It is important that we have long enough to ask whether the description of a representational role applies to parties in this House, because if it does, it will affect the way in which the money that is given to the Liberal Democrats and the Conservatives is administered and used. I need an explanation without ambiguity of why there is a difference between the two resolutions, and of their implications in terms of what would be permissible for Sinn Fein under the new motion, were it to be passed. I also want to know the implications of the motion for parties that are already in receipt of Short money arising from the 1975 resolution.

Sir Nicholas Winterton (Macclesfield) (Con): I fully support what the hon. Gentleman is saying. Is there not a long-standing principle that all Members of the House are equal? If that is the case, why should the members of one particular party be treated differently from Members who are here under the banner of different parties?

Mr. Heath *rose—*

Mr. Speaker: Order. To answer that intervention, the hon. Gentleman would have to go beyond the terms of this timetable motion.

Mr. Heath: That was exactly the point that I was going to make, Mr. Speaker. It would be quite wrong to go into the content of the resolutions. My point is simply that the Government have, for reasons of their own, tabled a business motion that truncates our business and requires it to be completed before the time at which it would normally have to finish. They must have a reason for doing so, but they have not produced it in evidence to the House. I really cannot believe that it is something as silly as a photograph.

Mr. John Gummer (Suffolk, Coastal) (Con): Will the hon. Gentleman tell us, if it is not a secret, whether any discussions have been held between the Government and the Liberal Democrats on whether this could be a consensus moment? That is an important aspect to the matter. Have there been any such discussions?

Mr. Heath: I am not aware that there has been any debate with my party on the terms of the resolutions before us, and I imagine that that is also the case for Members on the Conservative Front Bench, although I obviously cannot speak for them.

It is important that we have sufficient time to elucidate these matters. This is not a silly issue; it is a very serious one for many Members of the House. I ask the Leader of the House not to allow the opportunity to respond to this debate to pass by. If he can satisfy us on this matter, it could help our understanding of the Government's position later. He cannot just ignore the very important differences that I have highlighted; we need an explanation.

12.53 pm

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I rise to support what has been said by the hon. Member for Somerton and Frome (Mr. Heath). I approach this business motion with a great deal of hostility. We start with the proposition that this is a matter for the House. It raises important questions relating to the status, rights, benefits and privileges of Members of Parliament, and hon. Members should be entitled to debate them for as long as they wish, consistent with the proprieties of the House.

A number of other fundamental questions will be raised in our debate today. Why does not Sinn Fein participate? Should taking the Oath be a precondition to participation? My view is that it should not. Should failure to participate be a disqualification? Again, my view is that it should not, because Members who are elected as Sinn Fein Members are elected by their electorate. If we believe in parliamentary democracy, we must recognise that Sinn Fein Members are as equally Members of the House as any one of us. If we deny that proposition, we are playing into the hands of over-mighty Government.

We ought to be able to debate those questions at length, because they are a matter for the House of Commons. I agree that there are divided opinions on them, and that is all the more reason why we need time to discuss them. I know that my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), most of all, disapproves of what I am saying on this point—

Sir Patrick Cormack (South Staffordshire) (Con): Totally.

Mr. Hogg: Indeed, he has said so on many occasions, and he may be right. However, that makes my point that

we need to have extended time for debate. These motions are not about whether Sinn Fein has renounced violence in the Province, but about whether Members of the House of Commons should be treated differently because they have chosen not to participate in our proceedings. That is a quite different matter, and we need to debate it at length.

Mr. Gummer: Does my right hon. and learned Friend agree that the fact that there are considerable differences of opinion within parties as well as across the Floor of the House makes it even more important that, on a matter for the House, full time should be given to the debate, not least because my experience of the views of a number of Conservative Members, including my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), is that they have quite a lot to say on these matters, and they ought to be given plenty of time in which to say it?

Mr. Hogg: My right hon. Friend is quite right. There is a diversity of opinion within the parties on both sides of the House. Furthermore, opinions change. I have long opposed the Oath, but I have previously voted for taking away the allowances from Sinn Fein Members. I now think that that was a mistake, and I should like the time to explain my reasons.

Sir Patrick Cormack: While I agree with my right hon. and learned Friend on the narrow issue of this timetable motion, it is possible to make a convincing case against giving allowances to those Members in a very short compass, and he could do that.

Mr. Hogg: That might be true, but a lot of people want to participate in the debate. I have no doubt that my hon. Friend can wrap up his arguments extremely succinctly, but he is of course a very concise speaker. There are quite a few hon. Members of whom that cannot be said, and quite a lot of people wish to participate in the debate.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I disagree with my right hon. and learned Friend, in that I am surprised that the Government are dragging this idea of giving Sinn Fein allowances through the House yet again, when international courts and courts in Northern Ireland have repeatedly stated that, under our democratic processes, Sinn Fein should not be given any allowances.

Mr. Hogg: I suspect, Mr. Speaker, that if I were to respond to my hon. Friend's point in detail, you would tell me that it was a matter for the substantive debate that is to come. He makes a perfectly legitimate point, but I would prefer to debate it in the substantive debate rather than during this debate on the timetable motion.

This is a matter for the House, and we should therefore be very slow to impose a timetable. This contrasts ill with the position adopted by the late Mr. Robin Cook when we debated these matters in 2001. He made it plain at the time that the debate would be open-ended and that there would be a free vote. That is what we ought to be doing today, and I very much regret the fact that we are not. I suspect that the reason is related to the Labour party's internal jollifications, and that is pretty discreditable.

12.59 pm

Rev. Ian Paisley (North Antrim) (DUP): The motion has to do with the time that we shall be allowed to debate this very important matter. The police in Northern Ireland have stated:

> "No paramilitary group has ceased its involvement in organised crime".

Our country is in a very sad state, as right hon. and hon. Members on the Government Front Bench well know. They know that for every man, woman and child in Ulster, £80 from the economy is stolen by paramilitaries. Some £140 million a year goes into the pockets of the paramilitaries, and £245 million is lost each year as a result of fuel-laundering rackets. The latter problem is so great that one of the leading fuel companies, Shell, has pulled out of Northern Ireland. Moreover, 6 per cent. of all cigarettes sold in Northern Ireland are illegal; that 6 per cent. consists of imported and counterfeit cigarettes. Such illegal activity takes 12 billion cigarettes out of the economy every year.

Those responsible for that drain on our economy are now going to get more money, not less, because the amount being paid to them is to be increased. We need time thoroughly to discuss this issue and to see where we are going. One hour is to be cut off the debate. Why can we not have the full time and conduct the debate in a reasonable way? *[Interruption.]* I do not care whether the Leader of the House wants his photo taken or not. He learned, along with me, that in Europe it is important to have one's photograph taken, but he is not in Europe now and—thank God—nor am I; I am in the British House of Commons. We need time and that time should be given to us.

1.1 pm

Sir Nicholas Winterton (Macclesfield) (Con): My intervention will be brief. On this specific issue, I support my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg), and I also endorse the comments of the right hon. Member for North Antrim (Rev. Ian Paisley), who leads the Democratic Unionist party. Are the Government and the Leader of the House not treating this House with contempt? This important issue is not only a House matter but a constitutional matter, yet they are reducing the time for debate for purely party convenience. In my view, there should be no time limit at all. We should suspend the 7 o'clock rule today in order to debate this issue fully.

Mr. David Wilshire (Spelthorne) (Con): I am following my hon. Friend's argument with great care. He has it in his power, if he can manage it, to ensure that the timetable does not apply today. The debate on the substantive motion has to finish at 6 o'clock and I believe, Mr. Speaker, that my hon. Friend could in fact to speak to the motion before us until 7 o'clock. Perhaps he would like to find that way out of the situation.

Sir Nicholas Winterton: I listen with great care to what my hon. Friend says, but I suspect that although I may have the ability to speak until 7 o'clock, Mr. Speaker, neither you nor the House would wish me to do so.

[Sir Nicholas Winterton]

This is a matter of principle and I say to the Leader of the House that to make the speech that he has just made in justification of the business of the House motion is to treat this House with contempt.

Mr. David Gauke (South-West Hertfordshire) (Con): I am grateful to my hon. Friend for giving way and for not speaking until 7 o'clock. Perhaps he can enlighten me on the following point. It is something of a mystery to me why the debate is to be curtailed at 6 o'clock. Does he think that the Leader of the House could have been somewhat clearer in giving the reason for doing so?

Sir Nicholas Winterton: My hon. Friend is extremely shrewd, in that he has anticipated my next utterance. Will the Leader of the House, with whom I work relatively closely on the Modernisation Committee, do the House the honour of explaining precisely why he has tabled this motion, which limits debate to 6 o'clock, rather than the normal time of 7 o'clock?

Daniel Kawczynski: Before commenting on how long the debate should last, I am rather keen to know what your attitude is to this question, Mr. Speaker. I spent last night reading about the noble Baroness Boothroyd of Sandwell's opinion when she adjudicated on the same issue in 1996, and I am very keen to know what yours is before we carry on.

Mr. Speaker: The hon. Gentleman is a new Member and I should tell him that during debates, the Speaker does not have an attitude.

Sir Nicholas Winterton: I should point out to my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) that I, Mr. Speaker, as a member of your Chairmen's Panel, would in no way seek to draw you into this matter, on which you have no opinion so long as the motion before us is in order with the Standing Orders of the House. I point out to my hon. Friend that sadly, it is in order.

The Leader of the House should do the House the courtesy of giving us a full and appropriate explanation for this motion. As a long-serving Member, I take it and the main motions extremely seriously. I should point out, however, to my right hon. and learned Friend the Member for Sleaford and North Hykeham that I fundamentally disagree with the view that he is going to take in discussing the main motions.

Mr. Nigel Dodds (Belfast, North) (DUP): The Leader of the House's failure to explain here today the reason for this motion is not the only example of contempt for the House; we—or our party, at least, which is the fourth biggest in the House and the one most intimately interested in this motion—were not even shown the courtesy of being consulted through the usual channels. Does not that discourtesy also show contempt for the procedures of this House?

Sir Nicholas Winterton: I agree—reluctantly, in a way, because I have a regard for the Leader of the House—that it was extremely discourteous not to consult the Democratic Unionist party; no doubt the official Unionist party also was not consulted. We heard from the hon. Member for Somerton and Frome (Mr. Heath) that the Liberal Democrats were in no way consulted, and given that I have not had a nod or a wink from my party's Front Benchers—the shadow Leader of the House and the shadow Secretary of State for Northern Ireland—I am assuming that we were not consulted, either.

I tell the Leader of the House, who is a courteous, highly intelligent and articulate man, that the House would benefit from a real and full explanation of the reason for the motion and the time limit on debating what is a critical matter of principle. In my view, it is also a matter of constitutional importance—of importance to the future of this House and the way in which it operates.

1.8 pm

Mr. Peter Robinson (Belfast, East) (DUP): I detected through my radar that the Leader of the House indicated earlier from a sedentary position that if we sat down, he would give a reason for the motion, but the reality is that the appropriate time to do so was when he opened the debate. Of course, there are two reasons why the Government want to spend no longer than is necessary on this debate. First, doing so is for their convenience. A photograph is to be taken to celebrate the Labour party's centenary—

Sir Patrick Cormack: Is it for their identity cards?

Mr. Robinson: It is one of the rare occasions when they will all be facing in the same direction, and hopefully all smiling at the same time.

The reality is that the Government do not want a long debate on these motions because they have struck a deal with Sinn Fein. I have in front of me a copy of the parliamentary Labour party briefing on these motions, which is very poor in terms not only of quantity but quality. I also have a copy of the Conservative party briefing, which is more substantial in both senses. The PLP briefing makes it clear that these motions arise from a deal that the Government have done with Sinn Fein-IRA. They did another deal with Sinn Fein-IRA on the on-the-runs legislation, and we all saw what happened to that. So it is not in the Government's interest to have a long period of embarrassment in the House.

The other factor is that, uncharacteristically and unintentionally, the Leader of the House may have misled hon. Members when he said, in the very brief remarks with which he opened the debate, that the motion was designed to facilitate the House, when in fact it is to facilitate himself and his party colleagues. In addition, he said that the debate was to be truncated because we had gone over these matters before.

That is not correct. One of the motions has been debated before in this House, but the other has never been debated here. The unique proposal is that a new fund should be set up that will be available exclusively to Sinn Fein-IRA. Other parties in the House will not enjoy the same freedom, when it comes to the expenditure involved, that Sinn Fein-IRA will have. That is a completely new subject for debate, and a major issue that we need time to discuss.

I hope that the House recognises that a major constitutional issue is involved that we have never discussed before. We should be given the time to debate it properly.

1.11 pm

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): This House has become accustomed to being routinely guillotined. For the reasons that have been given, it is inappropriate in this case. The matter before the House determines the nature of membership of the House, and so affects all hon. Members. My hon. Friends are right to say that this is a constitutional matter and therefore significant.

There is no reason for us to restrain our debate on the proposal. Each generation of hon. Members has a right to ascertain the reasoning and basis of its standing in this Chamber, and to claim the associated rights and revenues. That is why it is a constitutional issue. Moreover, the forthcoming debate is to be constrained by a motion tabled by the Government, not by the House or Back Benchers. Let us make no mistake: it is a motion tabled by the Executive.

Mr. Hogg: My hon. Friend makes an important point that he may want to emphasise. He spoke of the rights of each parliamentary generation. The Leader of the House mentioned the debates in 2001 and on 10 March 2005, but they took place in earlier Parliaments. Surely, this Parliament, sitting afresh, should have a full opportunity to consider these matters.

Mr. Shepherd: I am grateful to my right hon. and learned Friend. I said what I said about the motion and the guillotine with full intent. The Government have sought to change the culture of this House over three Parliaments. This House now routinely subscribes to the truncation of debate on matters that are for the House itself to decide. That is why I resolutely oppose the business motion, and I urge all hon. Members to do the same, for the sake of our standing. At the heart of the debate is the ability to determine whether a person elected by an electorate should receive the rights that go with that position.

1.13 pm

Mr. Hoon: With the leave of the House, I shall respond briefly to the debate. In saying that I shall do so briefly, I mean no discourtesy to those hon. Members who have spoken, but I do note that they had difficulty in formulating their observations on the business motion. They have said that the issues involved are important, yet the longer they speak on the business motion, the less time is available for dealing with those important issues.

The Liberal Democrat spokesman, the hon. Member for Somerton and Frome (Mr. Heath), devoted much of his contribution to the subject matter of the motions that are to follow, and not to the business motion. It is important that the House has sufficient time to debate those matters, and I shall not speak at length now. However, the right hon. Member for Maidenhead (Mrs. May) made it clear that she and her Front-Bench colleagues have judged that the business motion will allow sufficient time for debate of the important matters to come. That is also the view of the Government.

The hon. Member for Macclesfield (Sir Nicholas Winterton) speaks eloquently on questions of procedure from as far back on the Conservative Benches as one can get. He illustrated the sort of difficulty that might arise without a business motion such as this when he said that he believed that debate should continue indefinitely.

I have had many opportunities to enjoy the delights of hearing the hon. Member for Macclesfield speak about matters of procedure. For those of us with a legal background and training, nothing could be more enjoyable, but the important thing about the debate to come is that the House will have an opportunity to debate the substantive motions.

Mr. Heath: I want to put one point to the Leader of the House that I think is germane to the amount of time needed to debate the substantive motions. There is a proposal to give what for convenience I shall call Short money to Sinn Fein: does that imply that Sinn Fein Members will have a greater ability to spend that money than those others who receive Short money through the resolution of 1975? The debate will be truncated if they are not to have greater scope for spending, but it will be extended if they are to have greater licence. The answer to my question is crucial to our understanding of the matter.

Mr. Hoon: That is an important matter, and I shall deal with it when I open the debate on the substantive motions. However, to help the hon. Gentleman, I stress that proper restrictions will be placed on the spending of that money and that, even though the purposes are different, they will be wholly consistent with the restrictions currently attached to the expenditure of Short money. I am not suggesting for a moment that we are dealing with Short money, but the restrictions on how the proposed money is spent will be supervised by the House authorities in exactly the same way, and the proper safeguards will apply.

Mr. Frank Field (Birkenhead) (Lab): The reason that some of us are puzzled is that Short money is given to political parties for their functions at Westminster. As the hon. Members involved do not wish to appear here, why should they get Short money?

Mr. Speaker: Order. We are now getting into the merits of the argument, rather than the timetable motion.

Mr. Hoon: I am sure that my right hon. Friend the Member for Birkenhead (Mr. Field) can ask the same question during the debate on the substantive motions. The answer that I shall give him then will be the same as the one that I would have given him now.

I recognise that this is important House business. I do not suggest that hon. Members should not take it seriously. I am sure that they will, but it is important that the main debate is allowed to take place and that we do not continue discussing the procedure motion.

Mr. Philip Hollobone (Kettering) (Con): Reference has been made in the debate to the Leader of the House having his photograph taken later this evening. Does that have anything to do with the centenary of the parliamentary Labour party?

Mr. Hoon: I was asked at last week's business questions whether a great Labour party "bash" was scheduled for tonight. At the end of our proceedings today there will be an Adjournment debate that is concerned with the Labour party's 100th anniversary. I understand that a photograph will be taken—but also that the photographer involved has another engagement afterwards that Conservative Members are likely to attend. It would be unfair to use the word "bash" about that other event, but it is likely to take up the time of Opposition Members. The photographer will be busy this evening—*[Interruption.]* I am sorry that some Opposition Members have not received an invitation to the Conservative party winter ball. I want to make it clear that I have not received one either.

Mr. Shepherd: Of what concern is that to the House and its ability to debate a motion?

Mr. Speaker: Order. The hon. Gentleman makes a very good intervention. We must keep to the timetable motion.

Mr. Hoon: I accept entirely, Mr. Speaker, that I should have brought my remarks to a conclusion much earlier. I do so now.

Question put:—

The House divided: Ayes 285, Noes 104.

Division No. 154] **[1.19 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blair, rh Mr. Tony
Blears, rh Hazel
Blizzard, Mr. Bob
Bottomley, Peter
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dobbin, Jim
Dobson, rh Frank
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Iranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim

Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Mr. Alan Campbell and Mr. Parmjit Dhanda

NOES

Afriyie, Adam
Alexander, Danny
Amess, Mr. David
Bacon, Mr. Richard
Baker, Norman
Beith, rh Mr. Alan
Benyon, Mr. Richard
Breed, Mr. Colin
Brooke, Annette
Browne, Mr. Jeremy
Burrowes, Mr. David
Campbell, Mr. Gregory
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Clark, Greg
Clegg, Mr. Nick
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward
Davies, Philip
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Durkan, Mark
Fallon, Mr. Michael
Farron, Tim
Forth, rh Mr. Eric
Foster, Mr. Don
Fraser, Mr. Christopher
Gauke, Mr. David
George, Andrew
Gidley, Sandra
Gummer, rh Mr. John
Hague, rh Mr. William
Harvey, Nick
Hayes, Mr. John
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hermon, Lady
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Horam, Mr. John
Horwood, Martin
Howarth, David
Hunter, Mark
Hurd, Mr. Nick
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Lancaster, Mr. Mark
Laws, Mr. David
Leigh, Mr. Edward
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Maples, Mr. John
Mates, rh Mr. Michael
McCrea, Dr. William
McDonnell, Dr. Alasdair
McGrady, Mr. Eddie
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paisley, rh Rev. Ian
Pelling, Mr. Andrew
Penning, Mike
Pritchard, Mark
Redwood, rh Mr. John
Reid, Mr. Alan
Robinson, Mr. Peter
Rogerson, Mr. Dan
Russell, Bob
Scott, Mr. Lee
Shepherd, Mr. Richard
Simpson, David
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Stanley, rh Sir John
Steen, Mr. Anthony
Stuart, Mr. Graham
Tapsell, Sir Peter
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Walker, Mr. Charles
Wallace, Mr. Ben
Williams, Hywel
Williams, Mark
Williams, Stephen
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mrs. Iris Robinson and Mr. David Wilshire

Question accordingly agreed to.

Opposition Parties (Financial Assistance)

1.33 pm

The Leader of the House of Commons (Mr. Geoffrey Hoon): I beg to move,

That, in the opinion of the House,—

(1) Financial assistance should be provided, with effect from 1st November 2005, to any opposition party represented by Members who have chosen not to take their seats and thus do not qualify to participate in the proceedings in Parliament, towards expenses wholly, exclusively and necessarily incurred for the employment of staff and related support to Members designated as that party's spokesmen in relation to the party's representative business.

(2) The amount of financial assistance payable to a party under this Resolution shall be calculated and paid by analogy with sub-paragraphs 1(1) to (6) and (8) and 2(1) to (5) of the Resolution of the House of 26th May 1999.

(3) As soon as practicable, but no later than nine months after 31st March each year, a party claiming financial assistance under this resolution shall furnish the Accounting Officer of the House with the certificate of an independent professional auditor, in a form determined by the Accounting Officer, to the effect that all expenses in respect of which the party received financial assistance during the period ending with that day were incurred exclusively in accordance with paragraph (1) of this resolution.

(4) If an audit certificate under paragraph (3) above has not been furnished within the time specified no further financial assistance under this resolution shall be paid until such a certificate is so furnished.

Mr. Deputy Speaker (Sir Alan Haselhurst): With this it will be convenient to discuss the motion on support for Members who have chosen not to take their seats:

That the Resolution of the House of 10th March 2005 relating to Support for Members who have chosen not to take their Seats be amended by substituting for the words 'a period of suspension of one year commencing on 1st April' the words 'the period 1st April 2005 to 31st October'.

Mr. Hoon: The motions are designed to achieve two purposes: to recognise how far IRA and Sinn Fein have moved, and to encourage further progress from them.

Significant changes have been made by the IRA, including and since its statement on 28 July 2005 that it had

"formally ordered the end to the armed campaign"

and on 26 September 2005 that

"the process of putting arms beyond use has been completed".

This debate is in recognition and further encouragement of the republican movement's adoption of the political path. The first motion would, therefore, lift the suspension on Sinn Fein's entitlement to Westminster allowances imposed by the House on 10 March last year.

I turn to the detail. The motion to restore Westminster allowances would have the effect of ending, from 1 November 2005, the suspension of parliamentary allowances for Sinn Fein. The House will recall that the principle of those allowances was debated at great length on 18 December 2001. The suspension, approved on 10 March last year, was a measure of the disapproval the House felt over the IRA's role in the Northern bank robbery in December 2004 and the murder of Robert McCartney a month later.

In considering the motion, the House will note that the Independent Monitoring Commission recommended ending financial sanctions against Sinn Fein in the light of the closing down of paramilitary activity and an end to IRA bank robberies and murders—the significant changes that the commission's report records. The parliamentary allowances for Sinn Fein were suspended because the process of democratic development by the republican movement had slipped backwards. It is clear from the Independent Monitoring Commission and the Independent International Commission on Decommissioning reports last week that the republican movement is moving to a reliance on exclusively peaceful and democratic means. That process is more advanced than when the allowances were first granted to Sinn Fein Members of Parliament in 2001.

Dr. William McCrea (South Antrim) (DUP): How much of the millions of pounds taken in the bank robbery has been handed back by Sinn Fein-IRA, or are they still enjoying the proceeds of that crime? Will the right hon. Gentleman tell the House about how the McCartney family has had to move from Short Strand since the murder, and about the continuing intimidation of the family by the Provisional IRA?

Mr. Hoon: I cannot answer the hon. Gentleman's first question. The police investigations continue and it is important that the police can pursue their investigations without the type of political observation that I might be tempted to make. On the hon. Gentleman's second question, my right hon. Friend the Secretary of State for Northern Ireland [redacted] recently met the McCartney family. He is in a better position than I am to deal with those issues, and I am sure that he will give way to the hon. Gentleman later in the debate if further detail is required.

Mr. Peter Robinson (Belfast, East) (DUP): The right hon. Gentleman referred to decommissioning. MI5 and the Police Service of Northern Ireland have passed on intelligence to the IMC and the IICD indicating that IRA is still holding on to weapons. The IRA says that it is not. Who does the Leader of the House believe?

Mr. Hoon: I have spent many years reading and dealing with intelligence and I learned never to comment on such matters, so I shall not break the habits of a previous career today.

Mr. David Gauke (South-West Hertfordshire) (Con): The right hon. Gentleman says that he cannot comment on the McCartney case and the bank robbery, and although I understand the difficulties of doing so, does he not accept that they are highly relevant to the nature of the Provisional IRA? Does he accept that the IMC stated that members of the IRA are still

"heavily involved in serious organised crime"?

Given the intrinsic links between Sinn Fein and IRA—if they are not indeed one body—he must recognise that Sinn Fein is not a party that it is appropriate to reward as he proposes.

Mr. Hoon: I realise that the hon. Gentleman sincerely holds a view that is different from mine and that of other Members. However, the difficulty with his question is that the report recommends something that he opposes, somehow by reference to the report. He cannot make selective quotations from the report without taking the

document as a whole. The report recommends precisely that suspension should be lifted, and if he had mentioned that in his question, I might have been able to have a more interesting debate with him. He really cannot select particular quotations to support his particular point of view unless he deals with the report as a whole.

Lady Hermon (North Down) (UUP): It would be helpful if the Leader of the House could clear up a small but significant matter. Was it not the Prime Minister who agreed with Sinn Fein the restoration of its allowances and/or the new development of the introduction of Short money, before the IRA statement of 28 July?

Mr. Hoon: The reason why the House is holding this debate is because these matters are rightly and properly for the House. No one, even my right hon. Friend the Prime Minister, is in a position to take such decisions on behalf of the House. That is why we are holding debates and discussions. It is important that the House should do so, and that it should reach a conclusion.

Mrs. Theresa May (Maidenhead) (Con): The right hon. Gentleman refers to the IMC report in response to the intervention from my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke). Does he not accept that, certainly when the IMC recommended the suspension of allowances, it was referring specifically and only to allowances relating to the Stormont Assembly, not to the Westminster Parliament? Therefore, the implication in recommending that those allowances be reinstated is that it is also referring only to allowances in Stormont, not here in Westminister.

Mr. Hoon: That is not an unfair observation—I recognise that that is a matter for discussion and debate—but I draw the right hon. Lady's attention to page 32 of the IMC report, where she will find her answer. This is a matter for the House; it is an issue that the House must decide.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Will the Leader of the House give way?

Mr. Hoon: If the hon. Gentleman will just keep calm, I will give way in a moment, but I cannot give way to him until I have tried to deal with the previous question, and I am trying to do so. What is important is that we look at the evidence available from independent reports and reach a proper conclusion. That is the subject of the debate, and we must continue the debate to consider these important issues.

Kate Hoey (Vauxhall) (Lab): Will the Leader of the House make it clear whether this is a free vote across Government, or is it a payroll vote, with hon. Members being asked to vote in a certain way? It is clear that the IMC may have suggested the restoration of allowances in Stormont. Where does the Short money suggestion come from? Who introduced that idea? Was it the Prime Minister in cahoots with Gerry Adams?

Mr. Hoon: I will deal with the second point in a few moments, once I reach that part of my remarks, but my hon. Friend will recall from her time in ministerial office that certain obligations follow from accepting ministerial office. Those obligations apply to all Government policy, and that is no different in relation to this matter.

Mr. Paul Goodman (Wycombe) (Con): The essence of the right hon. Gentleman's argument is that Sinn Fein is making progress. Is not the problem that that is exactly what was said just before the Northern bank robbery? Since, as he says, this is a matter for the House, what assurance can he give that even now, Sinn Fein-IRA are not planning a similar outrage?

Mr. Hoon: No one can give absolute assurances of that kind, but—

Mr. Geoffrey Cox (Torridge and West Devon) (Con): Then why are you doing it?

Mr. Hoon: The hon. Gentleman asks that from a sedentary position. The answer, of course, is that we want to see progress. If we simply waited for every last dot and comma, there would be no progress. I am not suggesting that the hon. Member for Wycombe (Mr. Goodman) wants to frustrate progress—I am sure that he sincerely wants to see a successful peace process in Northern Ireland—but inevitably, as I will make clear during my remarks later, we will always have to take some risks in relation to securing that successful peace process. All I ask him is simply to reflect on whether he really believes that we should sit back and do nothing, perhaps allowing the prospect of peace to fade and fail, or whether we should allow this opportunity to encourage Sinn Fein along a permanent path of political process towards peace? That is the issue that he and other right hon. and hon. Members must deal with.

Daniel Kawczynski: Will the Leader of the House give way?

Mr. Hoon: If I give way to the hon. Gentleman, perhaps he will calm down.

Daniel Kawczynski: I feel very calm actually, but I also feel passionately that this is something on which to listen to the Speaker. What advice has the Leader of the House had from Mr. Speaker in this matter? When Labour first came to power in 1997, the former Speaker, Baroness Boothroyd of Sandwell, was the one who adjudicated in this matter, and her opinion was vindicated both by courts in Northern Ireland and by the European Court of Justice. Why is the right hon. Gentleman not listening to those testaments in the courts and to Baroness Boothroyd of Sandwell?

Mr. Deputy Speaker: Order. I must tell the hon. Gentleman that it would be incorrect to seek to draw the Speaker into a debate. This matter is before the House for all hon. Members to make a decision. As I believe Mr. Speaker ruled during an earlier intervention, that is the position, and it remains so.

Mr. Hoon: I am grateful to you, Mr. Deputy Speaker, for that guidance, but if I may, without in any way intruding on your observations, I can help the hon.

[Mr. Hoon]

Gentleman to an extent. I have read the previous observations of the noble Baroness, and, indeed, those that Mr. Speaker set out to the House and published in *Hansard*, which are available to all right hon. and hon. Members to read for themselves. Again, I suggest to the hon. Gentleman that it might be appropriate for him to read all the statements made by distinguished Speakers, not simply to rely on any one, especially given the passage of time since that was made.

Mr. Frank Field (Birkenhead) (Lab): As I have given my right hon. Friend notice of this question, may I perhaps pose it differently? What is new about today's debate is that we are extending moneys still further to Sinn Fein-IRA, and what we are very anxious to learn from my right hon. Friend is on what grounds we have changed giving Short money to parties carrying out responsibilities here to giving it to a party that does not wish to take the oath or ever appear here?

Mr. Hoon: My right hon. Friend should be assured that I am anxious to deal with that, but I have not yet got to that point, and I will certainly give way to him again in due course.

Jeremy Corbyn (Islington, North) (Lab): Does the Leader of the House not accept—perhaps he could tell us a bit more about this—that there is a perfectly good democratic argument for restoring the allowance and providing an extra allowance for research, back-up and so on, so that Sinn Fein can represent its constituents to the many Government agencies, as it must do, and that that also encourages people who support Sinn Fein to wish to take part in the democratic process, rather than being excluded from it?

Mr. Hoon: I hope that my hon. Friend will accept that, given the occasions in the past on which we have had exchanges in the House, it is a rare and wonderful pleasure for me to agree with him. He makes a very powerful point that should be properly considered by the hon. Members who are likely to participate in the debate.

Sir Patrick Cormack (South Staffordshire) (Con): Does the Leader of House agree that Danegeld is normally paid to Governments, not by Governments?

Mr. Hoon: I am not going to debate mediaeval history with the hon. Gentleman—at least, not yet.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): The Leader of the House has opened up the question of Short money—I know that he will deal with it in greater detail in a moment—but the truth is that we are now extending Short money to Sinn Fein in respect of its representative business, rather than its parliamentary business. Does he agree that it would be unfair not to extend the same rule to the other parties, which participate, so that they could use Short money for representative as well as parliamentary business? Otherwise, they might be at a disadvantage compared with Sinn Fein where a competition occurs between those parties.

Mr. Hoon: The right hon. and learned Gentleman makes an important point, which I hope to deal with to his satisfaction in due course, but we should debate that part of the issue later.

Mrs. Iris Robinson (Strangford) (DUP): I hope that the Leader of the House will accept that after his comments about all this being for the good of peace, absolute and utter despair will go around our Province, Northern Ireland, especially among the victims and those who have suffered at the hands of Sinn Fein-IRA. After the La Mon House hotel bombing, 12 people died, and one women's only child—her 25-year-old daughter—was one of the victims, along with the daughter's 25-year-old husband. That mother was offered £300 for the loss of that child. For many years we fought with the Community Relations Council to get money to put in a stained-glass window to honour the victims who were murdered so horrendously. All we got was a paltry £3,000. Can the Leader of the House now go over to Northern Ireland, face the victims and tell them that violence does not pay?

Mr. Hoon: I have had the opportunity to meet a number of the victims of violence in Northern Ireland, many of whom, inevitably, were associated with Her Majesty's armed forces, during the time that I was Secretary of State for Defence. In no way do I minimise the loss, the suffering and the tragedies caused to families in Northern Ireland, and I do not challenge the hon. Lady's interpretation of those events. All I can say is that in my time visiting Northern Ireland, I have heard from all sides of the community an overwhelming desire to see an end to the violence and to see a peaceful path for the people of Northern Ireland. It seems to me that it is necessary for us to take appropriate steps in the hope of securing that.

I simply ask all hon. Members to consider this. If we do not take this step, and the peace process stalls and fails and violence returns, what will have been achieved? What is the danger and risk about the process that we are embarked upon that causes so much difficulty for right hon. and hon. Members?

Mr. David Liddington (Aylesbury) (Con): May I ask the Leader of the House to reflect carefully on what he has just said? We have heard repeatedly, and taken in good faith, from the Secretary of State for Northern Ireland and various commissions, the idea that we should take seriously the pledges made by the republican movement last year that it was putting violence behind it for good. Surely the right hon. Gentleman is not saying that this grant of some thousands of pounds is what will determine whether violence returns. That is a disgraceful way to conduct this matter.

Mr. Hoon: I was not saying that for a moment. If those on the Opposition Front Bench insist on making such observations, we will necessarily have some difficulty in allowing this debate to continue.

I was making it clear that there are always, in these processes, risks and difficulties. All that I am suggesting is that I cannot see why this particular decision is necessarily going to cause any undue difficulty for the people of Northern Ireland in the way in which we take these matters forward. That is something that we are all agreed upon. We all want to see peace in Northern Ireland, and that is why it is important that we take appropriate steps to assist in that process.

Mrs. May: I am grateful to the right hon. Gentleman for his courtesy in giving way again. He stands here leading the debate as Leader of the House and not as the Secretary of State for Northern Ireland. I have listened carefully to his remarks, and so far they have nearly all been about the peace process in Northern Ireland and the relationships between the different political parties and the Government. Is he going to make an argument for the Government motions based on their relevance to Members of the House and the business of the House? That is his duty.

Mr. Hoon: I agree with that entirely. In due course I will do that.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): I am sure that the Leader of the House is totally sincere in wanting to take the House with him. The difficulty is the constant reiteration of the sort of faintly blackmailing suggestion that unless the motions go through, the House will be messing up the peace process. What we are talking about is much wider than that. We are actually talking about the way in which the United Kingdom pays for the duties and responsibilities of people who ought to be appearing in this Parliament before they are entitled to its full support.

Mr. Hoon: I do not disagree with that. That is why the eighth report of the Independent Monitoring Commission says that it is now an appropriate point at which to lift the suspension of Sinn Fein parliamentary allowances.

David Simpson (Upper Bann) (DUP): Does the Leader of the House not realise that it does not matter how much money the Government throw at Sinn Fein-IRA, because that will never ever quench the thirst for hatred that Sinn Fein-IRA have for the British establishment in Northern Ireland? Gerry Adams said:

"There will never, ever be Sinn Fein MPs sitting in the British houses of Parliament".

Mr. Hoon: Again, I think it is important that we accept the views of independent organisations. I do not have the hon. Gentleman's experience of Northern Ireland. I have been a visitor there, but I am not pretending that I can substitute my judgment for his. All I say is that independent voices have reached a different conclusion from the one that he has reached, and it is important that we in the Government are guided by them.

Mr. Nigel Dodds (Belfast, North) (DUP): Is it not a fact that the Government announced the restoration of allowances to Sinn Fein before the IMC produced the report? They announced it in October and said that they would bring a motion to the House, at a time when the IMC had not made a recommendation. Indeed, the Government kept allowances for the Progressive Unionist party at the time that the IMC said that that party should not get the money. The Leader of the House is praying in aid independent reports, when the Government took this step in advance of any recommendation at all from the IMC.

Mr. Hoon: I have already made it clear to the House that it is not a matter for the Government to decide; it is a matter for the House. The timing of this debate was arranged after the report was available, so that we can discuss these issues properly.

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): Which independent body or independent individual has recommended that Sinn Fein receive Short money from the House? I am not aware of any such recommendation. Will the right hon. Gentleman give us the background to the proposal and tell us why the Government have proposed it now?

Mr. Hoon: I should not have given way to the hon. Gentleman. I thought that he was going to intervene on the previous point, but he did not. I shall deal with his point in a few moments.

Mr. David Hamilton (Midlothian) (Lab): Some Labour Members take the view that it is fine to be elected on the platform that one will not take the seat. People are entitled to do that and electors can elect representatives who will do that. However, we are discussing people who are elected, who are paid to work for their constituents in their constituencies but who do not work in this place. If someone is elected to this place, surely it is right that they take their seat in the House before they receive any money. It is unfair to suggest that that is an argument against the peace process. We want peace as much as anyone else.

Mr. Hoon: Again, I will not quibble with the detail of my hon. Friend's observation. In fact, Members who do not take their seats do not receive a salary. In any event, the details were considered at great length in 2001, and what was decided last year was a suspension. It was not a vote to say that the allowances would never again be paid. Today's debate is therefore about whether it is now an appropriate time, in the light of the IMC's report, to end that suspension. The issues of principle that my hon. Friend rightly raises have been resolved.

Lembit Öpik (Montgomeryshire) (LD): I have listened with great interest to the right hon. Gentleman and he will know that I am sympathetic to the Government's efforts to try to secure lasting peace in Northern Ireland. However, it is important for me and my hon. Friends to hear, first, the rationale for restoring the previously paid allowances to Sinn Fein on the basis of the IMC report and, secondly, to understand why, in principle, what we informally call Short money is to be paid. He must make sure that it does not sound like blackmail or some kind of a bribe. If he does, I fear that he will turn off those of us who are very sympathetic to what the Government want to do.

Mr. Hoon: I am grateful to the hon. Gentleman for his intervention. If I can make progress now, I hope to satisfy his concerns.

Rosie Cooper (West Lancashire) (Lab): We all want a lasting peace process and, in taking part in the debate, I want to do my best to bind Sinn Fein further into the democratic process and to the House. I do not want it to be blackmailed; I want it to be bound into this place and its processes.

I have been associated with Northern Ireland since I was a child and I can tell the House that, when I was growing up, I heard the word "never" many times but I have seen it reversed so often. This is just another step along the way.

Mr. Hoon: I am grateful to my hon. Friend. I will allow her words to speak for themselves.

May I deal first with the question of suspension? I have made it clear that we are debating the restoration of allowances, having previously suspended them. May I make it clear to the House that I am confident that it will have no hesitation in suspending those allowances again should there be a need to do so?

It is perhaps helpful to reflect, however, on other developments, including the decommissioning of IRA weapons and the publication of independent reports verifying these events. This has continued a positive trend that is fundamental to the Northern Ireland peace process. The reports by the IMC in October and last week show that the IRA has taken significant steps and is making a transition that we all want to see. No one is suggesting that this is a picture of perfection. There are still reports of localised criminality involving individual members of the IRA, but it is a sea change from a year ago let alone five, 10, 20 or, indeed, 30 years ago.

The conclusions of last week's Independent Monitoring Commission report stated:

"we have no doubt the"

Provisional IRA,

"uniquely among paramilitary organisations, has taken the strategic decision to eschew terrorism and pursue a political path."

The House has debated on countless occasions over the past three decades IRA terrorism and atrocities and the destabilising effect on Northern Ireland politics of its attachment to arms and terrorism.

The motion on financial assistance would make available to parties with Members who had not taken their seats an allowance for the purpose of a party's representative business. It is intended to recognise and further encourage the republican movement along the political path. The motion is a further recognition of the historic changes that the IRA and Sinn Fein have made. I hope that it will bolster the process of democratisation, stability and, more importantly, lasting peace in Northern Ireland.

I recognise that the Independent Monitoring Commission made no recommendation on the motion—nor would that have been appropriate. I also recognise that some hon. Members will find it difficult to provide financial assistance for Sinn Fein. However, we have to make a judgment about what is best for Northern Ireland, the peace process and, more importantly, the people of Northern Ireland.

Mr. Ben Wallace (Lancaster and Wyre) (Con): Will the right hon. Gentleman give way?

Mr. Hoon: I will give way in a moment.

The Government's aim today is to encourage Sinn Fein MPs to play the fullest role in democratically representing their constituents and to support the republican movement as a whole along a democratic path. The motion would provide Sinn Fein with a maximum of £84,000 a year, together with a small amount of about £2,000 a year for travelling expenses, from 1 November 2005. That will be subject to strict controls. Sinn Fein will have to furnish the House accounting officer with a certificate from an independent auditor to the effect that the expenses claimed are within the terms of the resolution—*[Laughter.]* I am sorry that hon. Members take that view because the same control system applies to Short money and the same maximum amount is payable as under that scheme.

Under the motion, financial assistance would be made available for activities related to those that would normally attract Short money. Short money, as the House will be aware, is payable for research associated with Front-Bench duties, developing and communicating alternative policies and shadowing the Government. Financial assistance would be available for related activities conducted by Sinn Fein, such as the employment of a researcher to assist the representative business of a spokesman, and the costs of relevant equipment and travel costs for spokesmen engaged in representative business.

Andrew Mackinlay (Thurrock) (Lab): Will my right hon. Friend give way?

Mr. Hoon: In a second.

Crucially, certain activities will specifically not attract financial assistance. Those include political campaigning and fundraising, membership campaigns, advertising, personal or private business and constituency business.

Mr. Frank Field: The Leader of the House will realise that to some extent we heard this speech some years ago. When we extended our allowances to people who had not come to the House to be full Members, we were told that their behaviour would change, but nothing has changed in that respect. Has Sinn Fein given the Government any indication of how its behaviour will change as a result of being given Short money?

Mr. Hoon: My right hon. Friend addresses an issue that is central to the debate. The IRA has made an historic statement. Although right hon. and hon. Members might not accept it, it is a significant statement in the long and drawn-out tragedy for Northern Ireland and its people. There are now independent voices that have confirmed the statement and said it is verifiable that the IRA has abandoned terrorist activity. When those two facts are taken together, they provide hon. Members with a powerful argument that we should ignore at our peril.

Mr. Field: I, for one, am grateful for the statements that Sinn Fein-IRA have made and hope that the changes are as profound as the Leader of the House suggests, because if that is so it will be for the good of all. However, saying that a party that does not appear in the House should receive Short money is totally different. We welcome the statement that Sinn Fein has made, but Short money is specifically paid to support functions carried out in the Chamber by members of parties when representing major policies. Surely there is a difference between that and giving commitments not to use violence.

Mr. Hoon: I accept that there is a distinction to be drawn, and we are not granting Short money precisely for the reasons that my right hon. Friend makes clear. The motion refers to the work of a political party in its representative capacity, which is what we are debating.

Several hon. Members *rose—*

Mr. Hoon: I will try to give way to as many hon. Members as possible, but I will also try to answer their questions, which is what I am attempting to do.

It is important to realise that while there is a responsibility on the IRA, as part of the republican movement, to continue on the path it has set out, we can encourage it by taking such decisions. We can support the process by realising that there are circumstances in which political parties have representative functions over and above the individual functions of members of those parties who happen to have been elected to the House and other democratic bodies.

Mrs. May: I am extremely grateful to the right hon. Gentleman for giving way to me a third time. He consistently refers back to the phrase "representative business" and differentiates Short money from the money that will be available for such business. He has indicated several activities for which that money could not be paid. Will he now give the House a definition of representative business?

Mr. Hoon: I indicated the kinds of things for which the money could be available. I said that it might be used to fund a researcher, or to purchase equipment to support the representative capacity of a political party. However, as the right hon. Lady will realise, this is not one of those issues that can be precisely defined—[HON. MEMBERS: "Ah."] The rules of the House cover the way in which Short money is spent and the motion was drafted closely to reflect those arrangements. Of course, Short money is subject to rigorous financial accounting, and the arrangements under the motion will be subject to rigorous financial accounting by the House authorities in exactly the same way. It is not entirely fair or right for Opposition Members to find the matter a cause of great entertainment because when they spend Short money they are subject to precisely the same accounting rules that apply to the allowance.

Mr. David Heath (Somerton and Frome) (LD): The Leader of the House will understand that we are talking about not accounting rules but the areas of activity for which the money could be used. For the avoidance of doubt, will he make it absolutely clear that Sinn Fein will not be able to use the money for any activities or classes of activities that the Conservative party or Liberal Democrats would not be permitted to undertake when in receipt of Short money?

Mr. Hoon: That is absolutely and precisely the case. It is important that that is well understood, which is why I make a precise analogy between the way in which Short money allowances are supervised and the way in which the new allowance will similarly be supervised.

Mr. Hogg: The House as a whole will welcome that assurance. Surely the money will not be confined to supporting parliamentary business. When we examine the motion, we must be careful to ensure that we do not find that Sinn Fein's receipt of representative money puts it in a better position than other parties that, on the face of it, have their money confined to supporting parliamentary business.

Mr. Hoon: The right hon. and learned Gentleman makes an extremely good point and I agree with him. It is important that the rules are properly supervised and that there are strict accounting standards, and I assure him that that will be the position.

Mark Durkan (Foyle) (SDLP): Is the Leader of the House aware that several comments have been made in the past about various Sinn Fein returns to the Electoral Commission? Those excellent works of fiction have gone completely unchallenged despite the known facts about Sinn Fein's election expenditure, so it is hard to take seriously his assurances about scrutiny. Does he realise that he is talking in riddles by saying that the money is not Short money and then that it is—that it is the same and is not the same? Is it not the case that I will be unable to spend Short money on activities in my constituency, but that Sinn Fein will be able to spend its representation money on activities in my constituency against me?

Mr. Hoon: That is not the position. We must draw a clear distinction between the two motions. One deals with the restoration of parliamentary allowances, which clearly would allow right hon. and hon. Members to spend the allowances in their constituencies in support of their activities as individual Members of Parliament, as against money that would be, and is, available to political parties to support their representative activities. That is why the motion is drafted in the way it is.

Lembit Öpik: This is a key point, because we need clarity. We understand that Short money relates to activities conducted within the House. In the right hon. Gentleman's response to my hon. Friend the Member for Somerton and Frome (Mr. Heath), it sounded as though he was taking that money out of the House. Short money is named after a person. Is this money, which we might call Hoon money, connected in the same way to the House, or is it money that can be spent outside the House, as the hon. Member for Foyle (Mark Durkan) suggested?

Mr. Hoon: I made it clear that the money would not be spent in support of individual Members in their constituencies, but it is clear that political parties have

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representative activities. Perhaps I can give one illustration of that. Sinn Fein may choose to employ a spokesman in Westminster to speak on behalf of the party in discussions that take place in and around Parliament. That is a matter for Sinn Fein, and we have given it access to facilities here. It is clearly a representative function of a political party; it is not the kind of activity that would allow money to be spent in an individual Member's constituency. However, it would provide the kind of support to representative activities of a political party that are already covered by the Short money that is made available to other political parties.

Lembit Öpik: The right hon. Gentleman said that there is no opportunity to use the Hoon money in any way except for those purposes for which Short money is currently provided. Does he mean that to the letter of the law as it applies to Short money? If so, it clarifies responses to earlier questions, but it may be slightly different from the impression he gave in a previous answer.

Mr. Hoon: I gave an unequivocal answer and I do not retreat from it. It is important to make a clear distinction. This is money that is available and wholly consistent with the rules that currently cover the payment of Short money as far as other political parties are concerned.

Rev. Ian Paisley (North Antrim) (DUP): Surely the Leader of the House should be influenced by the fact that the leader of the Social Democratic and Labour party said what he did and that Unionist parties are saying the same thing. Surely he must understand that he will put all the other parties that have forsworn terrorism in a difficult position. The advantage will go to the paramilitary groups because they can cook the books and nothing will be done about it. If we are going to have an audit, let us see the Government auditor doing something and taking them to the courts. We are still to see that. How can we trust for the future what has not been done in the past?

Mr. Hoon: I made it clear that this is a matter for the House and its audit, not for the Government. As I made clear, the Government have a view. We believe that the proposal is the right way forward, but it is a matter absolutely for the House to decide, and it will have to do that in due course.

Mr. Hogg: On a point of order, Mr. Deputy Speaker. Perhaps we can have some advice from the Chair. The motion apparently extends what is called Short money to representative business. I am not clear whether the motion standing by itself has that effect, or whether there needs to be a further and substantive motion, spelling out the terms and conditions on which Short money is payable to Sinn Fein before such money becomes payable. The House needs to know whether there is to be a further resolution or whether this resolution is sufficient to make payment due.

Mr. Deputy Speaker: That is not a point of order for the Chair. What is on the Order Paper, and the reasoning behind it, is for the proposer of the motion to explain and to be questioned about, which has been happening for the past 42 minutes. It is purely a matter of debate and then decision for individual Members of the House.

Mr. Frank Field: Further to that point of order, Mr. Deputy Speaker. Your advice is needed as we just learned from the Leader of the House that if we pass the motion, we will change the nature of Short money, because we have been told that it can now be spent in a way that representative money can be spent. Surely the Government should introduce a substantive motion on changing Short money that incorporates allowing Sinn Fein to claim that money, rather than changing its nature by extending it to Sinn Fein.

Mr. Deputy Speaker: Interpretation of the motion is not for the Chair. It is a matter for debate. The Leader of the House must explain what he is asking the House to approve and be questioned on that. That is the stuff of debate, not a matter for the Chair.

Sir Patrick Cormack: Further to that point of order, Mr. Deputy Speaker. I entirely respect what you said, but the fact is that Short money exists as it does because the House has willed it so. It has approved the rules and decided how it should be applied. We are now told that a consequence of the motion will be that Short money will be reinterpreted, without the will of the House, in an entirely different way. Surely that cannot be right.

Mr. Deputy Speaker: Whether it is right or wrong is not a matter for the Chair to determine. The House has a clear decision before it. If right hon. and hon. Members have doubts about what is proposed, they have the option of choosing not to approve it. There are other means by which the matter could be pursued on a future occasion. If the motion is agreed and doubt remains, there will be further parliamentary opportunities to eradicate those doubts. It is essentially a matter for debate.

Mrs. Dunwoody: Further to that point of order, Mr. Deputy Speaker. The question is rather simpler than that. We wonder whether the motion can be in order if the wording is different from the interpretation that the House wishes to consider.

Mr. Deputy Speaker: I say to the hon. Lady, who has considerable experience of such matters, that if the motions were not in order, they would not be on the Order Paper.

Mr. Hoon *rose—*

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. To maintain the proper proprieties of debate, I should explain that it is difficult to intervene on the right hon. Gentleman when he has not uttered a further word.

Mr. Hoon: I am grateful to you for that, Mr. Deputy Speaker. I was about to make the same point: it is the first time that I have been intervened on before I have said anything. However, I give way.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): I am seeking the advice of the Leader of the House, with his legal experience. The resolution on Short money says:

"the expenses in respect of which assistance is claimed have been incurred exclusively in relation to that party's Parliamentary business".

His response and the motion indicate that that is not the case for a specific United Kingdom party. That is the distinction. He has made a class—a party apart—that can claim the money for other reasons. It is almost hybrid. How can he reconcile his arguments with his statement? Why are not all parties getting representative money?

Mr. Hoon: At the risk of straying beyond the terms of the motion, I want to make it clear that the House has approved the payment of what is strictly known as Opposition parties financial assistance, colloquially known as Short money. That is subject to a set of rules that the House has agreed. The rules are applied, subject to appropriate accounting supervision by the House authorities. The House now has an opportunity of debating and agreeing, if it so wishes, a motion relating to providing financial assistance for Sinn Fein and for those parties that have chosen not to take their seats. I accept that in the present context that applies to Sinn Fein. The rules would then be applied in exactly the same way as the rules for Short money, not going beyond the terms of the Short money requirement, but making it clear that this is in relation to the representative business of the party.

The rules are clear and available for the House to consider. They are available for individual Members to comment on and decide upon when they come to vote. It seems that the matter is clear and is available for all Members to consider.

I am at risk of extending what were quite short remarks rather further than I believe they should go. We have set out clearly the issues for the House to decide. There are opportunities for right hon. and hon. Members to make their points in the course of debate. I believe that in those circumstances it is appropriate for me to draw my remarks to a close.

2.20 pm

Mrs. Theresa May (Maidenhead) (Con): In the light of the remarks of the Leader of the House in proposing the motions, I shall start by making it absolutely clear to the House that the Opposition are committed to the peace process in Northern Ireland. We all want to see a lasting peace in Northern Ireland, and we share the Government's aims and objectives—their views on these matters are shared across the House—in seeking the restoration of devolution in Northern Ireland and the resumption of the work of the Northern Ireland Assembly. Moreover, in recent weeks we have demonstrated that we are willing to work with the Government on issues that are to the benefit of our country.

I listened with great care to the Leader of the House and to his responses to the many interventions. I was concerned at the manner in which he appeared to threaten Members in relation to the decision that they take today. I felt that his contribution to the debate was, frankly, not worthy of him.

The issue before us is not about the Northern Ireland peace process or about the resumption of the Assembly; it is about the role of Members of Parliament, what it means to sit in the House and the nature of the job of being an elected representative of this place. It is primarily on that basis that we oppose the action that the Government are seeking to take and will be voting against the motions.

A number of Members, including my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg), made the point during the debate on the business motion that these are matters of extreme importance to the House. I believe that the points can be made simply and succinctly, as my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) indicated during the same debate.

Given the comments that the Leader of the House has made about the relationship between this issue and the Northern Ireland peace process, I believe that it is questionable whether the conditions that led to the decision taken by the House to suspend existing allowances—namely, the involvement of Sinn Fein-IRA in criminal activities—are no longer relevant. Indeed, the latest report of the Independent Monitoring Commission makes it clear that the republican movement remains involved in criminal activity and intelligence gathering, and raises real concerns about the way in which that movement is exercising community restorative justice. I shall quote one part of the report, on pages 34 to 35. The report states:

"We have no doubt that the PIRA, uniquely among paramilitary organisations, has taken the strategic decision to eschew terrorism and pursue a political path. There are a number of signs that the organisation is moving in the way it indicated in its statement of 28 July 2005. But in the light of some of the activities we refer to a real question remains of whether this will involve purely conventional politics conducted within a culture of lawfulness."

I suggest that the Government's own conditions for reinstatement of the individual allowances have not been met. I refer the Leader of the House to his response in business questions to the hon. Member for Thurrock (Andrew Mackinlay) on, I believe, 26 January, when he made it clear that it was his view that any political party that was still engaged in criminal activity should not receive allowances. I ask him to consider that response carefully. Frankly, it does not bear comparison with his speech this afternoon.

I believe that the issue before us is essentially about the nature of being a Member of Parliament. There are two proposals before us from the Government. One is that the arrangements to give financial support to Members who have chosen not to take their seats—the financial arrangements which were suspended as from 1 April 2005—should now be reinstated, and more than that, should be backdated to 1 November 2005. The other goes far beyond that and beyond anything that has been proposed previously. It is extending financial support for those who choose not to take their seats beyond support for individual Members to support for a party that is represented by those Members.

I believe that there are very strong parliamentary reasons for resisting these proposals. Before I set out those arguments, I shall refer to the timing of the debate. Coming as it does less than two days after talks between

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the British and Irish Governments and Northern Ireland political parties with a view to resuming the work of the Assembly, it clearly implies to the House, a link between that matter and the motions. The Leader of the House was quite open about it.

The reason for bringing the motions before us today is not whether Members who do not take their seats should be entitled to allowances in relation to parliamentary business and the way that they stand alongside other Members of this place, but is simply about the role that the Government believe the motion can play in relation to encouraging further progress on the Northern Ireland peace process.

Even if the motions were to have that effect, it would be wrong for the House to take a view on the role of Members of this place, and the use of taxpayers' money to support them in that role, purely for reasons of political expediency. Members should remember that while the debate so far has been framed in relation to Sinn Fein—it is, of course, only Sinn Fein Members who today do not take their seats in the House—the motions are framed on the principle of giving allowances to any Members of any political party who choose not to take their seats. We are debating a point of principle, not merely an issue relating to one particular political party.

Mr. Hogg: It is an important principle. If people seeking election make it plain that they will not take their seats but are none the less chosen by the electorate, should we not respect the views of the electorate?

Mrs. May: We respect the view of the electorate that they have chosen particular individuals as their representatives. I suggest that when those electors took that decision to vote for those representatives, they did so fully in the knowledge that those representatives would not be taking their full part in the business of the House, and therefore would not be capable of representing them to the fullest extent, unlike other Members.

Philip Davies (Shipley) (Con): Does my hon. Friend agree that the arguments advanced by the Leader of the House were about as convincing as those put by O J Simpson's defence lawyer? No one I have spoken to about this matter can understand the concept that money can be given for people's parliamentary activities when they do not take their seats in Parliament. That is the simple point.

Mrs. May: I am grateful to my hon. Friend for putting the point so succinctly. I suggest that he might take care with his transatlantic references, given that I understand that O J Simpson's defence lawyer actually got him off and therefore won his arguments.

Daniel Kawczynski: Unfortunately, my office is next to that used by Sinn Fein-IRA, but I have never seen those Members since I became a Member of Parliament. They never turn up and go to their offices, let alone the Chamber.

Mrs. May: I am grateful to my hon. Friend for his observations which, I am sure, will help Members when they choose how to vote. It is important to look at the background to the issue to understand where we are today. Many hon. Members will remember, as has been said, that the previous Speaker, the right hon. and noble Baroness Boothroyd, ruled initially that no MP should receive allowances without taking up their seat in Parliament. Her ruling was based on a clear principle that there should be no associate Members of Parliament. Indeed, after a meeting with the hon. Members for Mid-Ulster (Mr. McGuinness) and for Belfast, West (Mr. Adams) in 1997, she said:

> "I told them that they were in effect asking for associate membership of this House. Such a status does not exist."—[*Official Report*, 4 December 1997; Vol. 302, c. 487.]

The ruling made by the previous Speaker was subsequently overturned by Government motion in the House. The Leader of the House suggested that the motions are not about a point of principle but simply about the timing of the reinstatement of allowances and the extension of funding. I believe that it is still a point of principle that we should be debating in the House.

It is a point of principle for my party that republican Members should not be treated any better, or any differently, from any other Member of Parliament. We reject Government attempts to produce a pick-and-mix Parliament with à la carte allowances for Members who refuse to take their seats in Westminster. We all know that the job of being a Member of Parliament has many facets, including dealing with constituency cases, providing advice and assistance to constituents, and taking up issues on their behalf with the Government and other agencies. Some of that work can be done without Members' attendance in the Chamber and participation in debates. However, Members who do not come to the House will not fulfil that role properly because a key way in which constituency cases can be raised with other Members is through written and oral parliamentary questions, points of order and participation in debates. The job of being an MP goes further, and includes contributing to debates in the House on issues of the day and debating, scrutinising and commenting on legislation. That includes the ability to try to amend legislation, not to mention the job of holding the Government to account for the impact of their policies on the country as a whole and on individual constituencies.

The Secretary of State for Northern Ireland (Mr. Peter Hain): Can the right hon. Lady confirm very clearly that she is against the whole principle of the allowances that the House decided in 2001 and which were endorsed last week in the report by the Independent Monitoring Commission, which said that they should be restored? We ought to know the right hon. Lady's position and whether she is against the decision that the House made in 2001.

Mrs. May: If the right hon. Gentleman cares to look at the record he will see that Conservative Members voted against the principle of extending allowances to Sinn Fein at that stage, precisely because—*[Interruption.]* He says, "Now we know." The Government knew our position then, and they have known ever since—it is hardly a revelation.

Mr. Hain: Is it not the case that, despite the promises that the hon. Member for Aylesbury (Mr. Lidington) made in Northern Ireland questions, when he said that the Opposition supported the Government's attempts to make political progress, and despite the fact that the Leader of the Opposition has declared total change in every other Conservative policy platform, the Opposition are stuck in the past on this issue, and do not support progress in Northern Ireland?

Mrs. May: I suggest that the Secretary of State consider very carefully what he has just said. He has repeated the implied threat of his right hon. Friend the Leader of the House to Members that if we look at this issue in relation to the business of the House and the nature of the parliamentarian's role we are stopping progress on the road to peace in Northern Ireland. I remind him that today's debate is about the business of the House and the role of Members of Parliament. Both he and the Leader of the House do themselves and their Government a disservice, given the terms in which they have addressed the House.

Kate Hoey: May I urge my right hon. Friend the Secretary of State to reflect on what he has said? He may recall that a substantial number of Labour Members opposed the measure initially because of its parliamentary nature, and many Labour Members abstained. Labour Members opposed on-the-runs legislation, as did the two Northern Ireland parties on opposing sides, and it was not long before he had to give way on the issue. Does the right hon. Lady agree that when parties in Northern Ireland agree on something, particularly the issue of Short money, the Leader of the House should listen?

Mrs. May: I entirely agree with the hon. Lady, who has made a valid point that this is not a party political issue in the House. There are grave concerns among Members on both sides about the Government's stance.

Lembit Öpik: The right hon. Lady said that this is not a party political matter, but will she confirm something? She said that her party opposed the allowances, and that remains their position. Is it fair to surmise that if the Conservative party were in government, they would remove the allowances from people who do not take up their seats in the House?

Mrs. May: Just as I am arguing that it is a matter for the House as to what happens on the allowances so, in due course, it will be a matter for the House as to what happens to them—

Mr. Hain *rose—*

Mrs. May: Will the Secretary of State contain himself and wait a little longer? I repeat that today's debate on allowances is about a matter of principle and the role of a Member of Parliament. It is on that basis that I oppose the Government motions.

Mr. Hain: I am grateful for the right hon. Lady's generosity in giving way. To pursue her earlier answer, if she became Leader of the House after the next election, would she table a motion to repeal the allowances for Members who have not taken their seats? We deserve an answer.

Sir Nicholas Winterton (Macclesfield) (Con): I hope that my right hon. Friend would repeal them.

Mrs. May: Whatever the comments of my hon. Friend the Member for Macclesfield (Sir Nicholas Winterton), I am not going to give any commitment about what will be done when we come to government after the next election. We are debating the Government's proposals and their impact on the House. *[Interruption.]* The Leader of the House is muttering from a sedentary position.

Mr. Hoon: I am perfectly prepared to speak from a standing position. If I understand her correctly, the shadow Leader of the House is quite happy to criticise what the Government are seeking to achieve in tabling the motion, but she is not prepared to tell the House what she would do in the unlikely event of her occupying my position.

Mrs. May: My position is based on the fact that we are debating what should happen in the circumstances in which we find ourselves today. I cannot guarantee what those circumstances will be after the next election, when the Conservative party is in government. It is perfectly possible that Sinn Fein will take a different decision about Parliament, although I think it unlikely given the comments made by Sinn Fein Members. We will look at the situation when we are in government. It will not be for the right hon. Gentleman to worry about it in a few years' time, as it will be our concern.

Mr. Heath: If I may move away from the highly hypothetical, is it not the case that Governments of any persuasion should not negotiate on matters that are the province of the House? The problem is that we are bound into agreements that the House is asked to consider and accept, as commitments have already been given.

Mrs. May: I am grateful to the hon. Gentleman for his intervention. As I indicated in my response to the hon. Member for Montgomeryshire (Lembit Öpik) this is a matter for the House. It is about the business of the House, so it is for hon. Members to determine how they should take it forward. It was therefore unfortunate that the Government chose to introduce motions in relation to allowances, notwithstanding the ruling made by the previous Speaker.

I return to the comments of the hon. Member for Vauxhall (Kate Hoey) about legislation that had started its progress through the House—the Northern Ireland (Offences) Bill. Members of Parliament who do not take their seats in the House cannot participate in debates, ask questions or undertake other aspects of membership of the House, and they cannot participate in debates on legislation specifically affecting Northern Ireland. They have no voice when legislation affecting Northern Ireland is going through the House, and no opportunity to amend that legislation in Standing Committee.

I remind hon. Members that when the issue first arose, the then Speaker was clear in her opposition—a stance which survived legal challenge in the High Court and the

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European Court of Human Rights. No one in this place should be allowed to claim allowances without taking up their seat, because without taking up their seat they are not fulfilling their job as an elected representative in the House.

I am interested in the number of interventions that I have received from the Secretary of State for Northern Ireland. In his alter ego as the Secretary of State for Wales, he appears to accept that concept of the nature of elected representation. I draw hon. Members' attention to clause 23 of the Government of Wales Bill, which is going through the House. The clause makes it clear that no Member of the Welsh Assembly is entitled to claim any allowances until such time as they have taken the oath. Indeed, it goes further. If an elected Welsh Assembly Member does not take the oath within two months of being elected, they automatically forfeit their seat. I entirely accept that the Welsh Assembly is a different body from Parliament, but the principle remains the same. Why do the Government believe that elected representatives in the Welsh Assembly should not have allowances until they fulfil all their roles, whereas elected representatives at Westminster should be treated differently?

Sir Patrick Cormack: Is my right hon. Friend aware that even as late as this morning, in answers to Northern Ireland questions, the Secretary of State indicated that he did not think that Members of the Northern Ireland Assembly ought to continue to receive their allowances if the Assembly was not sitting, so the Government's argument is nonsense.

Mrs. May: I am grateful to my hon. Friend for illuminating the House further on yet another discrepancy in the position being taken by the Secretary of State for Northern Ireland—not only different positions as Secretary of State for Northern Ireland and Secretary of State for Wales, but different positions at different times as Secretary of State for Northern Ireland.

There are those who might say that the issue before us is simply a matter of the oath that Members must swear in order to take their seats, but it is not. As the hon. Member for Upper Bann (David Simpson) reminded us, the hon. Member for Belfast, West is quoted as saying:

"There will never ever be Sinn Fein MPs sitting in the British Houses of Parliament."

If they have no intention of carrying out the responsibilities of being a Member of Parliament, why should they receive taxpayers' money?

It was a badly misjudged decision by the Government to award the allowances in the first place, and it remains misjudged to attempt to reinstate them. However, the motions before the House go further than the previous position. As was debated through interventions in the speech of the Leader of the House, Ministers are not simply seeking to reinstate the position that they introduced and were subsequently forced to suspend. They are seeking to go further and create a new allowance for political parties whose Members do not take their seats in the House.

I listened carefully to the Leader of the House and, depending which answers one accepted from him, that money appeared to be on the one hand Short money and on the other hand not Short money. That position is even more indefensible for the Government. Short money is not available to Members who have not sworn the oath because it is designed to offer assistance with parliamentary duties, specifically to assist an Opposition party in carrying out its parliamentary business. Why should a party that does not attend the House, does not vote, does not debate in the Chamber—in other words, that does not engage in or undertake parliamentary duties or parliamentary business—receive additional money to support its parliamentary activities? Surely that, more than anything else, confirms that this is not just a matter of parliamentary business.

The Leader of the House made a number of references to the money, saying variously that it was Short money and that it was not Short money. I note that he did not respond to my direct question about the definition of "representative business". As the House of Commons Library has made clear, the term has not been used previously in parliamentary procedure. The motion would bring about more than the extension of Short money. It would create a new parliamentary allowance.

The Leader of the House should have recognised from the tone of the debate that if the Government's intention is to extend Short money to parties whose Members do not take their seats in the House, they should withdraw the motion and introduce a separate motion which makes that clear. The wording before us is not about Short money. It is about money that is available for representative business. It is a new allowance. I do not believe that parties whose Members are not participating fully in the House in all their duties as individual elected representatives and also as a party in opposition to the Government deserve to receive funding related to parliamentary activities or, more widely, a new allowance.

Mr. Goodman: Can my right hon. Friend assist me? It is my recollection that when the Leader of the House was asked to give a definition of the purpose of the new money, he was unable to offer one to the House. Is my recollection right?

Mrs. May: My hon. Friend's recollection is correct. The Leader of the House was challenged to give a clear definition. It is difficult for Members to support the Government's motion if they do not know what its implications will be, because the Leader of the House has refused to give that definition.

Mr. Hogg: My right hon. Friend will accept that there may be those of us who think that something like Short money should go to Sinn Fein, but does she agree that all of us can agree that all parties should be placed in a similar position? The one thing that would be wholly intolerable is if Sinn Fein were placed in a better position than, for example, any of the Unionist parties or the SDLP. Our belief is that that effect is achieved by the motion before the House.

Mrs. May: I entirely agree with my right hon. and learned Friend that the motion appears to extend a new allowance which would put Sinn Fein, as that is the only party whose Members do not take their seats, in a different position and potentially, depending on the

calculation and the expenditure, a better position than other Opposition parties, including Opposition parties in Northern Ireland.

I have made my position clear. When Members of the House do not take their seats they are not doing their full job as Members of the House. Full stop. End of story. The Leader of the House does himself and his office a disservice in bringing the motions before the House today. No one will disagree that it is in everyone's interests for the republican movement to complete the transition from terrorism to democratic and peaceful politics, but as I said earlier, that is not the subject of the debate. The issue is what it means to be a Member of the House. Those who recognise the privilege of being elected to the House and those who value the House should clearly reject the Government's motions.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. Before I call the next speaker, I must point out that at least 15 hon. Members are seeking to catch my eye in this limited period of time. I hope that all hon. Members respect that fact and allow as many viewpoints as possible to be heard.

2.49 pm

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): I will try to keep my remarks brief in order to allow as many hon. Members as possible the opportunity to speak.

I sympathise with the sentiment expressed by the right hon. Member for Maidenhead (Mrs. May) and welcome the Opposition's recommitment to the peace process. Although the situation is sometimes difficult, it is important that bipartisanship, which has occasionally faltered, is maintained as far as possible on the subject. However, the right hon. Lady cannot will the ends without accepting the means to those ends.

I have thought long and hard about the motion, because I have some concerns about the status of Sinn Fein within the peace process and about how the UK Government and the Irish Government treat Sinn Fein. Some aspects of Sinn Fein's behaviour do not give me confidence that it is wholly engaged in democratic politics.

I spent two years trying to make the Good Friday agreement work in Northern Ireland. The agreement was based on a degree of obstructive ambiguity, although the Northern Ireland Office was always keen for me not to express it in those terms. We brought Sinn Fein, the republican movement and some of the loyalist paramilitary elements into the process by allowing them to hold one view about the long-term position of Northern Ireland—in the republicans' case, that they would like it to be part of a united Ireland—while participating in a democratic process in Northern Ireland through devolved institutions.

The solution was never neat and tidy, which is why the Democratic Unionist party and, in particular, the right hon. Member for North Antrim (Rev. Ian Paisley) had reservations. They were opposed to the process and did not like the idea of constructive ambiguity, but we would not have got the Good Friday agreement without that degree of constructive ambiguity. We accept that Sinn Fein does not attend the Westminster Parliament, which, as a republican organisation, it does not think is a place for them. However, it must accept all the responsibilities that go with democratic politics, one of which is accepting the rule of law.

The eighth report of the Independent Monitoring Commission has been quoted repeatedly in today's debate, and it is an important document of which we should take serious notice. Page 19, paragraph 3.21 states:

"members and former members of PIRA continue to be heavily involved in serious organised crime, including counterfeiting and the smuggling of fuel and tobacco . . . Some senior members are involved in money laundering and other crime . . . PIRA also seems to be using experts and specialists able to assist in the management of illegal assets."

Lord Alderdice, the respected and distinguished former Speaker of the Assembly, is a member of the Independent Monitoring Commission. He has said:

"We could not share the same level of confidence that he"—

General de Chastelain—

"expressed that all weapons were decommissioned."

When the Under-Secretary of State for Northern Ireland, my hon. Friend the Member for St. Helens, South (Mr. Woodward), the Policing Board and the Assistant Chief Constable, Sam Kinkaid, disagreed about the level of criminal activity, the Chief Constable, Sir Hugh Orde, said:

"But on the issues of organised crime the board is clear that PSNI and the other agencies advised that all paramilitary groups were still involved in organised crime".

Sinn Fein is still engaged in the peace process, and it is still signed up to the Good Friday agreement. I have dealt with senior Sinn Fein members, and I believe that people such as Martin McGuinness and Gerry Adams are minded to change the political system and engage in democratic politics. Most of the senior Sinn Fein members, if not all, are committed to that process.

Rev. Ian Paisley: The hon. Gentleman will remember how far my party and I were prepared to go at the Leeds castle meeting, but when we were dealing with that matter, the Northern bank robbery was being planned. How can anyone have confidence in people who pretend that they can be trusted? Neither I nor anyone else on the Unionist side has needed to say that the IRA did the Northern bank robbery, because the southern Government have said so. We recently held talks with the southern Government, and they maintain their belief that the IRA and its leadership did that robbery.

Mr. Howarth: The right hon. Gentleman has made a good point.

The Sinn Fein leadership are still engaged in the process, and they are committed to bringing about change by democratic means. However, I am not convinced that they have got sufficient grip throughout the organisation and, in particular, into the IRA to ensure that the IRA has the respect for the rule of law implied by a commitment to democratic politics.

Dr. McCrea: How can the hon. Gentleman trust Gerry Adams and Martin McGuinness, when they spent 35 years telling the people of Northern Ireland that they were not part of the IRA army council? Some months ago, however, they told the people of Northern Ireland

[Dr. McCrea]

that they had resigned from the army council of the IRA. They lied to the people for 35 years, so how can the hon. Gentleman expect us to trust them now?

Mr. Howarth: The hon. Gentleman has made a good point. The acts in which people were involved in the troubles in Northern Ireland were frankly revolting. I share the same disgust as the hon. Gentleman and other Democratic Unionist party Members at the atrocities, whether they were committed by loyalists or republicans, but my point is that many individuals have made the intellectual transition from terrorism to democratic politics. However, I am not convinced that they have has exercised sufficient authority sufficiently far down the chain to ensure that everybody who has been involved, and is involved, is operating under the same set of principles as they are. That is the difficulty.

My right hon. Friend the Leader of the House made a good job of a difficult task, and I have some sympathy with him. Having on sat on that Front Bench for 26 hours trying to defend the Disqualifications Bill, I know precisely how difficult it can be to defend such provisions in the House. However, the one thing that he has not succeeded in doing to my satisfaction, and I suspect to that of many others, is explaining what the Short money amounts to in terms of representative duties. He made a stab at it, but it was probably not the best effort that he has ever made, as I think that he would be the first to admit. Perhaps the Minister could think about that before he winds up.

It would be helpful if the Northern Ireland Office or one of the House authorities were to issue some restrictions on what that money can be spent on. As the hon. Member for Foyle (Mark Durkan) said, whatever else Sinn Fein has displayed in recent years, it is clear that it does not always play by the rules. If it does not play by the rules in elections, as we know is sometimes the case, it is conceivable that it would not play by rules that seem to be fairly ambiguous.

Andrew Mackinlay: Will my right hon. Friend give way?

Mr. Howarth: If my hon. Friend will let me finish my point, I may do so.

It would be helpful if guidance, or a letter of principle or something similar could be issued making it absolutely clear what restrictions are applied to these funds. I am not be comfortable that they will used be for the purposes that are intended, even though my right hon. Friend the Leader of the House did not make it entirely clear what those purposes are. I hope to be given some assurances on that.

Subject to that, I intend to support the Government, but I make this one final point before doing so. I have a great deal of sympathy with constitutional and democratic parties in Northern Ireland, which are fed up to the back teeth with hearing Sinn Fein promising to change and then finding that the evidence subsequently shows that it has not done so. Sinn Fein must realise that the time is rapidly approaching when it needs to fulfil all its obligations if we are to continue to give it the support that we have given it in the past. So far, it has not done so. Before we go any further with this process, I urge it to make it absolutely clear that it has made that change and that it is permanent.

3.3 pm

Lembit Öpik (Montgomeryshire) (LD): I welcome the publication last week of the latest report by the Independent Monitoring Commission. While it gives us reasons to feel encouraged in relation to the activities of the IRA, I also recognise, in the words of the IMC, that

"Like an oil tanker, the organisation will take a while to turn completely."

Some aspects of the report still give us concern. I remain deeply worried by the level of involvement of IRA members in organised crime. The right hon. Member for Knowsley, North and Sefton, East (Mr. Howarth) read out some salient sections of the report. We know that the IRA is well placed to run fairly sophisticated organised crime operations. That is very damaging to Northern Ireland. Any and all paramilitary activity is a threat to democracy, human rights and the rule of law. All members of society, including republicans, have a duty to co-operate with the legal authorities to ensure that the criminal justice system can do its job. The IRA must now clearly demonstrate that the rule of law will prevail in all areas of life, not only in relation to paramilitary violence.

Sometimes the Government seem rather schizophrenic in their approach towards terrorism. They are sympathetic and cut some slack to the IRA and other paramilitary organisations in Northern Ireland, while almost in the same breath they introduce regulations and make tough-sounding speeches here about terrorist organisations that do not derive from the troubles of the Province.

I am disturbed by the fact that the practice of exiling has not ceased. Exiling was specifically mentioned in paragraph 13 of the joint declaration. If the people of Northern Ireland are to be confident that the IRA is standing by its commitment last August that all paramilitary activity is to cease, that unacceptable practice must end.

Nevertheless, the IMC's assessment of the current extent of IRA activity gives us some reasons to be encouraged. The commission has found no evidence of authorised paramilitary assaults or of recruitment for paramilitary purposes. Those are very significant developments. I particularly welcome the fact that the IMC is of the firm view that the IRA's leadership has taken the decision to end the armed campaign and pursue a political course. There will be suspicion and cynicism about that assessment, but I judge that the IMC has no particular reason to be falsely optimistic, and therefore find it plausible.

As the Leader of the House—who has unfortunately had to leave—pointed out, the IMC's recommendation as regards the allowances that were withdrawn is clear in paragraphs 5.7 and 5.8 of its report. Paragraph 5.7 states:

"On 19 October 2005, the day the British and Irish Governments published our last report, the Secretary of State announced that he had decided to restore Sinn Féin's Assembly allowances with effect from 1 November and that he would in due course recommend to the House of Commons that it lift the suspension of the allowances of Sinn Féin MPs. This he did on 26 January 2006 and the House of Commons is due to debate it on 8 February."

Paragraph 5.8 goes on to say—this is the crucial point—

"In the circumstances we have described in this report we do not believe that financial measures against Sinn Féin of the kind referred to above should continue."

There has been some debate about whether we are discussing Assembly allowances or parliamentary allowances as they relate to this Chamber. The report makes it clear that we are discussing the latter. There can be no debate about that; there is nothing ambiguous or equivocal about what the report says.

That leads those of us who regard the IMC as a reliable, independent arbiter on these matters to conclude that it advises us to support the Government's motion to reinstate financial support for Sinn Fein Members.

Mr. Dodds: I am following the hon. Gentleman's argument closely. He is praying in aid the IMC report, as did the Leader of the House. Would he care to comment on the Government's decision following the previous IMC report, which explicitly stated that the Progressive Unionist party should not continue to receive money? The Government chose to ignore that recommendation by the IMC, yet now they and the hon. Gentleman are relying on its report in support of their argument.

Lembit Öpik: The hon. Gentleman may want to expand on that point should he catch your eye, Madam Deputy Speaker. It did strike me as somewhat curious that the Government were willing to accept some aspects of the IMC's report and ignore others. That makes it rather difficult for those of us who have been sympathetic and, in my view, constructive for nine years in trying to support the Government on Northern Ireland business.

I try to be consistent in following the guidance of, in this case, the Independent Monitoring Commission, but the Government do not seem to feel obliged to do the same. Will the Secretary of State clarify what is a perfectly reasonable question, which has caused some angst in various quarters, as it looks to some of us as if the IRA gets preferential treatment in comparison with other paramilitary organisations? Ironically, on this occasion, the PUP got preferential treatment in relation to the allowances paid. I shall leave it to the Secretary of State to respond to that.

On the second, more contentious issue of the Short money or modified Short money—

Andrew Mackinlay: New money.

Lembit Öpik: Yes. As I have suggested, calling it Hoon money would avoid confusion.

Andrew Mackinlay: This is not a question of a distinction without a difference. Short money is not available to Sinn Fein because it is disqualified. We are discussing a new allowance, but people are going down the Government's route of conflating the two. It is new money, and it is exclusive to Sinn Fein.

Lembit Öpik: I want to focus on that. The hon. Gentleman is correct. As all Members know, and as we have discussed, Short money is provided to Opposition parties to assist them in carrying out parliamentary business. I am keen for the Secretary of State to explain what kind of parliamentary business will be undertaken by Members who choose not to take their seats. In that regard, can he respond to four specific questions? First, how much money will it be? Secondly, for what purposes does he expect it to be used? Thirdly, how will the system be monitored to ensure that any expenditure will truly be for parliamentary business, not constituency matters, which are already accounted for? Fourthly, what will any organisation using such money be able to do that will not be permitted for those of us using Short money?

The Secretary of State might say that those points were covered by the Leader of the House. I am sorry to say, however, that the Leader of the House's responses were somewhat ambiguous. My hon. Friend the Member for Somerton and Frome (Mr. Heath) and I sought clarification and confirmation that there was nothing that a recipient of the new Hoon money could do that recipients of Short money were banned or prevented from doing. The Leader of the House's response was rather confusing. Fortunately, he twice said specifically that nothing could be done with the new money that would not be permitted for those who receive Short money. The Secretary of State must pin the matter down, however, because the record will be analysed in detail when challenges are made, if, for example, in this case, Sinn Fein is suspected of abusing the money.

Mr. Hogg: Is not the most sensible approach that we should not extend to Sinn Fein Short money or Hoon money unless and until we see a full resolution that also tackles the payment of moneys to the traditional Opposition parties whose Members do take their seats? We can therefore be sure that there is no discrepancy between one set of Opposition parties and Sinn Fein.

Lembit Öpik: The right hon. and learned Gentleman makes an interesting point. I have a couple of suggestions of my own.

Mr. Hain: I hope that I can help the hon. Gentleman and the House. As to how much money will be available, it is a little over £84,000. It is not, as it were, a case of the House taking a wheelbarrow to give the money to Sinn Fein—*[Interruption.]* It will benefit the House if I can explain the matter. Sinn Fein can only claim such money against proper receipted applications, in line, as the motion says, with the rules set out in paragraphs (1) and (2), exclusively in terms of representation and the Short motion passed by the House on 26 May 1999. As to what the money will be for, it will be for research and that kind of activity. On how it will be monitored, it would be helpful if the chief accounting officer issued guidance in due course, which I would welcome, as is proper.

I am sorry that this intervention is a little long, Madam Deputy Speaker, but the hon. Gentleman will be aware that in recent times there has been a lot of conflict, which has included a former Leader of the Opposition, about Short money. That is why the rules have had to be clarified. That is also why it is important that the House has proper guidance and proper rules properly enforced. Sinn Fein Members of Parliament

[Mr. Hain]

will not be able to do anything that other Members of Parliament cannot do. It is helpful to clarify that to the House.

Lembit Öpik: I found that intervention quite helpful. I wish that the Leader of the House had been as clear as the Secretary of State is being. I found the Leader of the House's comments somewhat confusing, and they led to concern, which, to some extent, the Secretary of State is allaying, about the specific implementation of the new money.

Andrew Mackinlay: I find the hon. Gentleman extraordinarily naive. If he reads the *Official Report* tomorrow, he will see that the Secretary of State conflated a couple of things. The only relevance of the Short money, under paragraph (2) of the motion, is in relation to the formula for calculating the amount of money, in terms of numbers of Members of Parliament and numbers of votes. There is no cross-reference whatever in the motion to Short money. There cannot be; it is like trying to merge the rules of rugby with soccer.

Lembit Öpik: I find the hon. Gentleman extraordinarily impatient.

Andrew Mackinlay: I am, because I am hearing a lot of rot.

Lembit Öpik: The hon. Gentleman says from a sedentary position that he has heard a lot of rot. I am not sure whether that is parliamentary language, but I know where he is coming from. I ask him to be patient with me, at least, because I am trying to help the Government as best I can.

Andrew Mackinlay: Why?

Lembit Öpik: I assure him that many Liberal Democrat Members are not seeking to help the Government. No doubt other Opposition Members will be in the same position.

Because I see what the Secretary of State and the Government are trying to do, I always ask the question: if I was in their position, what would I do? I would certainly entertain the prospect of creating some kind of fund that created parity between political parties. It was therefore valid to raise the specific concern about the mechanics. The Secretary of State has some way to go to define exactly how allocation of the Hoon money will be implemented. What makes people nervous is the concern that any assurance given here will not hold water out there, and that this debate will provide no recourse or insurance policy in relation to any legal challenge about the abuse in spirit of this money. The Secretary of State must reassure the Chamber that there is not a way around the intended spirit of the proposals.

Mr. George Howarth: Does the hon. Gentleman agree that issuing guidance against which those allowances could be audited, not necessarily through an accounting officer but through the House authorities or the Secretary of State, would provide a benchmark?

Lembit Öpik: I agree. If the Secretary of State wants the motion to be passed, he should give an assurance that if any further orders need to be passed to secure that, he is willing to bring those before the House. I will take him at his word on that, because he is honourable.

Sammy Wilson (East Antrim) (DUP): The hon. Gentleman is prepared to take assurances from the Secretary of State that the accounts will be properly audited. Would he care to look at the travel expense claim of the hon. Member for Mid-Ulster (Mr. McGuinness), who has claimed sufficient to have attended the House every week during its sittings, as well as during periods when it was not sitting? Despite all the procedures, he was able to get away with that kind of claim without having attended the House once.

Lembit Öpik: Perhaps he feels guilty. Perhaps he sits here in the dark when we are not here. Who knows? The hon. Gentleman makes a valid point, however. Everyone wants to verify the expenditure, because few of us think that it is being handled in an entirely honourable way.

Several hon. Members *rose—*

Lembit Öpik: I give way to the Secretary of State, because he has something to which to respond.

Mr. Hain: I am grateful to the hon. Gentleman. I am trying to help him, and I am trying to help the House. What we seek to do is apply the Short money model, to the letter, to Members who have not taken their seats.

Sir Nicholas Winterton: Why?

Mr. Hain: I shall leave that to the argument about the principle. I am seeking to deal with the detail. The application of the Short money model to Members who have not taken their seats is for representative purposes. The Short money resolution—this is an important point, and the House should take a bit of care over it—does not define parliamentary business any more than the motion defines representative business. Both phrases must be interpreted by the House authorities.

Mr. Dodds: It is a very wide definition.

Mr. Hain: Indeed, and we need to be careful. If a speech were made by a Front-Bench spokesman outside the House with the use of Short money-sponsored parliamentary research, I do not think there would be any objection. We are applying exactly the same model to those using the money for representative rather than parliamentary purposes.

Lembit Öpik: That is a valid point. There will always be difficulties with the interpretation of Short money. Every party tests the line. Let us not be too sanctimonious.

Mr. Hogg: Will the hon. Gentleman give way?

Lembit Öpik: I think that I should bring my remarks to a close.

Will the Secretary of State assure us that if, as a result of reflection following the debate, it turns out that specific arrangements are necessary that may require us to return to the House, he will act following consultation with, for instance, Members who have taken part in this debate, along with Opposition parties including those from Northern Ireland? I think everyone wants to ensure that the system is not abused.

Let me deal briefly with the principle of what we are doing, and explain why I may have seemed naively supportive in the eyes of the hon. Member for West Thurrock.

Andrew Mackinlay: The whole of Thurrock. Every bit of it.

Lembit Öpik: I am sorry. I mean the hon. Member for the whole of Thurrock.

I am keen to normalise the circumstances in Northern Ireland. I think that we all are. There is, however, a principle at stake. It is a question whether we can have—if I may employ a phrase used by Betty Boothroyd and invoked by the right hon. Member for Maidenhead (Mrs. May)—associate Members of Parliament. Betty Boothroyd was very clear that we should not, but I think the Government have said that they are willing to allow it, for the purposes of brokering a peace in Northern Ireland. I feel uncomfortable about it for reasons that have already been given, but if we do allow such an arrangement, it cannot be framed simply around the interests of one particular party at one particular stage of one negotiation.

The Leader of the House spoke about Sinn Fein in such specific terms that it was, I think, lost on him that we are setting principles that could lead to unintended consequences. I suspect that that is one of the reasons why he got himself into trouble over this. I am also concerned about the attitude of the Conservatives. They cannot say at one moment that it is a question of principle, and at the next moment be unable to say what they would do in government. I ask the right hon. Member for Maidenhead to accept that she has a responsibility to illustrate the principles in action if she wants her party to be taken seriously as a potential Government, because principles do not change on the basis of whether a party is in government.

What would I have said if I had been Leader of the House, and had insisted on getting this measure through? First, I would have used a different term from "Short money". Perhaps "Hoon money" is a good way of describing it. Certainly I do not want my name to be associated with it for evermore.

I would have defined Hoon money according to three conditions. First, it would have to be paid—subject to approval by the House—to individuals and not to parties. Anyone who was duly elected to the House but chose not to take his place, perhaps for reasons of conscience, could apply for the money and ask for his application to be considered. I would disconnect the money from Sinn Fein specifically, and connect it to individual Members of the House. I would then require the House to debate any specific application. Secondly, I would demand an annual review to establish whether there had been infractions or abuses, and whether the House had changed its view. Thirdly, I would ensure that if at any stage the conditions had been violated, the rights of the individual to receive the Short money would end.

I know that the Secretary of State cannot rewrite the legislation now, but he really must assure us that the Government recognise that—as the right hon. Member for Maidenhead said—we are talking about setting a principle, not about putting yet another plaster on the Northern Ireland peace process. He must also make it absolutely clear that he understands why so many of us are sceptical about the Government's ability to see the difference between a bribe and a principle. I hope that he can give us those assurances. I know that this move may not be popular with some Members, but I think that if the Secretary of State can demonstrate a strategic understanding of what he is doing, there may be a case for doing something of the kind.

My party, like others, has been given a free vote, but the onus is nevertheless on the Secretary of State to clarify the position. I shall listen carefully to what he says in order to decide whether he has convinced me, and I expect that others will take the same approach.

DEFERRED DIVISION

Madam Deputy Speaker (Sylvia Heal): Order. I have now to announce the result of the Division deferred from a previous day.

On the motion on Intellectual Property, the Ayes were 332, the Noes 159, so the motion was agreed to.

[The Division List is published at the end of today's debates.]

Opposition Parties (Financial Assistance)

Question again proposed, That the motion be made.

3.26 pm

Mr. David Anderson (Blaydon) (Lab): This cannot simply be an academic debate, or one about bureaucracy. We cannot ignore the background of a society that has been at war with itself for the past 40 years. In most debates it is possible to say to others, "I understand where you're coming from." We all know that that is impossible in this situation. A community divided by centuries of hate, bigotry and discrimination has no parallels for most of us. A world in which it is still normal to build physical barriers even higher between communities is alien to most of us. And an attitude to life and death that has resulted in horrific acts being committed in the name of God and country—from every possible angle—is incomprehensible to most of us.

That incomprehension led the vast majority of people in Great Britain to turn their backs on the issues of Northern Ireland; they became just another problem in just another remote part of the world. They were shrugged off with the question, "What else can you expect?" They were easy to ignore; for most people, that simply meant turning the telly off or turning it over. But we in Great Britain were wrong to ignore the problem, and we were wrong to pretend that it was just some local issue. We should always remember that if the killings in Northern Ireland had been repeated on a proportional basis across Great Britain, more than 100,000 people would have been killed. I do not believe that anyone would have ignored that situation.

It is a matter of some note that we have moved on from the sad, bad days of the 1960s, 1970s and 1980s, when some of us believed that we would never see a resolution. Even worse, many people did not seem to care whether we did or not. Thankfully, owing in no small measure to the courage of many people in the House and beyond, things have changed. The situation has improved, and if we do not falter, things can get better.

That did not happen by chance. It happened because people were prepared to take risks for peace. John Major took risks for peace by meeting terrorists while they were publicly banned. Mo Mowlam took risks for peace by going into the Maze prison to face those who had been at the forefront of the terror campaign. Our Prime Minister took risks for peace by refusing to take no for an answer from anyone. Politicians from all sides have taken risks in an attempt to move forward, when stepping back into their comfort zone would have been much easier.

Beneath all that high-level risk taking, thousands of ordinary people were also saying, "We've had enough." The convenor of Unison in Northern Ireland, despite his misgivings and those of his community, stood up and led the call to vote yes to the Belfast agreement. The people working in the accident and emergency unit of the Mater hospital in Belfast refused to be intimidated by gun-wielding thugs trying out a novel way to beat the NHS waiting lists. People right across the community have accepted changes to their way of life that no one would have believed possible. From the changes to the police service to the changes to the Irish constitution, people have taken risks for peace.

People have done just about all that they have been asked to do, and now we are being asked again to take a hard decision. It is clear from the debate today that some people will never agree to recognise the reason for paying public money to any party that refuses to sit in this Chamber. I concede that others will question whether real progress has been made in the past year to justify the reinstatement of the allowances. I also accept that some will question the validity of the IMC recommendations. I know that many people not only question the logic of reinstating the allowance but have reservations about the Short money, and, like many other hon. Members, I look forward to hearing what the Secretary of State has to say about that.

There is a logic to these proposals, however. Last year, the IMC recommended that the allowances be withdrawn, and the House agreed to do that. Now it is recommending that they should be reinstated, and we should listen to that argument carefully.

Lady Hermon: For the hon. Gentleman's assistance, I should like to correct a little detail. The IMC recommended last year that Sinn Fein's allowance be withdrawn for a year. Why in heaven's name is the hon. Gentleman trying to encourage people to vote for the motion to backdate the allowances to Sinn Fein to 1 November, which would actually undo the recommendation of the IMC?

Mr. Anderson: I am doing so because this is the only motion before us today. There is not a motion on the principles behind these issues, although many hon. Members have spoken today as though there were. However, this is the motion before us, and I believe that it represents the best way forward. This is a big ask, and I understand why some hon. Members believe that it is too big. However, we still need to reach the goal of real peace, which we have not yet achieved. So many people have reached out before us to do this, and we should not stop that endeavour.

I said earlier that we cannot pretend to understand the reality of Northern Ireland if we have not been a direct part of it. The closest I have ever been to a community at war with itself was in the aftermath of the miners strike, when communities were divided and respect for law and order had broken down; sometimes, members of the same family still do not speak to each other. However, falling out with each other, blaming each other and fighting with each other did not bring back a single job or prevent a single pit from closing. Nor did it save a single family from breaking up because of the intolerable pressures that ordinary men and women had to face.

I respect the fact that the issues that we faced in the coalfields up and down Britain were a quantum leap away from what happened in Northern Ireland, but the link was the men and women facing enormous challenges, usually way beyond their control. Ultimately, we have to accept that all the hate, pent-up resentment and deep-rooted sorrow in the world will not bring back one lost soul or help one child to make up for the loss of a parent. Neither will it help any community to rebuild its broken heart.

This is a big ask, but we have a big chance. We have a chance to leave behind the gun and the bomb for ever, a chance to give our kids the sort of life that our

generation lost, and a chance to show the world the real, warm face that the people of Ireland genuinely possess. We have to accept that if the restoration of the allowances can help us to do that, we should vote for the motion.

3.33 pm

Rev. Ian Paisley (North Antrim) (DUP): Many of the matters before us have already been covered by the various hon. Members who have spoken today, and I shall not make a long speech, because many others want to make a contribution to the debate. It is only right that they should have the opportunity to do so.

The people of Northern Ireland deeply resent any suggestion that those who are motivated to keep this motion from going through are motivated by hatred of the people involved and by a refusal to face facts. All of us have had to face facts, but the suggestion has been made by the Secretary of State and the Leader of the House that if we do not pass the motion and there is retaliation, we should be responsible for what happens. We should not. Every Member of the House has the right to state their view. If people want to impute principles to their opponents, they can do so, but the fact is that the people of Northern Ireland do want peace. The greatest sacrifices for peace have been made by the population whom my colleagues and I represent in this House.

Who gave their sons to be murdered by the terrorists? Who supplied the police officers and the police force? Who supplied the Army volunteers? The vast majority came from the Protestant and Unionist community. I know that some very famous families came from the Roman Catholic community, and that they too suffered. The IRA refused to allow the body of a constituent of mine whom they had blown up to be buried in his own church graveyard. His body had to be carried to a graveyard six miles away, because the IRA said, "If you bury him in his own graveyard, we'll dig him up. We will not allow him to be buried there." These are things that people have suffered.

Let the House get this point in its mind today. There is the inkling—the Secretary of State and the Leader of the House seemed to suggest as much—that if we do not take this step, there will be a dread result. However, the dread result of taking this step will be this: there will be another concession, and the same argument will be used. After that a further concession will be made and the same argument will be used again, until the cause is surrendered and the people of Northern Ireland have lost their way completely—not through their own fault, but because they were misled. The Secretary of State needs to think very carefully about what he is doing.

The suggestion that those who oppose such moves are hindering peace is the suggestion of someone who is not facing facts. We do not oppose peace. Every one of my Members has been attacked. Every one of them has been subjected to an attempted killing, and some of them have been beaten up. My own wife, who was a member of Belfast council, was beaten up and stoned in the street. I know what they have been through. We in this House need to ask ourselves, "What about the people who are the real carriers of the peace banner? What do they think about this?" I certainly know from my constituency experience what the victims feel. They feel that this is a bribe to IRA—pay money, blood money.

In this regard, I think in particular of what happened to my hon. Friend the Member for South Antrim (Dr. McCrea). I confronted one of the leaders of the IRA in the Assembly when he was speaking about the support of children—about how we should all love our children—and I said, "What did you do when you were the IRA commander in Londonderry? You sent your gunmen to my friend's home on a Sunday night, after he had finished his service, and when his five children were in bed you ordered that bullets be put through the bedroom." Forty-six bullets were put through that bedroom in my hon. Friend's home, and it is a miracle that no one was killed.

We need to face up to those who think that way. There should be no bribes and no giving in. All of us who want to take part in these talks are told that we have to be democrats. All the parties have said that they will keep to that—except one, which says, "No. We are going to hold on to our weapons. We are going to continue our campaign."

Kate Hoey: The right hon. Gentleman is obviously very experienced in these matters and has lots of meetings with the Prime Minister. I am genuinely interested to know whether he feels that this initiative came about long before the IMC report. Does he think that some kind of agreement was stitched up between the Prime Minister and the leader of IRA-Sinn Fein?

Rev. Ian Paisley: Yes, my conviction is that certain things were done at a certain time, which my party had no connection with at all. In fact, I never had the opportunity even to speak to the Prime Minister, because I was banned from Downing street for almost two years; I do not have the Prime Minister's ear. I draw the conclusion that other things will emerge from the cupboard. Heaven knows what they will be, but this is one of them. Tonight, this House has a duty.

Mr. Peter Robinson: My right hon. Friend may want to respond to the hon. Member for Vauxhall (Kate Hoey) on the assumption that she has not received the Labour party's briefing note for the debate. It contains a bullet point that states that the lifting of financial sanctions formed part of the negotiations with Sinn Fein that ultimately led to the 28 July statement ending the armed campaign and to the decommissioning of weapons. Clearly, the sanctions formed part of the deal done by the Prime Minister and his colleagues to get a statement from Sinn Fein-IRA.

Rev. Ian Paisley: I accept that. Although my deputy seems to get papers that I do not, I confess that I get papers that he does not.

Even so, it is clear that things remain in the cupboard. I want the cupboard doors to be opened, and the Government to say what they have agreed with the IRA. There can be no future in talks between the parties until everyone knows what has been agreed and what tacit arrangements have been made.

Sir Nicholas Winterton: I am in entire agreement with the leader of the Democratic Unionist party. I admire him immensely for his courage and for the leadership that he has given in Northern Ireland, which has made his party the largest in that part of the UK—

[Sir Nicholas Winterton]

[Interruption.] I admire him immensely, and will continue to do so. However, does he intend to refer to paragraphs 3.23 and 3.27 in the IMC report, which suggest that both PIRA and RIRA retain their weapons and ammunition? Paragraph 3.27 states that the Real IRA

"continues to develop its equipment and to seek both to recruit members and acquire munitions. Some parts of the organisation are working on a long term strategy and are focusing on the training—"

Madam Deputy Speaker (Sylvia Heal): Order. The hon. Gentleman knows that interventions should be brief.

Sir Nicholas Winterton: From the Front Bench, too.

Rev. Ian Paisley: I was about to come to some quotations that need to be repeated in this House. We have heard a lot about what has been said in favour of the proposal, but we also need to hear what has been said against it by the various commissions.

How have we got to this point? We have had the Makro robbery, the Bobby Tohill abduction, and the robbery of goods from the Strabane branch of Iceland. Cigarettes with a market value of approximately £2 million were stolen from a bonded vehicle in Belfast, and there was also the Northern bank robbery. Those incidents form the background that shows why the money ceased to be paid.

None of the assets from those crimes have ever been recovered. The proceeds of the crimes are in the possession of the IRA, which has more money than it will ever be able to spend or launder. The Government are asking us to dip into our finances and give the IRA taxpayer's money, and something extra.

The people of Northern Ireland—Roman Catholics, Protestants and those with no religion—think that the situation is desperate. They gather around public representatives and ask what is going on. They almost blame us, because they think that the proposal stems from individual MPs. The Government have to face up to that.

About intelligence gathering, the IMC said:

"We believe that the organisation"—

that is, PIRA—

"continues to engage in it and has no present intention of doing otherwise. This is an activity which we believe is authorised by the leadership".

We heard from a Labour Member that the leaders were against that, but the IMC said that

"it is organised by the leadership and involves some very senior members."

Whom should we believe?

I opposed the setting up of the IMC. Indeed, the first time that we met it, we had a humdinger of a row. However, the IMC did its best to try to be fair to all. I do not agree with all of its report, and it would not agree with all my comments, but the fact remains that its report states:

"PIRA continues to raise funds and we also believe that it looks to the long term exploitation of the proceeds of earlier crimes, for example through the purchase of property or legitimate businesses."

So those people will use those proceeds to buy property and set up business, and we are expected to give them some more money. The report continues:

"Some senior members are involved in money laundering and other crime."

It also states:

"We have . . . received reports that not all PIRA's weapons and ammunition were handed over for decommissioning in September."

After reading that report, one would ask why we should give any more money to the IRA.

There is a distinct difference between Short money and the money proposed in the motion, which is entirely separate new money. We do not know how the arrangement will be organised or run. We just know that we have to give those people new money. All of us who receive Short money know how meticulous the auditors are about the use of that money, and rightly so. It should be spent only on what this House voted for it to be spent on. But the money today is new money, and we do not yet know—the Secretary of State cannot tell us—how the use of that money will be supervised.

Last month, the Leader of the House said:

"If organisations are not committed to a peaceful process and to democratic work, they should not be entitled to those allowances."—[*Official Report*, 26 January 2006; Vol. 441, c. 1528.]

I can tell him today that those organisations have not committed themselves to a peaceful process, and they have not become fully democratic. Therefore, they should not be given any money. I would like the Government to state clearly that those organisations cannot get on the train with a subsidised ticket until they are democratic. If we had all the democrats together round the table, one would hope to achieve a solution. Many people who do not take part in active politics would also beg for that to happen.

Dr. McCrea: Perhaps the House should bear in mind the fact that I am resident in a constituency that has a Member of Parliament who has never attended this House and never once made representations on behalf of his constituents since he was elected in 1997. There is more money for a representative role, but 60 per cent. of people in the Mid Ulster constituency did not vote for that Member. They are being denied representation. When will this House stand up for those who have no voice here at present, and say that a representative should speak here for his people?

Rev. Ian Paisley: My hon. Friend makes a vital point, and the time has come for the Government to say that if people do not abide by the rules of the club, they cannot be in the club. At the moment, the IRA is holding a gun to all our heads.

I cannot recall how many times I have received absolute assurances from the Prime Minister that as long as there are crimes there will be nothing for those people. Well, they are still committing crimes, yet we are making another move. What will be the next thing—and the next, and the next?

We should be careful about giving money to those people. They do not need it anyway; they have more money than they can ever launder. There are many important things in Northern Ireland that need time for

thorough discussion—hospitals, education and water rates—yet we are debating whether we should pass money to the IRA. I say no: taxpayers' money only for those who are democrats.

I apologise for speaking for so long, Madam Deputy Speaker; there were a lot of interruptions, so I hope that you will forgive me.

3.50 pm

Andrew Mackinlay (Thurrock) (Lab): This afternoon, the Foreign Secretary will address the Select Committee on Foreign Affairs about the grave situation in Iran and I want to be at that meeting, so I shall mean no discourtesy to the House when I absent myself later in the debate—

Sir Patrick Cormack: But not during your speech.

Andrew Mackinlay: Not during my speech, which I have patiently waited a long time to deliver. I want to address some of the comments made by the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) and my hon. Friends the Members for Blaydon (Mr. Anderson) and for Islington, North (Jeremy Corbyn).

I respectfully remind Members that we are debating not one motion but two, and that there is a major difference between them. I invite the House to oppose motion 3 but not motion 4. I can live with motion 4; it broadly restores what the House had granted Sinn Fein and removed as a sanction. I take the point made by the right hon. and learned Member for Sleaford and North Hykeham. I am a socialist and when I take the Oath I always preface it by telling the Clerk—who often gives me an old-fashioned look—that my mandate comes from the people of Thurrock, not from either a monarch or a prelate. I then proceed to take the Oath, which I am pleased to do.

I take on board the point made by the hon. Member for South Antrim (Dr. McCrea) about the frustration experienced by constituents who are not represented in this place, but we have accepted the Westminster, first-past-the-post system and the electors of Belfast, West, Thurrock or south-east London have to live with whoever won. The next general election will determine the remedy. If Members choose to abstain from our proceedings, that is a matter between them and their electors.

Although I can live with motion 4, I cannot support motion 3. I invite my hon. Friends to address the fact that it would introduce a new, exclusive allowance for only one political party, which cannot be justified as it has been presented to us. I remind my hon. Friends that although the debate was not fully advertised as a House of Commons matter we have the unique opportunity of a free vote, which I shall be pleased to exercise in opposing motion 3, and I invite Members to join me in the Lobby.

It is difficult to ascertain when the decision to create the new allowance was taken, or when it was announced to the House. I became aware of it just before business questions last week, when a Whip phoned me about it, and I am grateful to her for her kindness in drawing it to my attention. I realised subsequently that the debate involved not only the restoration of moneys that had been removed as a sanction but the new allowance.

My hon. Friend the Member for Islington, North and I may disagree in many of our views about Northern Ireland, but given his intervention we may agree on one narrow point—that there could be a case for state funding for political parties. We have all debated that and we hold various views. However, the allowance in motion 3 creates state funding for one political party to the exclusion of all others—that is what I find unacceptable—and it does so because the rules are written exclusively for that political party.

Jeremy Corbyn: My hon. Friend is slightly missing the point. The money is for representational purposes. Representation is not just what we say in the Chamber; it is also involves representations directly to Ministers, meetings, briefings and all the other things that go with it, as he well knows.

Andrew Mackinlay: I do not think that my hon. Friend and I disagree about that. However, the rules that will apply if motion 3 is passed have been announced, but they relate only to Sinn Fein. The Conservative party, the Liberal party, the SDLP, the DUP and the SNP must adhere to different, much narrower criteria.

My hon. Friend the Member for Houghton and Washington, East (Mr. Kemp) pressed the Leader of the House—if I could have the right hon. Gentleman's attention for a moment—to define the parameters of Short money, because he criticised the Conservatives' stewardship of it. The Conservatives said that it was inappropriate and quite wrong to accuse them of abusing Short money. My hon. Friend has asked the Leader of the House to clarify the parameters, and they have been clearly defined and relate to exclusively to parliamentary business. The provision did not extend to representative business. That shows the difference that is being made for Sinn Fein.

We must understand the nature of Sinn Fein, which believes that its writ runs like a seamless robe throughout Ireland. Let us take the position of the Leader of the House, who said that Sinn Fein might have a spokesperson on a certain matter. It is not possible, either for Sinn Fein or an accounting officer, to distinguish whether that spokesperson is, for example, talking about transportation in Northern Ireland, or in Monaghan or Cavan or elsewhere. Such things cannot be allocated and put into watertight compartments. That is the nature of Sinn Fein. I am not laying that down; it is part of the party's own rules and ethos that it believes that there is no such thing as Northern Ireland and that its spokespeople are entitled to talk about all 32 counties.

Jeremy Corbyn: My hon. Friend is in danger of burying himself in the detail of his own argument. Surely, the issue is that if Short money is paid to a party, it is used to prepare briefings and other information for meetings with Ministers and so on. Is he saying that the other parties that receive Short money do not use any of that information other than in the Chamber of the House of Commons or in its Committees? Do they not use it in meetings with Ministers and in respect of all the other issues? Why is he so obsessed with the detail?

Andrew Mackinlay: The detail is crucial. We have detailed ground rules and strict parameters are laid

[Andrew Mackinlay]

down. I did not lay them down. The ground rules were laid down after a challenge by my hon. Friend the Member for Houghton and Washington, East (Mr. Kemp), who criticised the Conservatives in particular by suggesting that they were using the money for the purposes referred to by my hon. Friend the Member for Islington, North.

Mr. Hogg: The hon. Gentleman, with whom I very much agree, might wish to point out to the hon. Member for Islington, North (Jeremy Corbyn) that paragraph 6 of the 1975 resolution requires the parties to certify

"that the expenses in respect of which assistance is claimed have been incurred exclusively in relation to that party's Parliamentary business."

There is, therefore, the real possibility that we are creating a major gap between the traditional Opposition parties and Sinn Fein.

Andrew Mackinlay: I want to move on, because, as I have indicated, there might be a case for the state funding of political parties, but that is a matter for debate on another occasion. That should be taken seriously and considered across the United Kingdom; or if hon. Members were persuaded that there are exceptional circumstances in Northern Ireland, we could debate it in the context of Northern Ireland. I am conscious of the fact that the UUP—the hon. Member for North Down (Lady Hermon) is now its sole representative—does not attract Short money, and neither she nor I would suggest that it should do so. However, there is a paradox, is there not? She comes and plays a full part in the House and contributes to the debate and so on, but the party that does not attend will get the new allowance.

Mr. Hain: My hon. Friend makes a very fair point. Will he consider a point that is at the heart of the distinction between parliamentary and representative activities, about which he is quite properly concerned? Is it permissible for the Leader of the Opposition, for example, to make a speech outside Parliament—he has been doing that quite properly in recent weeks—that was written and drafted by a researcher who was funded by Short money? *[Interruption.]* Of course it is permissible. Conservative Members have just confirmed that. However, the speech must be made as part of the job of Leader of the Opposition. My hon. Friend therefore needs to be a little careful in making such a distinction when the Short money itself is quite carefully prescribed.

Andrew Mackinlay: I would not be starting from here. The ground rules for Short money are still insufficient.

I have been invited to respond to my right hon. Friend's example, and I cite the case of the Prime Minister delivering speeches that were prepared wholly or in part by someone who was funded wholly or in part by Short money. The difficulty is identifying that. However, the Prime Minister does turn up here and he utters the same mantra in Sedgefield as here. I have never had the benefit of being a Minister—yet—but I imagine that each speech made by Ministers is not custom built. Much of the material for a speech delivered here is used for a speech made in Neath, Sedgefield or anywhere else.

Lembit Öpik: It strikes me that we are trying to define something that we do not need to worry about today. The principle surely is that Short money cannot be spent on anything for which there are restrictions. Does the hon. Gentleman not agree that, as long as the Hoon money is very clearly defined, that will resolve that issue? Does the hon. Gentleman also accept that one of the problems with the contribution of the Leader of the House was that he was incredibly focused on Sinn Fein? As the hon. Gentleman rightly points out, the proposal sets a precedent. Will he be looking, as I am, for the Secretary of State for Northern Ireland to confirm that he really grasps that this about a principle and not specifically about Sinn Fein?

Andrew Mackinlay: The hon. Gentleman needs to join me in the Division Lobby to defeat motion 3. We could send the homework back and the Government could return with strict ground rules that had been discussed and on which all the political parties and House authorities had been consulted.

I want to deal with the question of consultation. Who has the Secretary of State for Northern Ireland consulted, and where and when? Has he consulted the House authorities and elected officials such as Mr. Speaker and members of the Administration Committee, who run our finances? Which political parties have been consulted? It is a matter of courtesy, common sense and right that there should be full consultation, as that might enable us to set the ground rules for what the Conservative party and other parties can spend the money on? If there is a facility for Sinn Fein, ground rules would also make clear what it can spend the money on.

The Secretary of State for Northern Ireland invited me to consider the example of the Leader of the Opposition. Some of his speeches would be delivered here and others elsewhere. The point is that Sinn Fein cannot even remotely do that; there is no fig leaf to suggest that it could. In fairness—I use the word "fairness" for want of a better term—to Sinn Fein, it will not be able to demonstrate in its accounts how the money is identified as Westminster money. That cannot be done. Its policies form a seamless robe because its mandate is pan-Ireland. It simply does not carve things up into Northern Ireland matters.

Mr. Peter Robinson: May we return to what will happen as a result of the Government's largesse? There are three Members on the SDLP Bench behind the hon. Gentleman—*[Interruption.]* There are now three. The proposal will not affect my colleagues and I because there is a very small swing vote between Sinn Fein and the Democratic Unionist party, but the funds for those three Members will be tied to their work for the Committees of the House and in the Chamber. Sinn Fein's target, on the other hand, will be to take the seats of those three hon. Gentlemen.

Andrew Mackinlay: The hon. Gentleman makes a valid point. In the past, on the margins, I have been critical of our colleagues from the SDLP. However, we

do not often acknowledge the way in which the Social Democratic and Labour parliamentary party plays a full and proud part in the work of the House. I acknowledge that unreservedly, as well as the fact that SDLP Members have bravely borne the problems of many years, along with other elected representatives. They follow a tradition in the House of being not only proud nationalists, but good parliamentarians. If you glance up at the back of our Chamber, Madam Deputy Speaker, you will see a red crest. I salute it every day because it represents Willie Redmond, a proud nationalist Member of Parliament. He was the oldest officer killed on the western front and a Member of the House of Commons who attended the House of Commons. The hon. Members for South Down (Mr. McGrady), for Foyle (Mark Durkan) and for Belfast, South (Dr. McDonnell) keep up that tradition today.

A suggestion made by the Secretary of State and the Leader of the House might have influenced my hon. Friend the Member for Blaydon (Mr. Anderson), although I hope to get him to pause and reflect. My right hon. Friends said that the peace process must go on and that it has been a great success. Enormous advances have been made and I am proud of the changes that have come about in Northern Ireland. I have a selfish interest in Northern Ireland because my wife and I intend to retire there—a long time from now, I must add, and after many more elections. The place has transformed, and we need to talk it up because, in many respects, it is one of the safest places in western Europe, as well as one of the most beautiful. It has a lot going for it and I am proud of what has been achieved. However, the suggestion that the peace process is predicated on the new allowance for Sinn Fein stretches credulity to the limit. One can just imagine the president of Sinn Fein lying awake in bed at night thinking, "If I can get money in lieu of Short money, the peace process will advance."

Mr. Hain: I am not suggesting that.

Andrew Mackinlay: I do not mean this unkindly, but that was certainly the implication and the tenor of what my good friend, my hon. Friend the Member for Blaydon, said. I wholly endorse the motion on the restoration of moneys and hope that hon. Members will support it because it arguably relates to the IMC report, but the extraordinary new allowance is not justified.

Jeremy Corbyn: Will my hon. Friend look to the horizon a little? Does he not think that if we approve the motions we will help a confidence-building process that will develop the democratic involvement of a lot of people in Northern Ireland, rather than encourage them to go in the other direction? Does he not see the motions as part of the wider process that he already correctly supports?

Andrew Mackinlay: The answer is no in relation to motion 3. The motion does not advance the process at all. It is an affront to the SDLP and other political parties, and it will blur the situation. It has all the chemistry to produce confusion and false accusations against a party's stewardship. It will create a feeling of discrimination and the thinking that different rules apply from one party to another. Motion 3 should be rejected, and the Secretary of State and Leader of the House can come back on another occasion with new ground rules for Short money, if necessary, following consultation with all the authorities. It is our duty to reject motion 3 so that it can be reflected on and rethought.

Several hon. Members *rose—*

Madam Deputy Speaker: Order. Many hon. Members are hoping to catch my eye. Perhaps they could make their comments brief so that more will be able to contribute to the debate.

4.9 pm

Sir Patrick Cormack (South Staffordshire) (Con): I shall do my best to obey your injunction, Madam Deputy Speaker, and to live up to what I said when I expressed the view that the debate would benefit from short, succinct contributions.

The first thing we have to recognise is that we are not debating the peace process. It is wrong and, indeed, unworthy of Ministers or anyone else to suggest that those who have misgivings about the two motions are opposed to peace and normality being brought to the lovely Province. That is what every honest and honourable Member of the House wishes to see. We are not debating that.

I should like to say briefly in parenthesis that if we were debating the peace process, I would have to point out that things are not as rosy as they look. Chairing the Northern Ireland Affairs Committee's current inquiry into organised crime, I am aware, from the evidence received up to now, of the considerable involvement in organised crime by paramilitaries on both sides. The peace process has a long way to go. I wish the Secretary of State for Northern Ireland well. He knows that. I would do anything that I legitimately could to help him to bring proper honourable and true peace to Northern Ireland, but we are some way off that, and we are some way off the restoration of the Assembly, which I also wish to see.

What we are talking about is how we treat those who are elected to this place and who choose not to come here. I met Mr. Conor Murphy and some of his Sinn Fein colleagues on my first familiarisation visit as Chairman of the Committee in September last year. I said, "You and your colleagues have five seats in the Westminster Parliament. You are entitled to a seat on the Northern Ireland Affairs Committee. You tell us you are embracing democracy and renouncing terrorism. You tell us that you wish to be treated on all fours with other politicians. Well, then, why don't you take your seats, argue your case, sit on the Committee, and behave like those hon. Members representing the SDLP and the two Unionist parties, and play a proper part in Westminster." There is not an hon. Member who would not welcome that. There would be vigorous debate and strong argument, but we would welcome the fact that they performed that constitutional duty. But no, they still wish to behave as did the first woman elected to the House, Countess Markiewicz, and not to take their seats.

[Sir Patrick Cormack]

That is the right of Sinn Fein's Members. If that is they way they want to behave, it is up to them.

Jeremy Corbyn *rose—*

Sir Patrick Cormack: I will give way to the hon. Gentleman, who is looking increasingly like a combination of George V and Mellors the gamekeeper.

Jeremy Corbyn: I am usually accused of looking like George Bernard Shaw.

Those people who were elected as Sinn Fein Members were elected on the basis that they would not take the Oath and would not take their seats in the House. Constance Markiewicz was elected on the same basis. Therefore, the logic of the hon. Gentleman's position is that they should not be allowed to take any representative function because they have not taken an Oath of Allegiance because they do not believe in that Oath.

Sir Patrick Cormack: The hon. Gentleman is trying to have it both ways. Like Countess Constance Markiewicz, the Members that we are talking about were elected. That is fine. Their electorates knew that their stated position was not to take their places in the House. That is fine. If the majority of the electorate wished in that way to emasculate themselves and to deny themselves representation, that is part of democracy. However, there is no duty incumbent upon the House to vote allowances to Members who are not fulfilling their constitutional duty within and around the House.

Mr. Laurence Robertson (Tewkesbury) (Con): Does not my hon. Friend feel that the real losers in the constituencies concerned are those who do not vote for Sinn Fein yet end up with no representation in the House because of the decision of Sinn Fein?

Sir Patrick Cormack: Of course. We have our system of democracy and I believe in it. Like all systems, it is imperfect and sometimes one has to accept the rough with the rough. The fact is that these Members decided not to take their seats. I deeply regret that. I believe that they would demonstrate proper democratic credentials if they did take their seats, but they do not. We are discussing whether they, having decided deliberately to absent themselves, should be given allowances such as we are able to have.

Misguidedly—to me, it is a matter of principle—the House decided in its wisdom, or otherwise, to support the Government when these people were given allowances. I was completely in support of Madam Speaker Boothroyd's judgment. It seemed to me that there could not be associate and second-class Members. I do not believe that anything changed between her decision and the House coming to its decision, but there we are. Then we had the spectacle of the Secretary of State withdrawing the allowances because of the involvement in the Northern bank robbery. I thought that that was a wise decision, and obviously supported it. Now the right hon. Gentleman comes to us—not really on the strength of the IMC report—and says, "I want you not just to reinstate the allowances but to backdate them to November."

If the right hon. Gentleman truly believes that he or his colleagues have made a commitment that obliges him to do that, he would cover himself with more honour if he came to the Dispatch Box and said, "I am formally moving the motions. There are no Whips on; it is totally free vote territory. It is up to the House of Commons to debate and to decide." That would be keeping faith with the promise that in my view was ill-advisedly but honourably given, and it would be behaving in an entirely sensible manner, and the House would decide.

As it is, the Government are seeking to manipulate the use of House of Commons money by giving these people allowances. Then, piling Pelion upon Ossa, it is said, "That is not enough. We will give you some other money as well."

As we have debated, this is not Short money as we currently know and understand it. This is a separate pot of money. A couple of weeks ago, the hon. Member for Thurrock (Andrew Mackinlay) said that it was Hain money. However, this afternoon, Members have said that it is Hoon money. Whether it is Hoon money or Hain money, I know that it is taxpayers' money. If the House is misguided enough to pass the motion, taxpayers' money will be given to a group of people who have amassed more ill-gotten gains than almost any political party in the history of western Europe.

This seems to be both unnecessary and wrong. If Mr. Adams and Mr. McGuiness had walked into the city hall in Belfast and deposited £26 million and said, "Here, you can have it back. We have no further use for it. We have washed our hands of dreadful methods." I think that I would put up my hands and say, "Yes, all right, you can have a bit of Short money". However, I would still not want them to have the other money because they do not come to the Chamber.

Does the Secretary of State for Northern Ireland, who is a serious, honourable and sensible man, expect the House to believe that there is a need for that money? Of course, there is not. I implore him, even if he persists in pressing the other motion, to heed the good sense eloquently advanced by the hon. Member for Thurrock and not to push the Short motion until the Government have redefined it and returned to the House to prove that they are not inadvertently arguing for preferential treatment for the only party that does not take its seats in the House. That is a matter of logic and common sense. I have got that off my chest in 11 minutes, with two interventions, and I hope that that will allow other colleagues to be called.

4.20 pm

Mark Durkan (Foyle) (SDLP): We need to remember that we are considering two motions. They are very different, and in debating them, there is cross-reference between them and things are confused and conflated. However, we need to remember that those motions are distinct.

Motion 4 is the more straightforward of the two, as it deals with the question of restoring allowances removed in a motion on sanctions introduced in the House last March. That motion was tabled after a report by the Independent Monitoring Commission, and it extended the sanctions recommended by the IMC following the withdrawal of Assembly allowances and the Northern

bank robbery. The Social Democratic and Labour party has never agreed that the IMC should have a role, power or function in drawing up or recommending sanctions against particular parties. We agreed with the concept of a monitoring commission that would examine any issue of concern raised by any party or anyone else about paramilitary activities or about parties failing to honour their political commitments under the Good Friday agreement to work with the institutions in a proper way. We therefore agreed that a monitoring commission should have such a role.

In 2003, we argued at Hillsborough that the two Governments should not include sanctions in the role of the monitoring commission. We suggested that it take a solution-based approach, not a sanction-based one in which parties would sue one another and cite one another's activities in an effort to achieve sanctions. In a solution-based approach, by contrast, all parties would have a collective responsibility to face up to problems, propose solutions and take shared responsibility for them. That position, however, was not accepted, so legislation was introduced in the House to establish the commission and give it the power of sanction. We did not support that legislation, because we believed that, yet again, the Governments were making a mistake in the management of the process.

Whenever motions were introduced in the House to impose sanctions on Sinn Fein, SDLP Members abstained from voting. Similarly, we will abstain from the vote to lift those sanctions, not because we oppose the return of allowances to Sinn Fein so that its Members can work on behalf of their constituents but because that is consistent with our position that we are not in the business of sanctions. Our position has been misrepresented by Sinn Fein, who keep saying that we supported a power of sanction for the IMC. We did not do so, and that is why we will abstain from the vote on motion 4. I will not do anything to discourage hon. Members on both sides of the House from going into the Lobby to support that motion, because it aims to ensure that Sinn Fein Members can conduct their representative business on behalf of their constituents. The hon. Member for Islington, North (Jeremy Corbyn) spoke about the way in which hon. Members conduct their business, and said that the allowances that we are paid do not all relate to what we do in the Chamber but to the meetings, correspondence and activities in which we engage. That will be covered by motion 4 on an equal basis with all other hon. Members in the House. The hon. Gentleman made a good argument for motion 4, but in his intervention he was not making a relevant argument in respect of motion 3.

As someone who believes in equality and in the quality of democratic representation, I have no issue with people who live in Sinn Fein-held constituencies knowing that their MPs have the same allowance as any other MP, which allows them to engage in day-to-day representative business. I do not want anyone to be denied representation. I will make my arguments against Sinn Fein's manifesto and their representative quality at elections, but once the electorate has decided, we should all have the allowance available to us for our representative business.

Motion 3 is different. We knew from what the Secretary of State had said in response to a previous IMC report that a motion would be tabled to restore allowances at Westminster. We all knew that. What we did not know was that there was a bonus ball in the draw—that Sinn Fein Members would get the Short money too. That emerged only last week, yet from briefings to colleagues, it seems that it goes back to an earlier deal or understanding between the Government and Sinn Fein.

For weeks the Secretary of State and his Ministers have been assuring us that the odyssey of side deals is over—that we are no longer on that pub crawl of preconditions, demands and side deals that get in the way of progress and debase the very name of the peace process. We are told that that is no longer happening, but lo and behold—what do we get? More of the same.

On Short money, the Leader of the House gave us a farrago of confusion. He told us that this was new money. He used the phrase "new money"—new funds. He told us that it was not Short money. In reply to hon. Members on the Conservative Benches, he contradicted them and said it was not Short money. Then he said it was the same as Short money; it would be like Short money. Later he said no, it would not be like Short money.

The hon. Member for Montgomeryshire (Lembit Öpik), who unfortunately is not with us, said that he wanted Ministers to reassure the House. So far Ministers have not done so. They have just made me even more concerned than I was. It is up to the House to reassure itself on these matters. If any of us have any doubts as a result of the confusion, we should vote against motion 3 and ask the House authorities or the Government to table something better.

There is confusion, as matters stand, even about Short money. The hon. Member for Montgomeryshire said that different parties had tested the line on it. When, as a new Member of the House and the leader of a party in the House, I inquired about the guidelines for Short money, I was told by Officers of the House that there is very little. They said that they would send me what there is, and not much came to me in the post. There is a genuine need for the House to re-examine funding for Opposition parties. That could take in representative work, as well as parliamentary work, so that all of us could look equally at the distinction between parliamentary work and representative work. Perhaps then all parties, on an equal basis, could have the benefit of an allowance that they could use for either or both purposes.

I advocate that we sort the issue out, taking in the position of Sinn Fein as well as other parties. That is the right and proper way of doing things. It would give equal treatment to all parties.

Lady Hermon: May I clarify an issue arising from the hon. Gentleman's speech? In the early part of his contribution, he made it clear that he does not approve of sanctions if Sinn Fein overstep the mark. If the accounting officer every nine months is unable to give Sinn Fein a clean bill of health about how they have spent their so-called allowance for representative purposes, would the hon. Gentleman support sanctions in those circumstances?

Mark Durkan: The hon. Lady has made a separate point about sanctions. The misuse of funds voted for by this House is clearly a proper matter for this House to pursue, because if anyone misuses funds, appropriate measures must be taken.

I have been discussing political difficulties in the peace process. When the Government introduced the IMC, they went for a sanctions-based approach. We had an issue with that approach, but it was not because we were afraid of imposing sanctions on Sinn Fein or of doing things separately from Sinn Fein—our position on policing shows that we have no problem with doing things differently from Sinn Fein. Our honourable position on the Northern Ireland (Offences) Bill, which has been vindicated, also shows that we have no problem doing things differently from and standing up to Sinn Fein—for example, we pointed out the sleazy deals struck between Sinn Fein and the Government.

We could not accept that sanctions were the long-term answer to the problems in the peace process. We did not like the Government's idea of a menu of sanctions, because, as Seamus Mallon said in this House on a previous occasion, when the sanctions were set against the scale of criminality and the potential profit from racketeering, we were discussing a small licence fee for criminality, which was not much of a windfall tax given all the robberies for which the IRA has been indicted. We never got into that territory, because we thought it wrong and misguided.

On Short money, the Government are now seeking to get the House to give Sinn Fein a gratuitous bonus. We should consider how Short money can be used to extend some benefits to Sinn Fein on an equal basis to other political parties, and I ask hon. Members to vote against motion 3 on the Order Paper to allow that to happen.

The Northern Ireland Bill will be published next week. Among other things, it will make provisions on donations and fundraising in respect of party political funding. Although the Government's proposal is out of turn, I want the Government to allow us to go through the Bill and examine the implications for all parties on funding. We should also examine the fairness of introducing a bespoke fund for Sinn Fein in that light. All hon. Members should be wary of bespoke, ad hoc funding for one party in any circumstances.

Some hon. Members have said that the peace process rests on that issue, but they used the same verbal formula on the Northern Ireland (Offences) Bill, when they suggested that the sky would fall in if the values, spirit and concerns of victims were upheld. The Northern Ireland (Offences) Bill has fallen by the wayside, but is the peace process in crisis? No; the political landscape is a lot better and the situation is more encouraging.

A number of hon. Members have cited the IMC report and the Decommissioning Commission report, which are relevant to not only this debate, but, hopefully, political developments in the coming months. The IMC report is positive, and I wish that DUP Members would face up to the progress that it identifies on the IRA's desisting from a range of activities. Equally, Sinn Fein and the Government must face up to the ongoing problems that that report underlines. For their own purposes, both Sinn Fein and the DUP exaggerated their reactions to the IMC report, which gave people the impression that it is far more negative than it actually is.

Hon. Members should have no particular concern about voting for motion 4 on the Order Paper, but they should think long and hard about motion 3, because we can better address Short money, Sinn Fein and equality of funding for Northern Ireland political parties.

I am conscious that in any overall review of Short money we need to consider the invidious position that is created for the Ulster Unionist party, which, with the same number of Assembly Members as Sinn Fein and a vote share slightly larger than ours, finds itself without Short money, policy money, and so on. That puts it in a difficult position. It has to carry out all sorts of representative activities and duties without the benefit of the parliamentary allowances that Sinn Fein has.

If we are to consider this on the basis of equity, fair play, justice and diversity, we need to take a position that is more than just a fix-up for Sinn Fein alone. Too much of this process has been based on the Government fixing things for Sinn Fein. The right hon. Member for Knowsley, North and Sefton, East (Mr. Howarth) recalled sitting on the Government Benches for 26 hours defending the Disqualifications Bill, which was introduced for the purposes of Sinn Fein alone and to suit its particular party political designs. Time and again, in key negotiations Sinn Fein negotiates not for a variety of people, nor for the community at large in Northern Ireland, nor even for the nationalist and republican community in Northern Ireland, but for itself. That is why we get key demands centring on funding for Sinn Fein, offices for Sinn Fein and the on-the-runs legislation.

Mr. Gregory Campbell (East Londonderry) (DUP): Does the hon. Gentleman agree that given what he is saying every Northern Ireland Member attending this House should vote against motion 3 and the Government should pay very close attention to that unanimous opposition?

Mark Durkan: In the spirit of its being a free vote, I cannot speak for every Northern Ireland Member who is here, but I hope that the point is not lost on the Government.

Mr. Peter Robinson: The hon. Gentleman should not worry—the hon. Member for South Down (Mr. McGrady) will vote with him.

Mark Durkan: I am sure that he will.

Mr. Robinson: What about the other one?

Mark Durkan: He will, too, although whether in the same Lobby as me is another matter. He will be with me after the vote, if nothing else.

We have had evidence of all the different fix-ups suiting Sinn Fein and its purposes. Even the Taoiseach indicated that the deal-breaker for Sinn Fein in one of the key deals did not concern institutions, inclusion or equality, but securing the release of certain prisoners in

a jail in the Irish Republic—those who had killed Garda McCabe. We see time and again that Sinn Fein negotiates for itself and for its own. At some point the Government should tell Sinn Fein where to get off. If this is being done in the name of a wider democratic peaceful process—something that is going to give us all a greater good that we should participate in—it is on those terms and those alone that the party should come forward with its demands and preconditions. The Government are sending a very dangerous signal in continuing this approach.

My hon. Friend the Member for Islington, North tries to defend this on the grounds that we have to do questionable things that people may not like in the name of confidence-building. The Democratic Unionist party came into talks on Monday with six demands, all couched in the name of confidence-building, saying that unless they were granted, the talks could not start. In terms of confidence-building, one has to throw a six to start before one gets anything. I would advise my hon. Friend to be very careful about where the confidence-building ticket may lead. What goes around comes around in this process, unfortunately.

If the Government are telling us that new factors have created this need for new money, they should inform the House that we need to consider them in the context of a review of Short money; I am sure, on the basis of the debate so far, that the House would be able to do that. They should not give the House the bum's rush and say that we have to pay Short money for short arms as a form of Haingeld, as Members will no doubt end up calling it. This is a bad way for the House to conduct itself as regards the key issue of moneys that it votes to its own Members. The House should be more judicious about its own procedures, and is certainly entitled to ask the Government to be more circumspect in their dealings with Sinn Fein in the name of the peace process.

4.39 pm

Mr. David Wilshire (Spelthorne) (Con): I apologise to the House for not being present for the whole of the debate. I had a medical appointment that I did not want to break. I would not recommend anyone to have their blood pressure checked during one of these debates.

For those Members who have not been in the House as long as others, there is always some sort of curiosity when an English MP weighs into a Northern Ireland debate.

Mr. Hogg: This is not essentially a Northern Ireland debate; it is a debate about the rights and privileges of Members of Parliament. That is a matter of Parliament, not of Northern Ireland.

Mr. Wilshire: I understand entirely my right hon. and learned Friend's point. I am going to talk about Northern Ireland, however, even if the matter is a general one. I speak and always have done so because I am an absolutely unapologetic Unionist, and I see a Unionist argument in this general matter. Members who have been in the House for as long as I have will know that I have had a long, 10-year, detailed involvement in these matters, and that I have been on the receiving end of interest from Sinn Fein-IRA as to my whereabouts. I have been around this course before, and make no apologies for going round it once more.

My purpose is to do my level best to persuade the House to reject both the motions. I hear the arguments about one, and about the other. My argument, however, is in favour of rejecting both. I am not about to make an attack on the current Government in this matter. I have attacked successive Governments for what I see as the appeasement of Sinn Fein-IRA. Mine is not a party political contribution. Nor is it an attack on those who want a united Ireland. I count among my friends members of the SDLP, and it is totally honourable to want a united Ireland by peaceful and democratic means. I disagree with that end, but I respect it, so I am not about to go down that route either.

My opposition is simply born of the fact that I have witnessed, in my time as a Member of Parliament, successive Governments treating murderous thugs such as Adams and McGuinness as though they are respectable politicians. That is what I cannot stomach. I am opposed generally, on behalf of the whole House, I hope, to the House giving special benefits to terrorists. I am against the House trying to bribe armed people into making more pretty well meaningless gestures. I am against the House paying those terrorists for publicity stunts such as so-called decommissioning.

Whenever I hear a Minister trying to persuade the House to vote for things such as those for which we are being asked to vote tonight, I always hear a case based on special pleading. Recently, I heard that it is ever so sensible to release from prison Irish terrorists. At the same time, I heard the argument that is sensible to hunt down and lock up Muslim terrorists. I am blowed if I can see the difference. As I think about the issues before us tonight, I keep remembering that I have heard the argument advanced that it is a good idea to allow armed terrorists into the Northern Ireland Assembly, because, by some magical process, it will turn them into democrats. At the same time, I hear the argument advanced that it is awful that Hamas armed terrorists have won an election in Palestine, and that they cannot possibly become the Government until such time as they disarm.

Whenever I join in debates about Northern Ireland and Sinn Fein-IRA, I am deeply conscious of the hurt caused to the victims of terrorism, not only by these debates but by the matters that give rise to them. I am at a loss to understand why Governments in this country consider it acceptable to cause hurt to victims of terrorism in Northern Ireland in the name of progress. I imagine that the same Government would not for a moment consider giving money to the masterminds behind the bombings in the tubes in London last year. I simply do not understand why on the one hand we are asked to do things that, on the other, we are told are wrong.

I have no doubt that the overwhelming majority of my constituents will be appalled at the concept of British taxpayers' money—their money, not the Government's—being used to fund terrorists, and to fund criminals. I think that it is an offence to my constituents to be asked to provide allowances and offices in this Parliament for people who have tried to blow up this Parliament—people who have actually killed Members of Parliament within these precincts. My constituents will find that offensive.

[Mr. Wilshire]

I think that my constituents will also find it offensive that we are now being asked to give even more money to those people so that they can continue their terrorism and their crime. We shall be able to read the opening speech by the Leader of the House in *Hansard*, but I think I heard it suggested that this constituted something of a reward for decommissioning. If that is the argument, I can only guess that it represents an attempt to give those people money so that they can buy replacements following the stunt in which they became involved; but if that is the justification being offered for what we are being asked to do, it is a disgrace. I hope the whole House understands that.

What we are being asked to do, when we vote tonight, is make yet another one-sided concession to terrorism and to crime masquerading as Sinn Fein-IRA. I think that both motions are deeply offensive. They are deeply offensive to the victims of Sinn Fein-IRA violence. According to my reading of them—although perhaps the SDLP will tell me different—they are deeply offensive to democratic nationalists in Northern Ireland. Most certainly, the motions and the proposals are deeply offensive to the British taxpayer.

Mr. Peter Bone (Wellingborough) (Con): My hon. Friend is making an excellent and powerful speech. Does he agree that if the Government advanced a proposal that discriminated in favour of one party in the House other than Sinn Fein, there would be uproar and it would be rejected?

Mr. Wilshire: I am sure that my hon. Friend is absolutely right. We should bear in mind that there is no need whatever for either of the motions if we are arguing that we should all be treated as equals. All that Sinn Fein-IRA Members need do is turn up, and they will be treated like the rest of us. The motions are superfluous, and they make it easier for those Members to behave as they do.

I know that others wish to speak, so I shall not continue at length. Those who have heard me speak before will know that I have always opposed the payment of allowances, so there is no need for me to rehearse the arguments; I shall merely vote against it again. Now, however, we are being asked to do something else: to approve what I suspect will come to be known as Hoon money. This new allowance plumbs new depths of appeasement of terror. I never believed when I came to the House 18 years ago that I would live to see the day when the House would be asked to put psychopathic murderers on its payroll.

4.49 pm

Jeremy Corbyn (Islington, North) (Lab): I shall be brief because I recognise that other Members wish to speak; most of them are from the Democratic Unionist party, and I would not wish them to be silenced.

We are discussing two issues here today. One is democracy; the other is the progress of the peace process in Northern Ireland. Members are elected to this House because they have stood for election and a majority of those who voted sent them here to be Members of Parliament. As was mentioned in an intervention by the hon. Member for—wherever—

Sir Patrick Cormack: South Staffordshire.

Jeremy Corbyn: South Staffordshire—how could I forget, as I used to live near there? I do apologise.

In a discussion with the hon. Gentleman earlier, we raised the issue of Members being elected, having made it clear during the election process that they had no intention of taking their seats because they were not prepared to take the Oath. However, those Members still have a responsibility to represent their constituents—whether they voted for them or not—as we all do. It therefore seems entirely logical that one should give them sufficient resources and allowances to carry on the representative process. Furthermore, they are all from one party, and that party has political responsibilities in relation to the Government and to the agencies of the Government here and in Northern Ireland. Those Members should therefore be entitled to exactly the same resources—it is called Short money, but I understand that it might be renamed Hoon money—as Members from any other party, so that they can carry out their representative work.

Mr. Philip Hollobone (Kettering) (Con): I am not familiar with the situation in the Northern Ireland Assembly, but if someone were elected to be a Member of the Assembly and failed to turn up, would they be entitled to their allowances? Under regulations introduced by the Secretary of State for Wales, if someone were elected to the Welsh Assembly and did not turn up, they would have to vacate their seat and would not be eligible for any allowances. Similarly, if I did not turn up to meetings of my local borough council, I would have to vacate my seat and I would not be entitled to any allowances.

Jeremy Corbyn: What we are discussing is a matter for this Parliament. It is a national Parliament and a sovereign Parliament. It is an autonomous body, not a golf club. Once people have been elected as Members, if they do not turn up, that is a matter for them and for their constituents. It is a matter that can be addressed by the electorate at another time. We do not have the ability to force people to attend the House after they have been elected. That surely is a product of history.

Mr. Gregory Campbell: The hon. Gentleman has alluded, not for the first time, to the perfect right of people to vote for a member of Sinn Fein or anyone else standing on an abstentionist ticket. People have a perfect right to do that, but does the hon. Gentleman accept that they should do so in the knowledge that if they elect an abstentionist, there will be no allowances for that person? If a Member wishes to carry out their representative duty in those conditions, that is their right, but we should not change the rules after they have been elected.

Jeremy Corbyn: Sinn Fein Members who have been elected to this House do not receive any payment because they do not take their seats. Until recently, they did not receive any allowances either. Agreement was

then reached, following a debate in the House, that they should receive allowances in order to carry out their representative work in Parliament. Electors may vote for someone who has already announced that they will not take their seat in the House, but that does not mean that the Member is not going to represent those people. The Member has merely said that they will not take their seat. Historically, this goes back to 1918 when Connie Markiewicz was elected—ironically, from my constituency; I think I am right in saying that she was in Holloway prison at the time—to represent Dublin, Central. She could not, and did not, take her seat. Nor did the other Sinn Fein MPs of the time. That was the tradition. Nevertheless, such MPs have a duty to represent people—as does every other Member—which involves dealing with correspondence, agencies, the Government and all the rest of it.

Sir Patrick Cormack: Of course they do, and of course they can, but we are not obliged to give them the kind of allowances that the hon. Gentleman qualifies for only when he properly takes his seat.

Jeremy Corbyn: The House has already voted on the issue of allowances—some time ago, in fact. They were suspended last year and we are now reinstating them. We have already established and agreed the principle that elected representatives do not get paid if they do not take the Oath, but that they do get the resources needed to represent all their constituents. Today we are reaffirming that principle, but we are also saying that a political party has a right to resources in order to represent its cause to the Government or to anybody else.

My hon. Friend the Member for Thurrock (Andrew Mackinlay) and others have expressed the view that such resources should be used only for parliamentary purposes. I do not doubt that the accounts showing the expenditure of Short money by all the Opposition parties are very carefully scrutinised, but when a researcher writes a speech for a leading Opposition Member and it is delivered in the House, that same information is often then used in a public meeting, in a meeting with Ministers or in negotiations with agencies. We cannot distinguish between material prepared for use in the Chamber and material used in furtherance of parliamentary representation. We should therefore support the motions before us tonight.

I have been in this House for just about as long as anybody present in the Chamber—one or two may have been Members for slightly longer, but I have been one for some time—and I recall a time during the 1980s when this House decided that a broadcasting ban and a travel ban on Sinn Fein and a number of other such measures would somehow further the cause of peace in Northern Ireland. To the credit of John Major and others, a ceasefire was agreed and a peace process developed. That process was built on through the establishment of the Good Friday agreement and all that has happened since.

Of course the situation in Northern Ireland is not perfect, but it is an awful lot better than it was, because there is something approaching a political process. The Secretary of State said that he wanted the Assembly and the Executive to be re-established and I support him in that, but it is up to the Democratic Unionist party and other parties to ensure that they are re-established. At some point, if it is serious about the restoration of devolved power to Northern Ireland, the DUP will have to treat with other parties, whether or not it likes them or agrees with them. It knows that, and we know that.

We also know that what we are being asked to do today is part of a wider process. We are saying to those who have elected Sinn Fein MPs, "We recognise your vote, your right to representation and your support for that party, so resources will be allowed for you to be represented, but salaries will not be allowed to those MPs because they do not take their seats." So there is a great deal of logic behind this process.

Agreeing to the motions today might just help toward restoring the Assembly and the Executive in Northern Ireland. A political process, however difficult, and political conflict, however deep, is surely far better than people being killed on the streets, however much hatred existed, and perhaps still exists, between people. We should look to the future and to some form of hope for the people of Northern Ireland. Today could be a very small step in that direction.

4.58 pm

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I shall be brief, as I know that other right hon. and hon. Members want to speak. I find myself in agreement with some of what the hon. Member for Islington, North (Jeremy Corbyn) has said. I make a distinction between the motion dealing with Short money—"Hoon" money—and that dealing with allowances. I will not support the former—indeed, I will oppose it—for the reason pointed out by the hon. Member for Foyle (Mark Durkan) and others. There is a distinction, as it is currently presented to the House, between the benefits paid to the traditional Opposition parties and to Sinn Fein. I listened carefully to what the Leader of the House said, but I am also conscious of the wording of the 1975 resolution.

The truth is that Short money should be paid only in connection with parliamentary business. I am perfectly willing to accept that there is an overlap between parliamentary and representative business. However, we are emphasising the gap—inevitably, I think—by using different language. Where language is different, it normally attracts different interpretations. The risk of accepting the Short money-Hoon money motion is that there will be a real disadvantage to the traditional Opposition parties, and a real and unfair benefit to Sinn Fein.

For reasons that I shall set out in a moment, I am perfectly prepared to contemplate Short money-Hoon money going to Sinn Fein, provided that the same money is payable to the traditional Opposition parties, including my own. Therefore my suggestion to the Government—it is similar to the points made by the hon. Members for Thurrock (Andrew Mackinlay) and for Foyle—is that the motion should be withdrawn and replaced by one that covers the entirety of such allowances payable to all Opposition parties. In that way, we can be sure that there is no differentiation of language and no risk of a different interpretation.

I shall say no more about Short money-Hoon money, as I realise that time is short. I turn now to the question of allowances for Sinn Fein, about which I shall say

[Mr. Douglas Hogg]

something a little more controversial. I regret that, as he knows full well, I do not agree with my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack) about this matter.

I approach this debate as a monarchist, and that is important in the light of what I have to say about the Oath. I approach it also as a deeply committed Unionist, as I hope that members of the Unionist parties will accept. I am also a traditionalist and a Conservative—but above all, I am a parliamentarian.

By what authority is any of us in this place? Our only legitimacy stems from the fact that we have been chosen—perhaps imperfectly—by our electorates. That is as true of Sinn Fein Members as it is of any other hon. Member. The general proposition is that a person who is chosen as a Member of this House has obligations, but also the rights and benefits that flow from that choice. I say that it is a general proposition, because those entitlements fall away on disqualification, or perhaps suspension. Why are we seeking to deny Sinn Fein Members the benefits that attach to the rest of us?

I acknowledge that they refuse to take the Oath, but I do not think that the Oath should be a precondition of sitting in the House. I am a monarchist—that is why I am making this point—and have no difficulty with taking the Oath, but I accept that republicanism is a perfectly proper political position. I suspect that many hon. Members, in the course of our history and perhaps today, have had to strain their consciences to take the Oath. I do not believe that we should ask people to do that.

We should reformulate the Oath so that any honourable person can take it. It should not be attached to the monarchy, but should be expressed in some different way that we could discuss. Therefore I do not accept that a failure to take the Oath disqualifies Sinn Fein Members from receiving the allowances and benefits.

A different question has been asked by my hon. Friend the Member for South Staffordshire and others. Given that Sinn Fein Members do not participate, are they entitled to the allowances? However, the hon. Member for Islington, North got the matter wholly right, and all of us know that our parliamentary duties go far beyond what we do in this place.

I have not been in the House as long as my hon. Friend the Member for South Staffordshire, but I came here in 1979. I know that some hon. Members are very assiduous in the House, and that some hardly play any part at all. Some prefer to concentrate on their national or constituency duties: some of the most assiduous in this place make contributions of the least value, while some who come only occasionally make contributions of the greatest value.

We have to recognise that important contributions are made outside the House. I would be prepared to accept that Sinn Fein Members do that in their constituency functions. They probably do write to Ministers, raise cases with the Inland Revenue and do all the other such things that you and I do, Mr. Deputy Speaker. That is a discharge of their duties, and they should be entitled to allowances for that reason.

Lady Hermon: Could the right hon. and learned Gentleman explain the situation to my father, who is 89 years old and—despite his age—a very active farmer in County Tyrone in the Mid-Ulster constituency? In the absence of the Assembly, the only legislation that could affect my father will be passed in this House. How does Martin McGuinness, my father's MP, do anything to represent, either in parliamentary or representative terms, pensioners and farmers such as my father?

Mr. Hogg: I start from the fact that we do not have a perfect system. The position of the hon. Lady's father is not very different from the position of a committed Conservative in a constituency represented by a Labour Member. With the whipping system as it is, and given the practices and conventions to which we adhere, the majority of Labour Members would not table amendments that a Conservative voter would prefer. Sinn Fein Members may write to Ministers and make representations, but it is true that they do not articulate them on the Floor of the House. However, to the extent that I have outlined, their constituents are not in a position different from that of Conservative voters represented by Labour Members.

Sir Patrick Cormack: I am grateful to my right hon. and learned Friend—

Mr. William Cash (Stone) (Con): Noble friend.

Sir Patrick Cormack: It is true that he is a hereditary peer and, following recent changes, entitled to sit in this House. He is also very learned. However, he is not really doing justice to the role of Member of Parliament. Were the father of the hon. Member for North Down (Lady Hermon) to be represented by somebody who took their seat in this place, they would be able to raise his concerns in Adjournment debates and in other ways. Very few of us take any notice of the political affiliations of those who come to see us. If they are our constituents, we seek to help them regardless of whether they voted for us. I am sure that my right hon., learned and noble Friend is no different in that respect.

Mr. Hogg: I hope that my hon. Friend is right when he is so complimentary, and I believe that he is, for these purposes. But the truth is that Members of Parliament can articulate their constituents' anxieties in a variety of ways other than on the Floor of the House. The Floor of the House is one way of doing it, but it is not the only way. Although I am a fairly active parliamentarian, I suspect that it is not even the most important way.

Dr. McCrea: Does the right hon. and learned Gentleman not realise the difficulty? A Conservative voter may differ with their Labour Member of Parliament on certain issues, but that MP is not a terrorist. It would be very difficult for the hon. Lady's father to go to Martin McGuinness, who has been a member of the Army Council of the IRA, which has murdered people in that constituency.

Mr. Hogg: That may well be true, but it is true whether or not those Members take their seats. The fact that they do not take their seats does not address that particular difficulty.

I accept that the principle that I have enunciated is capable of exceptions. The exception should be that when Members of Parliament have committed criminal

offences so that they are disqualified, we are entitled to remove their allowances. When Members are suspended, because the House finds them guilty of misconduct, we are also entitled to take away the allowances. However, that happens after due process, when the allegations have been carefully examined. What we are doing now is using the giving and taking of allowances to further policy, and that undermines the status of Members of Parliament.

I recognise that there is a diversity of opinion in the House, and that is healthy. However, I approach the matter as a parliamentarian who will assert that my only legitimacy in this place comes from the electorate. I find it difficult to make a distinction in principle between the process by which I was elected and the process that elected Sinn Fein Members. If that is true, Sinn Fein Members are entitled to the same rights and benefits as I am. That flows from the fact that they have been chosen by an electorate that knew full well that they would not sit in this place.

5.10 pm

Mr. Peter Robinson (Belfast, East) (DUP): It has been said:

"All human errors are impatience, the premature breaking off of what is methodical."

The Government's approach to the political process, specifically their confidence in the democratisation of Sinn Fein, has been characterised over the years by premature actions and excessive expectations. No action illustrates that over-eagerness more clearly than their seeking to restore allowances to republicans only days after a devastating IMC report.

I say to the hon. Member for Foyle (Mark Durkan): DUP Members do not ignore the fact that the IMC noted that in some small areas there had been recognised improvements in terms of the republican movement, although there is nothing in the report indicating that such improvements will be permanent. In many areas, however, the report indicates that there is no improvement and that the leadership is heavily involved.

Last year, the then Secretary of State for Northern Ireland said:

"In 1998, everyone thought that there would be a transitional period in which there would be a withering away . . . of criminality and all the other activities that paramilitaries get up to. However, the reality is that the robbery of the Northern bank and other activities show that it has not gone away."

Announcing his intention to withdraw allowances from Sinn Fein, the right hon. Gentleman said that

"the measures that we are proposing are designed to express the disapproval of all those who are committed to purely democratic politics at the actions of the Provisional IRA."—[*Official Report*, 22 February 2005; Vol. 431, c. 171–79.]

That was a logical position, but, given the damning report of the IMC last week, the people of Northern Ireland will wonder whether the Government no longer disapprove of IRA activities—for why else would republicans be rewarded by the House?

At a time when the Provisional IRA is in the dog house, exposed on the international stage for its ongoing criminal activities, what message are the Government sending? Meanwhile, the Secretary of State for Northern Ireland is willing to issue threats to Assembly Members in Northern Ireland and those who staff their offices that he will remove their allowances. They are democrats—people to whom the IMC reports make no reference—serving their communities through a network of offices, yet they are expected to live with ongoing uncertainty about their employment.

It is not as though the IMC report was lukewarm or vague about the Provisional IRA's involvement in criminality. Many observers were taken by surprise at the frankness of the report's description of the "new phase" of the IRA's activity. The report stated:

"Members of the Provisional IRA continue to be heavily involved in serious organised crime, including counterfeiting and the smuggling of fuel and tobacco . . . Senior members"—

senior members, not somebody carrying out ad hoc activity for their own pocket—

"are involved in money laundering and other crime . . . Not all PIRA's weapons and ammunition were handed over for decommissioning in September. The material goes beyond a limited number of handguns kept for personal protection."

The Secretary of State might like to explain the following. The IICD report makes it clear that the commission had received evidence from UK intelligence sources—MI5 and the PSNI—that the IRA had held on to weaponry. The IICD, having been caught out committing itself publicly to saying that all decommissioning had been completed, tried to find someone to support that belief. It went to the Provisional IRA. Of course, those in the Provisional IRA said, "We have decommissioned all our weapons." It went to the Garda Siochana, who said that they had no such evidence in their jurisdiction, but that if the PSNI did it was clearly because it was in the United Kingdom jurisdiction.

What did the IICD do? It had the choice to believe, as the Secretary of State for Northern Ireland does, either MI5 and the PSNI or the IRA. The IICD chose to believe the Provisional IRA, and I am glad to say that the IMC did not. I was glad to hear Lord Alderdice, the former Speaker of the Northern Ireland Assembly, very clearly indicate that he could not agree with the IICD's judgment.

The IMC report says that the Provisional IRA

"continues to engage in intelligence gathering, and has no present intention of doing otherwise. This is an activity we believe is authorised by the leadership and which involves some very senior members."

The report continues:

"It involves efforts to penetrate public and other institutions with the intention of illegally obtaining or handling sensitive information. The organisation continues to accumulate information about individuals and groups, including members of the security forces."

Is it the Government's clear view that the allowances contained in the two motions should be returned to an organisation with a CV that has been outlined by the IMC report?

The notion that ongoing IRA criminality is down to a handful of individuals, far removed from the republican leadership, has been dispelled. The illegality comes not from one or two on the fringes; it goes right to the very top of the republican movement. The information that I have quoted about intelligence gathering is probably the most directly relevant to the House.

[Mr. Peter Robinson]

Hon. Members should not forget that a republican spy ring at Stormont brought down the old Assembly in Northern Ireland three and a half years ago. Furthermore, within the last week, Ministers in the Irish Republic, including the Minister for Defence, and elected representatives in the Dáil were ordered by their parties to check out of and not return to a popular Dublin hotel on account of evidence of IRA surveillance activities at the hotel. While the IRA is brazenly continuing to gather intelligence targeted at public institutions, surely it would be ridiculous for the House to vote to restore allowances to those republicans, some of whom are the leaders who control those very activities.

The Government's fascination with applying the allowances raises the question of whether anything could have appeared in the eighth IMC report about IRA activity that would have dissuaded the Government from following such a foolish course of action. Is it only when the IRA is found to have been behind a £26.5 million robbery that it is deemed appropriate that allowances should be withheld? Yet, under the motions, the Government are reducing the sanction that they set for that offence and setting no sanction for all the crimes that have been committed since.

The proceeds of the Northern bank raid—the largest ever in the British isles—have still not been recovered. They are retained by the republican movement, and the IRA has done nothing to assist in the recovery of that cash—in fact, it has done the opposite. Holding and using the proceeds of a bank robbery is a continuing crime.

Mr. Deputy Speaker (Sir Michael Lord): Order. I am happy with the hon. Gentleman's remarks so far, but he will be aware that that case is now sub judice. As long as his remarks are of a general nature, I am happy to allow them, but I would not want him to go into too much detail about that case.

Mr. Robinson: I am happy to comply, Mr. Deputy Speaker—I am all the more happy, because I have only one more sentence to deliver in relation to the case: rather than punish republicans for that continuing crime, the Government want to reward them.

It has now been revealed that, over several years, senior IRA figures have accumulated massive wealth. Its finance director, Des Mackin, now owns property worth more than £1.75 million. He has a conviction for IRA membership in the mid-1980s and served as Sinn Fein's treasurer. He, along with the Belfast tycoon, Peter Curistan, are the two co-directors of numerous companies, seven of which were prosecuted in the district court in Dublin recently for failing to keep proper accounts.

Instead of rewarding republicans for criminality, the Government should address the involvement of such men in government initiatives. Curistan is the key private sector investor behind Belfast's flagship £100 million Odyssey centre in my East Belfast constituency. Many of us have been aware of Mr. Curistan and his business activities and, until recently, I believe that most people believed that they were legitimate. Given recent reports, I believe that they will consider that that is not the case. His Sheridan Group was awarded a massive development contract in June 2005 by the Laganside Corporation, which is a public body, for residential provision, offices, a hotel, niche retail outlets, waterfront cafés and other leisure facilities, together with parking. When he winds up, will the Secretary of State ensure that the activities of the Sheridan Group and its association with the IRA's dirty money are fully investigated? Will he guarantee that no further public money is channelled in its direction until, if ever, it gets a clean bill of health?

I have already referred to the security concerns in Dublin over a popular city centre hotel, which is thought to be run by the Provisional IRA It is used by Irish Government Ministers and others during their working week. A senior republican who is originally from Armagh is the main owner of that hotel. He had his home and businesses raided last week by the Irish police, and files searched in the offices of his solicitors and accountants. This particular individual has a collective property portfolio valued in excess of £70 million. The Garda are investigating a money trail that is likely to trace his multi-million pound fortune back to an IRA slot machine scam in London in the 1980s.

In recent years, the IRA purchased businesses in Dublin and further afield. These were usually high-turnover cash businesses, such as public houses and gaming halls, that allowed the terrorists to launder dirty money, stolen cash and counterfeit notes. It is estimated that the provos own more than 20 pubs in Dublin alone, but their interests extend very much further. The IRA sought to use the proceeds of the Northern bank robbery to infiltrate the banking system in Bulgaria to provide the ultimate vehicle for laundering cash. The IRA's chief of staff, Slab Murphy, is the owner of a property portfolio that stretches to eastern Europe. He has made a personal fortune of £40 million on the back of a smuggling empire based at his farm that straddles the border with south Armagh. I have referred to these individuals in order to highlight to hon. Members just how deeply embedded criminality is within the IRA, including its upper echelons.

Dr. McCrea: I am sure that the House will be greatly alarmed at some of the facts and figures that my hon. Friend is giving. Will he ask the Secretary of State to look into the suggestion that one of the leading members of the IRA and the army council, Martin McGuinness, has been a paid British agent for a long time?

Mr. Robinson: I am not quite sure how much he might be getting for such a position, but I do know that there is considerable discomfort in the ranks of the republican movement as they each look over their shoulders to see where the next paid agent is going to come from. I am sure that the Secretary of State has heard what my hon. Friend has said and will want to scribble down a note and respond to it when he winds up.

It is calculated that the IRA benefits to the tune of more than £100 million per annum from its criminal activities, yet what is the Government's response? The response clearly is to give it more funds. I believe that this type of misguided and untimely action by the Government dents community confidence and releases

some of the pressure on republicans to desist from criminality. Although the sums associated with the allowances would be considerable for other political parties in Northern Ireland, they pale into insignificance when compared with the multi-million-pound coffers of the republican movement. However, the reinstatement of the allowance and the additional new allowance will encourage republicans to believe that the present level of criminality can be tolerated. With the proposals, the Government are sending the IRA the message that it has reached an acceptable level of criminality.

The proposal to invent a new allowance for Sinn Fein alone is intolerable. Other parties receive Short money for the work that they do in the House, but I do not believe that Sinn Fein has any intention of using the funds that it will receive for that purpose. It will use them as part of its project of capturing the whole of the nationalist vote in Northern Ireland. The Government are effectively making a donation solely to republicans, while the IRA retains the proceeds of its ongoing crime. The motions stand alongside the Government's discredited on-the-runs Bill as the most bizarre and crazy proposals ever to be introduced in the House, and I hope that they meet the same end.

5.25 pm

Mr. Brian Binley (Northampton, South) (Con): I realise that we have little time, so I will try hard to limit my speech to the time available.

I want to bring a slightly different perspective to the debate: the situation as seen through the eyes of most of the people whom I represent in Northampton. The House must have a connection with them, but I have heard little about that connection during the debate. I shall explain the point that I am trying to make by referring to one of my predecessors, Charles Bradlaugh. He stood for election three times in Northampton before he was successful, and when he was elected, he refused to take the Oath. He did that on four occasions and was expelled each time, but the people of Northampton returned him again and again until the Speaker agreed to allow him to make an affirmation and become a Member.

Charles Bradlaugh acted honourably, suffered for his principles and was willing to pay the price. A comparison of his behaviour and that of Sinn Fein is unfavourable to the party. Bradlaugh stood by his principles, but Sinn Fein has lied about its activities. It continues to live off the proceeds of crime, yet expects to take the British taxpayers' money into the bargain. The majority of people in Northampton, South find that totally unacceptable and will not understand the Government's actions, especially with regard to Short money. The truth of the matter is that Sinn Fein says that it will not take part in this Parliament with a sovereign at its head, but is prepared to take the sovereign's money with her face printed all over it. Do not tell me that that is honourable, or that the people whom we represent will accept that point of view.

We all know the job of a parliamentarian because it has been well laid out by the Senior Salaries Review Board. We are paid our salaries to represent in the House the people who elect us, and I believe that we also get our allowances to represent them, primarily in the House. People call the allowances expenses. They do not think that if they do not do a job, they should be able to claim expenses for it. Equally, they think that it is unbelievable that we are considering allowing individuals who do not do the job to which they were elected—primarily in the House—to be able to claim expenses. I cannot explain or excuse that to the people of Northampton, South.

I was not a Member when Short money was first debated, so I do not need to abide by the ruling of the time and can argue as I want. However, I am a Member when the new money is being debated. I find the proposal reprehensible, as will the people whom I represent. They will think that the Government are giving a bribe for an underhand deal and I do not know how I can explain to them that that is not the case. The debate and the motions are abhorrent, so I will vote against both motions and tell the people of Northamptonshire exactly why I have done so.

5.29 pm

Mr. David Lidington (Aylesbury) (Con): We have had a vigorous debate in which a large number of hon. Members on both sides of the House participated. What came through in particular was the widespread concern expressed from all quarters about the Government's proposed innovation of a new bespoke parliamentary allowance, as the hon. Member for Foyle (Mark Durkan) described it, designed to fit Sinn Fein, which would parallel Short money. I noted the comments made at different stages by the hon. Members for Vauxhall (Kate Hoey), for Crewe and Nantwich (Mrs. Dunwoody) and for Thurrock (Andrew Mackinlay), and the right hon. Member for Birkenhead (Mr. Field), who, along with hon. Members from various Opposition parties, questioned the appropriateness of the measure. It was ironic that the Government's chief support came from an unlikely alliance of the hon. Member for Islington, North (Jeremy Corbyn), in his new found vocation as a cheerleader for the Treasury Bench, and my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg), in that fine English tradition of the radical aristocrat who has appeared in our politics from time to time through the centuries.

The Government's case rests on two assertions, each primarily concerned with Northern Ireland rather than with the notion of the duties and rights of membership of the House. The first limb of their argument is that the restoration of allowances was a recommendation of the most recent report of the Independent Monitoring Commission, but that argument can be used to defend only motion 4, relating to the restoration of suspended allowances. Before rushing to approve that motion, the House will want to weigh up the positive comments that the IMC made about the republican movement alongside the ugly realities that it also reported—the continuing involvement of senior members of the republican movement in serious organised crime, the persistence of spying and intelligence gathering, the scandal that people are still exiled from Northern Ireland and afraid to return home because of paramilitary threats, and the use by republicans of community restorative justice as an instrument to ensure paramilitary control over nationalist and republican communities.

[Mr. David Lidington]

Even if we were persuaded that the positive recommendations outweighed those definite negatives, the IMC's report still cannot justify either the Government's decision to backdate the ending of suspension or the creation of the bespoke allowance to parallel Short money.

Lady Hermon: Will the hon. Gentleman make it clear that the IMC can recommend or comment only on sanctions that are attached to the Assembly allowance? Although it likes the jurisdiction that it has, it does not run to allowances in the House at all.

Mr. Lidington: The hon. Lady is right. My memory of the IMC's terms of reference is that its remit on recommending sanctions relates only to Northern Ireland institutions, not to institutions at Westminster. If my memory is correct, the IMC explicitly pointed out in the original report, in which it recommended the suspension of Stormont allowances about a year ago, that its remit did not extend to Westminster and declined to make recommendations in that respect.

Lady Hermon: Perhaps it would be helpful to the hon. Gentleman if I read out the terms of reference. It reads:

"The Commission may also recommend what measures, if any, it considers might appropriately be taken by the Northern Ireland Assembly† such measures being limited to those which the ... Assembly has power to take under relevant United Kingdom law."

The IMC has no jurisdiction over how we vote on the motions.

Mr. Lidington: The hon. Lady makes a telling point.

The second and perhaps central argument that the Government advanced this afternoon was that the two motions are in some way an important contribution to the overall peace process. My right hon. Friend the Member for Maidenhead (Mrs. May) and other hon. Members, including the hon. Member for Montgomeryshire (Lembit Öpik), said that there is pretty well unanimous support on both sides of the House for the Government objective of seeing devolution restored in Northern Ireland on the basis of an end to paramilitary and criminal activity.

The trouble with the Government's line in defending their motions is that we have not had from Ministers an explanation of exactly how the two motions are supposed to contribute to the fulfilment of a shared political goal. We had no description from the Leader of the House about the way in which the Government hope or expect Sinn Fein will change either its ideology or its actions as a result of votes this evening. Will it start supporting the police if we pass the motions? Will it recognise the legitimacy of the courts?

Mrs. Dunwoody: Is there not an even simpler answer? Will Sinn Fein use the money to get support for the work that could be done by coming to the House of Commons?

Mr. Lidington: I agree with the implication behind the hon. Lady's question. I will dwell on the issue at greater length in a short time.

The irony is that Sinn Fein, of all parties, is not short of cash. As the right hon. Member for North Antrim (Rev. Ian Paisley) said, the amounts that we are debating today are small change in the context of the profits that have been made from a succession of robberies and other crimes over the years. The Government defend these motions on the ground that they will help to sustain the political process, but I fear that they will have the opposite effect. Suspicion about the Government's motives will breed along with deals that may have been done behind closed doors. As the hon. Member for Foyle said, there has been too much about the political process that has been about fixing things to suit Sinn Fein. It is time that we had less ambiguity and greater transparency if we are to have a chance of building trust and confidence, which presently is at a low level.

The debate has focused largely on motion 3 concerning the new allowance. There was widespread concern in the House about the ambiguity over what the money is supposed to be used for. There would have been some logic to the Government's position had Ministers come forward with a motion to say that from now on allowances paid to all parties would be to support them in their representative functions. I think that the hon. Member for Thurrock made that point.

If motion 3 is passed, we shall be in a position where a party with elected Members has a choice. Those Members can take up their seats and claim Short money but accept the limitation that those payments must be limited to support for parliamentary activities, or they can decline to take up their seats and obtain money from the new allowance to support all representative activities. It seems that a difference in the type of activity that would qualify for funding is inherent in the difference in the language that is used to describe Short money and that used to set out the terms of the motion.

My quarrel with the Government's supporters, particularly my right hon. and learned Friend the Member for Sleaford and North Hykeham, concerns the rights and duties of a Member of Parliament. I accept completely my right hon. and learned Friend's assertion that the privilege of election confers certain rights on us, but those rights are accompanied by responsibilities. The very fact that rules exist in the Welsh Assembly and the Scottish Parliament making payment and allowances conditional on Members taking their seats reflects the fact that to take a seat and participate is seen as the central function and duty of an elected Member in any legislature. We should not forget that until a mere five years ago that was the tradition or belief on which we acted in the House.

Mr. George Howarth: Far be it for me to try to represent the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), but the burden of his argument is not that those Members are elected and refuse to take up those duties but that they are elected on the conviction that they will not take their seats in the House. There is a difference.

Mr. Lidington: The hon. Gentleman and I differ on this point, but I simply do not believe that one can remove from the duty of membership of a legislature the notion of taking one's seat and participating. It is integral to the role of an elected representative, and it is

an abdication of responsibility to avoid taking that course of action. We delude ourselves about the nature of the responsibility of elected representatives if we try to create two classes of MPs as the motions propose.

It is not just a matter of the Oath, as my right hon. and learned Friend the Member for Sleaford and North Hykeham would agree. If it were a matter of the exact words that we were asked to swear or affirm at the beginning of a Parliament, he would have a stronger case. I note, however, that the Oath was not in the end an obstacle for De Valera and his Fianna Fail colleagues, and did not prevent them from taking their seats in the Dail in the late 1920s. I believe that Sinn Fein Members should take their seats. Although I loathe their politics, I would welcome their presence in the Chamber, where they could take part in debate and hold Ministers to account. Like my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), I have urged them to do so. As a number of Members have said, it is important that the House should remember that all of us, once elected, have a duty to represent the interests of constituents who did not vote for us or who did not vote at all, just as we represent people who voted for us or for our political party. The two thirds of the electorate in the five Sinn Fein-held parliamentary constituencies deserve to have their interests represented, just as much as the third who voted for Sinn Fein candidates. The House of Commons deals with legislation on infrastructure for Newry; with environmental regulations affecting farmers in Fermanagh and Tyrone; and with education and training opportunities in west Belfast. It is an abdication of duty for those Members not to represent the interests of their constituents in the House.

Five years ago, I voted against the introduction of allowances for Members who declined to take their seats, and I will continue to vote in accordance with my belief, and vote against motion 4. Motion 3, which would create a parallel to Short money, amounts to little more than a corruption of the system of allowances, so it deserves forthright opposition in every quarter of the House. This is a free vote for my party, but I hope that as many of my right hon. and hon. Friends as possible will join me in voting against both motions.

5.44 pm

The Secretary of State for Northern Ireland (Mr. Peter Hain): We can probably all agree that this afternoon's debate was one of the occasions that shows the House at its best, not only speaking with passion—I recognise that arguments have been made against the position that I am about to put, and I understand and respect those arguments—but speaking about the values and integrity of the House. There is an issue to wrestle with. I understand that, and I recognise the points made by the hon. Member for South Staffordshire (Sir Patrick Cormack), among others.

Whatever our arguments, we can agree that Sinn Fein contested and won elections to the House. As the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) and others mentioned, Sinn Fein Members were elected on a mandate not to take their seats. They are therefore not entitled to the salaries which follow from taking the Oath, and they do not get salaries. Nevertheless, they are Members of the House and their electorate have rights. Their constituents—perhaps especially those who did not vote for them—have rights, and the House has a responsibility to respect those rights.

That is why the House has already determined—I stress has already determined—the principle that Sinn Fein MPs should receive MPs' allowances. That decision was made in December 2001. Some right hon. and hon. Members are trying to rerun that decision, but we should respect the will of the House, as determined in 2001. I note that the shadow Leader of the House—it has just been repeated by the shadow Northern Ireland spokesman—is opposed in principle to that. I understand that. It is not to do with what was or was not in the IMC report. It is not to do with the level of paramilitary activity, criminality or violence. They are in principle opposed to the granting of MPs' allowances to Sinn Fein Members who have refused to take the Oath.

That is a perfectly defensible position, although I note that when I pressed her on the matter, the right hon. Member for Maidenhead (Mrs. May) was not rock solidly committed to it. She was not willing to say that if a Conservative Government were elected after the next election and she were Leader of the House, she would sweep those allowances away. So she is not that committed to the principle.

Sir Patrick Cormack *rose—*

Mr. Hain: I will allow the hon. Gentleman in, but it is important that I have time to reply to the debate.

Sir Patrick Cormack: I am grateful. The point I wanted to make is that no Parliament can bind its successors. The decision that was taken in 2001 was taken by a previous Parliament. The right hon. Gentleman is therefore misplacing his criticism when he says that we should accept the will of the House. The will of that House is not necessarily the will of the present House.

Mr. Hain: Even though the hon. Gentleman is such an experienced parliamentarian, I do not think that that is correct. When the House makes a decision, that stays in force until the House changes that decision, in respect of a number of issues. I shall return to the point.

On 10 March 2005 the House resolved to suspend the allowances—I moved the motion—following a report by the Independent Monitoring Commission on IRA culpability in the Northern bank robbery and the murder of Robert McCartney. But that was a suspension, not a rejection, of allowances for Sinn Fein. In the two motions today I am asking the House to acknowledge that since then, and perhaps even encouraged a little by that suspension, the situation has changed dramatically for the better—much better even than for the three years during which Sinn Fein Members were in receipt of House allowances. The House might want to bear that in mind.

Whatever views there may be of Sinn Fein and the IRA, the context of this debate is another report of the IMC. In its eighth report published last week, the IMC advised that the financial measures taken against Sinn Fein were no longer justified. The IMC reached its view

[Mr. Hain]

after a detailed and considered review of all the available information, including intelligence information. The report states clearly that the Provisional IRA

"uniquely among paramilitary organisations, has taken the strategic decision to eschew terrorism and pursue a political path",

and it concludes that

"there are a number of signs that the organisation is moving in the way it indicated in its statement of 28 July 2005."

On that basis, the report clearly and unambiguously recommends that the financial measures against Sinn Fein should be discontinued:

"We do not believe that financial measures against Sinn Fein of the kind referred to in our Fourth Report should continue."

I strongly believe that such a clear recommendation from the IMC deserves an equally clear response from this House, and the Government's tabling of the motions before the House this evening is such a response. The restoration of allowances and the motion to grant financial assistance for representative business is intended further to encourage the republican movement along the path of democratic politics.

The hon. Member for Aylesbury (Mr. Lidington) has reaffirmed his party's opposition to the principle of granting allowances to hon. Members who have not taken the Oath. Interestingly, on BBC Ulster this morning, he said that the Oath of loyalty to the Queen should be re-examined if it would mean Sinn Fein MPs taking their seats in the House of Commons. That is an interesting proposition, although I note that he has not advocated it this evening.

My right hon. Friend the Member for Knowsley, North and Sefton, East (Mr. Howarth) raised an important question—the definition of "representative"—that goes to the heart of the matter. The proposal has been modelled on the Short money model. Parliamentary business is not defined in the Short money resolution, either, but the guidance to the auditor on Short money makes it clear that Short money cannot be used for political campaigning and similar partisan activities, political fundraising, membership campaigns and personal or private business. That guidance would apply to representative pursuits by Sinn Fein Members.

Motion 3 on the Order Paper makes it clear that the money must go on expenses exclusively incurred by the support of

"spokesmen in relation to the party's representative business."

Hon. Members should note that the Short money resolution passed in 1999 does not define "parliamentary business" any more than this motion defines "representative business". Both phrases must be interpreted by the accounting officer and the auditor, and the rules are strict.

The hon. Member for Montgomeryshire (Lembit Öpik) asked whether the House's accounting officer can issue guidance. As I have said, the accounting officer provides a note for the auditor giving some guidance on Short money. If motion 3 is passed, the issue would be a matter for the accounting officer, who may want to consider whether and how to issue guidance, and I am sure my right hon. Friend the Leader of the House would be happy to discuss that matter with him. It is also possible that the Members Estimate Committee or the House of Commons Commission would want to look at the guidance, too. The situation must be policed carefully and the rules must be rigorously enforced. It is not a question of simply handing over £85,000, because, as the hon. Member for Foyle (Mark Durkan) has said, a properly audited application is required.

Lembit Öpik: Can the House take that as a commitment of parliamentary time, if it is necessary following advice from the people whom the Secretary of State has described?

Mr. Hain: That matter is for the Leader of the House. I not sure whether parliamentary time will be required, but if it is, representations can be made to the Leader of the House. However, the Members Estimate Committee and the House of Commons Commissions can make their own decisions and report them to the House.

The right hon. Member for North Antrim (Rev. Ian Paisley) has suggested that I might have questioned his commitment to peace, but I have never done so. In the nine months in which I have been in this job, we have worked together to achieve peace, and I would not challenge his absolute commitment to peace in Northern Ireland. We have had an honest debate about how to bolt down peace and make sure that it becomes permanent.

The Government deserve some credit for the enormous transformation in Northern Ireland. I am not in any way suggesting that if motion 3 were not passed and the £84,000 were not granted to Sinn Fein, it would go back to terrorism or violence. I have never suggested that—nor, contrary to criticisms made during the debate, has the Leader of the House. It would be absurd to do so. The question is how we can, through today's decision, encourage the republican movement and others to take the process forwards, not backwards.

My hon. Friend the Member for Thurrock (Andrew Mackinlay) asked several important questions. I welcome his support for motion 4 on ending the suspension of allowances to Sinn Fein Members. He is troubled by motion 3, and I understand that. He said that its only direct reference to the Short money resolution, and therefore implicitly to the scope of that resolution, is in paragraph (2), but that in fact deals with the method of calculation. Technically speaking, he is right; However, it is clear from the way in which the motion is drafted, and from today's debate, that if it is passed, the intention of the House will be that the Short money model is applied as closely as possible; although of course it is not Short money as such. I am sure that we can expect the House to implement it in that way.

It is important to recognise that all Opposition Front Benchers travel throughout the country making speeches as part of their parliamentary functions. Part of Sinn Fein's representative functions in future could be making speeches that arise from their position as Members of Parliament. I did not think that it would be sensible for the Commons to get into the question whether a Short money-funded researcher was only drafting speeches delivered in this House or was also helping to draft speeches delivered as part of an MP's or Front-Bench spokesman's responsibilities outside the House. Precisely those issues arise in the motion and precisely those issues of policing will be applied by the auditor and by the House authorities.

The hon. Member for Belfast, East (Mr. Robinson) asked several questions about allegations that he has made. I will look at *Hansard* before I consider my response.

Mrs. Dunwoody: I want to make a very simple point. Short money was granted by the House of Commons because Front Benchers were known not to have the money to support researchers. The research that they needed was in direct connection with their parliamentary duties. There has never been any doubt about that, and it does not need to be spelled out—the House of Commons knew that that was what the money was for. This proposal is not only a negation, but a positive distortion, of that idea.

Mr. Hain: As I said, this applies the Short money principle and model, with all its policing arrangements, to representative functions on behalf of Sinn Fein MPs.

The IMC report indicates that considerable organisational change is happening within the Provisional IRA to close down criminal operations. It states that there have been no IRA robberies or murders—instances which occasioned the suspension of the allowances by the House in March last year. Yet—I agree with the right hon. Member for North Antrim and the hon. Member for Belfast, East—some members and former members are engaged in localised criminality, and we have to shut that down and demand that they cease it.

The report further points out the very difficult distinction to be drawn between organised and sanctioned criminality and that undertaken by individuals for personal gain. The distinction is difficult but the principle is not. Criminality is wrong, and the motions should in no way be taken as an indication of Government tolerance on that front.

Amid the emotions engendered in this debate, it is easy, when viewing the situation through the prism of a highly selective reading of the report, to lose sight of how far we have come. I do not for one moment dismiss the genuine and serious concerns that many people have over these issues, but I ask the House to look at the whole picture and not to view progress through that restrictive prism.

That brings me, in conclusion, to a point that my right hon. Friend the Leader of the House made in his opening comments—this is, at heart, an issue of democracy. Do we want Sinn Fein representing its constituents and developing as a democratic party? Do we want Sinn Fein playing the fullest role that it can in the Palace of Westminster?

The question before the House is whether we want to recognise that progress and encourage the republican movement further down the path of democracy. The transition from conflict to peace was always going to be tortuous—international experience demonstrates that such transitions always are. The House has the opportunity tonight to vote for normalisation of politics—*[Interruption.]* On behalf of all parties in Northern Ireland, Sinn Fein included, the House, by supporting the motions, is voting for a Northern Ireland of democracy, hope, peace and stability.

Question put:—

The House divided: Ayes 315, Noes 215.

Division No. 155] **[5.59 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Baker, Norman
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Francis, Dr. Hywel
Galloway, Mr. George
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Hanson, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda

James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Opik, Lembit
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, Matthew
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Mr. Dave Watts and
Mr. Parmjit Dhanda

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Ellwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, rh Mr. Frank
Field, Mr. Mark
Forth, rh Mr. Eric
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hamilton, Mr. David
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hoey, Kate
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Howarth, David
Hoyle, Mr. Lindsay
Hunter, Mark
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Laws, Mr. David
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter

Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Mackinlay, Andrew
Maclean, rh David
Main, Anne
Maples, Mr. John
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McDonnell, Dr. Alasdair
McGrady, Mr. Eddie
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Stuart, Ms Gisela
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, David
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Stephen
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Crispin Blunt and
Andrew Rosindell

Question accordingly agreed to.

Resolved,

That, in the opinion of the House,—

(1) Financial assistance should be provided, with effect from 1st November 2005, to any opposition party represented by Members who have chosen not to take their seats and thus do not qualify to participate in the proceedings in Parliament, towards expenses wholly, exclusively and necessarily incurred for the employment of staff and related support to Members designated as that party's spokesmen in relation to the party's representative business.

(2) The amount of financial assistance payable to a party under this Resolution shall be calculated and paid by analogy with sub-paragraphs 1(1) to (6) and (8) and 2(1) to (5) of the Resolution of the House of 26th May 1999.

(3) As soon as practicable, but no later than nine months after 31st March each year, a party claiming financial assistance under this resolution shall furnish the Accounting Officer of the House with the certificate of an independent professional auditor, in a form determined by the Accounting Officer, to the effect that all expenses in respect of which the party received financial assistance during the period ending with that day were incurred exclusively in accordance with paragraph (1) of this resolution.

(4) If an audit certificate under paragraph (3) above has not been furnished within the time specified no further financial assistance under this resolution shall be paid until such a certificate is so furnished.

SUPPORT FOR MEMBERS WHO HAVE CHOSEN NOT TO TAKE THEIR SEATS

Motion made, and Question proposed forthwith, pursuant to Order [this day].

That the Resolution of the House of 10th March 2005 relating to Support for Members who have chosen not to take their Seats be amended by substituting for the words 'a period of suspension of one year commencing on 1st April' the words 'the period 1st April 2005 to 31st October'.—*[Mr. Cawsey.]*

Question put:—

The House divided: Ayes 329, Noes 178.

Division No. 156] **[6.16 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Baker, Norman
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Featherstone, Lynne
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, Andrew
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Goggins, Paul
Goldsworthy, Julia

Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hanson, Mr. David
Harris, Dr. Evan
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hogg, rh Mr. Douglas
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kestch, Mr. Paul
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laws, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Öpik, Lembit
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, Matthew
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Stephen
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Mr. Dave Watts and
Mr. Parmjit Dhanda

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Bellingham, Mr. Henry
Benyon, Mr. Richard
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butterfill, Sir John
Campbell, Mr. Gregory
Carswell, Mr. Douglas
Cash, Mr. William
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Dunwoody, Mrs. Gwyneth
Elwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Field, rh Mr. Frank
Field, Mr. Mark
Forth, rh Mr. Eric
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hoey, Kate

Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, David
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Maples, Mr. John
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Sir Nicholas
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Crispin Blunt and Andrew Rosindell

Question accordingly agreed to.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

EMPLOYMENT AND TRAINING

That the draft Industrial Training Levy (Construction Board) Order 2006, which was laid before this House on 9th January, be approved.—*[Mr. Cawsey.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

EMPLOYMENT AND TRAINING

That the draft Industrial Training Levy (Engineering Construction Board) Order 2006, which was laid before this House on 9th January, be approved.—*[Mr. Cawsey.]*

Question agreed to.

PETITION

Sir Charles Dilke Memorial Hospital

6.29 pm

Mr. Mark Harper (Forest of Dean) (Con): I am sure that my constituents will be pleased that the Prime Minister, the Government and the entire parliamentary Labour party have attended tonight to listen to this petition from the supporters of the Sir Charles Dilke memorial hospital. Sir Charles Dilke was, of course, a former Member of this House for the Forest of Dean constituency.

The petition has 6,056 signatures and declares:

To the House of Commons.

The Petition of supporters of the Sir Charles Dilke Memorial Hospital,

Declares that the Petitioners object to proposals to move the Sir Charles Dilke Memorial Hospital from its present site. The Petitioners further declare that the present Hospital should be extended and improved.

The Petitioners therefore request that the House of Commons urge the Government to take immediate steps to ensure that the Sir Charles Dilke Memorial Hospital continues to provide all services at its present site,

And the Petitioners remain, etc.

To lie upon the Table.

Alistair Burt (North-East Bedfordshire) (Con): On a point of order, Mr. Speaker. The House is unnaturally full for this time of the evening, and I ask for your guidance. For the sake of history, Mr. Speaker, would not it be best if Labour Members were arranged in a different sequence, with real socialists on one side, moderate socialists in the middle, and friends of the Prime Minister and friends of the next Prime Minister in some distinguishable array?

Mr. Speaker: Members can reserve a seat only if they come to Prayers.

Representative Democracy in the UK

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey]*

6.31 pm

Ann Clwyd (Cynon Valley) (Lab): We all know why we are here tonight—to discuss representative democracy in the United Kingdom.

A hundred years ago, there was an important election for Britain. We in the Labour party are especially proud to be celebrating the centenary of the first meeting in the House of Commons of the Labour party as an organised body of MPs, held on 12 February 1906. The 29 Labour MPs—all men—were starting a parliamentary party that would shape the next century of British politics.

The Labour movement has its roots in the desire to improve the lives of the disadvantaged, the disfranchised and the dispossessed. The parliamentary Labour party has for 100 years been the voice of the many, not the few. It is fitting that we gather today in the Chamber to debate the achievements of those 100 years, for it is here and in the Lobbies that Labour MPs such as Keir Hardie spoke for, voted for and delivered the agenda of the first manifesto—from universal suffrage, free health care, devolution and national insurance to the national minimum wage—[Hon. Members: "Hear, hear."]

Today we are a party of men and women, as committed to the ideals of social justice as ever, as committed to the interests of the many as ever, and as restless and demanding of a fairer, more just and prosperous society, where prosperity is created and used for the benefit of all.

In 1906 it must have seemed that the first Labour MPs represented the many in the very House of the few. Those men—socialists, trade unionists, intellectuals and workers—were elected on a franchise of only a quarter of the adult population, which excluded women, as well as many men without property or land or who did not pay high rent.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Is my right hon. Friend aware that among the Labour MPs at that first meeting was the Member for Gorton, John Hodge, who started a run of Labour Members of Parliament in that constituency? Apart from 1931 to 1935, there have been 100 years of continuous Labour representation in the Gorton constituency. Will my right hon. Friend pay tribute not only to John Hodge, the first ever Minister for Labour, but to the people of Gorton for remaining faithful to the Labour party?

Ann Clwyd: I will indeed. My right hon. Friend is a Member for a constituency that has returned a Labour MP for 100 years—along with my hon. Friend the Member for Merthyr Tydfil and Rhymney (Mr. Havard), whose constituency has also returned a Labour Member for 100 years. I congratulate those constituencies on having the foresight to continue to do so.

As Labour's first manifesto put it,

"The House of Commons is supposed to be the people's House, and yet the people are not there. Landlords, employers, lawyers, brewers and financiers are there in force. Why not Labour?"

It was a dozen years before universal male suffrage would be granted, and more than 20 before women were treated equally with men. Those Labour pioneers came to the House of Commons with a purpose. Although vastly outnumbered in our first Parliament they achieved a great deal, from reversing the Taff Vale judgment to strengthening the legal rights of trade unions in the Trade Disputes Act 1906. Labour was also successful that year in securing the Workmen's Compensation Act 1906, and the Education (Provision of Meals) Act 1906. Confronting those two bread-and-butter issues—school meals and compensation for industrial injury—has made a real difference to all our constituents: a sign of things to come.

Another landmark achievement of the first parliamentary Labour party was the 1908 Right to Work Bill. Unemployment brought poverty and destitution, which helped to explain why, according to the Government's own admission, coroners blamed the 1906 deaths of 49 Londoners on starvation. The Bill sought to make local authorities responsible for finding work for the unemployed and for providing maintenance if no work could be found. It entailed both a deliberate national effort to tackle the trade cycle and the introduction into law of the revolutionary principle that work was a right. The Bill did not become law, but Labour's assertion of the importance of full employment and the dignity of work has been a central part of Labour's politics ever since.

The first chair of the parliamentary Labour party was James Keir Hardie. Wisely, the chair of the parliamentary Labour party was also leader of the party. As the current chair of the parliamentary Labour party, I applaud and endorse that tradition. Keir Hardie led Labour for two years, and after ill health, was succeeded by Arthur Henderson—a popular trade unionist and Wesleyan lay preacher—who later became Labour's first Cabinet Minister. The MPs elected in 1906 included the first Labour Prime Minister, Ramsay MacDonald, and Chancellor of the Exchequer, Philip Snowden.

When the extension of the franchise came in 1918, Labour won the votes of many of those who now had a voice. Labour took office for the first time in 1924, and again in 1929. Then, after the long years in opposition of the 1930s, it joined the Churchill coalition in the second world war, before the 1945 election—[Hon. Members: "Hooray!"]—brought Labour's great landslide. The 1945 Government became one of the most reforming in British history—[Hon. Members: "Hear, hear."]—with the national health service, national insurance, freedom for India, housing, the nationalisation of industry and the foundations of the welfare state.

Sadly, the 1945 Government fell victim to the pressures that every reforming Government face. The natural desires to change further, reform more and become more radical are pressed against the need to balance resources, proceed gradually and manage change. These pressures—"the language of priorities" to take a famous phrase—have been at the root of Labour's failings as much as our reforming instincts have been at the heart of our successes. Despite our achievements in the 20th century, Labour was in power for only 23 years. The 21st century is getting better, and I am hopeful that we will beat our previous record by 2023.

It is right that we mark our successes, but we should also think of all the times when we were not in office, when we were unable to help those who needed us, and unable to support the poorest and the most disadvantaged. We should think why we were not in power more often, and how we can make sure that we are even more successful in the next 100 years than in the last 100 years.

Some 100 years on from the founding of the parliamentary Labour party, we celebrate the achievement of those pioneers and their legacy. The Labour party that evolved into a party of government created the NHS, brought education for all and built the welfare state. It was those pioneers that built the party that more recent heroes, such as Attlee, Bevan, Bevin, Gaitskell, Foot and Castle, would join. It was these pioneers who built the party that our current parliamentarians know—the party that introduced the minimum wage, introduced tax credits, gave more rights to workers and to unions, extended rights for parents, gave a savings account to every child and enacted the biggest hospital programme in Britain's history.

Today we mark the Labour pioneers, all their successors who served their constituencies as Labour Members of Parliament in the last century in this Chamber, and the laws that they enacted. They served their country well.

Just as Keir Hardie moved at the end of that first meeting in 1906, I move that this House do now adjourn.

6.42 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Bridget Prentice): Sometimes one comes to an Adjournment debate when only the initiator of the debate and the Minister are in the House. I am not quite sure what has happened this evening. Furthermore, the Minister often has to reject the views expressed by the debate's initiator. I can say that, for once, that will not be the case tonight.

I can also say that this Labour Government absolutely agree with all my right hon. Friend's complimentary and inspiring comments about the Labour party in Parliament over the past 100 years. As she said, in the 1906 election the Labour Representation Committee fielded some 50 candidates and, exactly 100 years ago this Sunday, the 29 successful LRC MPs filed into Committee Room 12 to meet for the first time as the parliamentary Labour party. Their aims were straightforward. As Labour's manifesto for 1906 said:

"This election is to decide whether or not Labour is to be fairly represented in Parliament."

They were all men at that time; women had not been granted the right to vote. It was only because Labour campaigned for that right that women eventually achieved it. It is fitting that the Adjournment debate was introduced tonight by a woman and that it is now being replied to by one. That is what this party—our party, whether in Parliament or outside—has always and, I hope, will always be about: helping people to realise their potential regardless of their background. When those men met 100 years ago this weekend, they realised that Parliament and, beyond that, forming a Government were the best way to reach those ambitions. We might not always succeed and we might sometimes try to reach beyond what we can achieve, but this party—the Labour party—on behalf of the people, will always try to enact the commitment that people give to us when they vote Labour.

So, 1906 was a vital year for the Labour party and Parliament, but there was a good deal else going on at the time, too. For instance, the *Daily Mail* tried to pour scorn—old habits die hard—on women campaigning for the vote by dismissively dubbing them, for the first time, suffragettes. The result of Labour pressure in Parliament from 1906 meant that we saw the introduction of the Merchant Shipping Act 1906 to improve conditions at sea, the Trade Disputes Act 1906 to legalise peaceful picketing and the Workmen's Compensation Act 1906, which meant that 6 million workers became entitled, for the first time, to compensation for accidents and industrial diseases.

Those measures were of real and practical help to people. They helped people, their families and their communities to achieve their full potential. They sought to enact what Labour at its best has always sought to enact: social justice and economic success hand in hand. The measures expressed in practice our values—Labour values—because our values remain unchanged: fairness, justice, tolerance, decency and compassion. Those values were what Labour stood for 100 years ago in the House, and they are the values that Labour stands for in the House today.

The way in which we apply those values must reflect the changing nature of people's lives. My right hon. Friend the Deputy Prime Minister is rightly fond of saying,

"traditional values in a modern setting".

That is exactly what the Labour party in Parliament encapsulates, just as those 29 founders did, for their time, 100 years ago. They had a new century spread out in front of them; so do we now. Just as their agenda and programme for change was of a large scale, so, too, is ours.

Labour in Parliament has done much in 100 years. We have created the national health service, provided education for all and built a welfare state, but we all know that we have a great deal more to do. Reforming and improving key institutions and key achievements is a constant task. Maintaining our vigilance and security is a constant task. Securing a strong economy and a good society is a constant task, whether in 2006 or 1906. We know now, as our forebears knew then, that Parliament is the best vehicle to achieve change and to use power for progressive ends. Keir Hardie, the first chair of the PLP, might well have been baffled by some of the means by which we try to achieve change, such as television and the internet, but he would have recognised both the goals that we are seeking to secure and, perhaps most of all, what we are doing this for.

Let me return, as my right hon. Friend did, to the 1906 Labour manifesto. When its authors said:

"The House of Commons is supposed to be the people's House",

they were absolutely right. They said that

"the people are not there",

and clearly thought that it was Labour's job to see that they were. That job then is our job now—in 1906 and 2006. There were the same aims and the same values—

[Bridget Prentice]

Labour values—then and now. Making sure that this is the people's House was a job that the parliamentary Labour party was proud to take on in 1906, and it is a job that this parliamentary Labour party is proud to continue in 2006. Let me commend the 21st century as being Labour's century.

Question put and agreed to.

Adjourned accordingly at eleven minutes to Seven o'clock.

Deferred Division

INTELLECTUAL PROPERTY

That the draft Artist's Resale Right Regulations 2006, which were laid before this House on 15 December, be approved.

The House divided: Ayes 332, Noes 159.

Division No. 153]

AYES

Ainger, Nick	Clwyd, rh Ann
Ainsworth, rh Mr. Bob	Coaker, Mr. Vernon
Alexander, Danny	Coffey, Ann
Alexander, rh Mr. Douglas	Cook, Frank
Allen, Mr. Graham	Cooper, Rosie
Anderson, Mr. David	Cooper, Yvette
Anderson, Janet	Corbyn, Jeremy
Armstrong, rh Hilary	Crausby, Mr. David
Atkins, Charlotte	Creagh, Mary
Austin, Mr. Ian	Cruddas, Jon
Bailey, Mr. Adrian	Cryer, Mrs. Ann
Baird, Vera	Cummings, John
Baker, Norman	Cunningham, Mr. Jim
Balls, Ed	Cunningham, Tony
Banks, Gordon	Curtis-Thomas, Mrs. Claire
Barlow, Ms Celia	Darling, rh Mr. Alistair
Begg, Miss Anne	David, Mr. Wayne
Beith, rh Mr. Alan	Davidson, Mr. Ian
Bell, Sir Stuart	Dean, Mrs. Janet
Benn, rh Hilary	Denham, rh Mr. John
Benton, Mr. Joe	Devine, Mr. Jim
Berry, Roger	Dhanda, Mr. Parmjit
Betts, Mr. Clive	Dobbin, Jim
Blackman, Liz	Dobson, rh Frank
Blackman-Woods, Dr. Roberta	Doran, Mr. Frank
Blair, rh Mr. Tony	Dowd, Jim
Blears, rh Hazel	Drew, Mr. David
Blizzard, Mr. Bob	Eagle, Angela
Blunkett, rh Mr. David	Eagle, Maria
Borrow, Mr. David S.	Efford, Clive
Bradshaw, Mr. Ben	Ellman, Mrs. Louise
Breed, Mr. Colin	Engel, Natascha
Brennan, Kevin	Ennis, Jeff
Brooke, Annette	Farrelly, Paul
Brown, Lyn	Farron, Tim
Brown, rh Mr. Nicholas	Featherstone, Lynne
Brown, Mr. Russell	Field, rh Mr. Frank
Browne, rh Mr. Des	Fitzpatrick, Jim
Bryant, Chris	Flello, Mr. Robert
Buck, Ms Karen	Flint, Caroline
Burden, Richard	Follett, Barbara
Burgon, Colin	Foster, Mr. Don
Burnham, Andy	Foster, Mr. Michael *(Worcester)*
Butler, Ms Dawn	Francis, Dr. Hywel
Byers, rh Mr. Stephen	Gapes, Mike
Byrne, Mr. Liam	Gardiner, Barry
Cable, Dr. Vincent	George, Andrew
Caborn, rh Mr. Richard	Gerrard, Mr. Neil
Cairns, David	Gibson, Dr. Ian
Campbell, Mr. Alan	Gidley, Sandra
Campbell, rh Sir Menzies	Gilroy, Linda
Campbell, Mr. Ronnie	Goggins, Paul
Carmichael, Mr. Alistair	Griffith, Nia
Caton, Mr. Martin	Griffiths, Nigel
Cawsey, Mr. Ian	Grogan, Mr. John
Challen, Colin	Gwynne, Andrew
Chapman, Ben	Hain, rh Mr. Peter
Clapham, Mr. Michael	Hall, Mr. Mike
Clark, Ms Katy	Hall, Patrick
Clark, Paul	Hamilton, Mr. David
Clarke, rh Mr. Charles	Hanson, Mr. David
Clarke, rh Mr. Kenneth	Harris, Mr. Tom
Clarke, rh Mr. Tom	Harvey, Nick
Clegg, Mr. Nick	Havard, Mr. Dai
Clelland, Mr. David	Healey, John

Heath, Mr. David
Hamming, John
Hendrick, Mr. Mark
Heppell, Mr. John
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Iranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Keetch, Mr. Paul
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laws, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McFadden, Mr. Pat
McGovern, Mr. Jim
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Norris, Dan
O'Brien, Mr. Mike
Oaten, Mr. Mark
Olner, Mr. Bill
Öpik, Lembit
Osborne, Sandra
Owen, Albert
Paisley, rh Rev. Ian
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Rogerson, Mr. Dan
Rowen, Paul
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
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Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Walley, Joan
Waltho, Lynda
Ward, Claire
Warsing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Mark
Williams, Stephen
Willis, Mr. Phil
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Younger-Ross, Richard

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baldry, Tony
Barker, Gregory
Bellingham, Mr. Henry
Benyon, Mr. Richard
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Cameron, rh Mr. David
Campbell, Mr. Gregory
Carswell, Mr. Douglas
Cash, Mr. William
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Elwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hollobone, Mr. Philip
Horam, Mr. John
Howard, rh Mr. Michael
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne

Mates, rh Mr. Michael
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Pickles, Mr. Eric
Pritchard, Mark
Randall, Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rosindell, Andrew
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Wilshire, Mr. David
Wilson, Mr. Rob
Wilson, Sammy
Wigterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Question accordingly agreed to.

House of Commons

Thursday 9 February 2006

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

MESSAGE FROM THE QUEEN

Electoral Commission

Vice-Chamberlain of Her Majesty's Household (Mr. John Heppell): I have to inform the House that the address of 18 January, praying that Her Majesty will reappoint as electoral commissioners Jonathan Glyn Mathias for the period of two years, and Sukhminder Karamjit Singh CBE for the period of four years, was presented to Her Majesty, who is graciously pleased to comply with the request. The appointments will become effective from 19 January.

Oral Answers to Questions

EDUCATION AND SKILLS

The Secretary of State was asked—

Education Maintenance Allowance

1. **Shona McIsaac** (Cleethorpes) (Lab): How many children in Cleethorpes have received the education maintenance allowance; and if she will make a statement. [49937]

11. **Meg Hillier** (Hackney, South and Shoreditch) (Lab/Co-op): How many children in Hackney, South and Shoreditch have received the EMA; and if she will make a statement. [49947]

The Secretary of State for Education and Skills (Ruth Kelly): Data are not available at a constituency level. At the local authority level, for the period September to December 2005, 2,062 young people in north-east Lincolnshire and 2,775 in Hackney received one or more EMA payments. Up to 7 February 2006, 403,949 young people in England had received one or more such payments.

Shona McIsaac: The figures are indeed encouraging, but very few parents in areas such as Grimsby and Cleethorpes have higher level qualifications. Does my right hon. Friend agree that it is vital that we sell staying on at school to them as well as to young people? What is she doing to promote staying on at school and the take-up of EMA with such families?

Ruth Kelly: My hon. Friend is absolutely right. The historic problem is that far too few of our 16 and 17-year-olds choose to stay in education and go on to further or higher education. In fact, we have one of the lowest rates in the industrialised world. EMA payments remove the financial barrier that some young people face who would otherwise choose to study. Fundamentally, the question is how we raise aspirations and involve parents in their children's education, and raise the sights of all children. That is why parental engagement is so important in the education system. It will make most difference for our most disadvantaged young people.

Meg Hillier: My constituency of Hackney, South and Shoreditch is an area of great poverty, but there is no poverty of aspiration. That is demonstrated by the fact that parents and young people have chosen to take up EMAs, but does my right hon. Friend agree that we need serious consensus on the issue? Has she received any indication from the Opposition that they now back EMAs, which are so valuable in Hackney?

Mr. Speaker: Order. The Secretary of State is responsible only for matters in her Department.

Ruth Kelly: My hon. Friend makes a very valuable point. We must have consensus, in this House and across the country, if we are to raise young people's aspirations, encourage them to progress and get parents involved in education. It is also important that we remove the financial barriers that prevent young people from taking part in education. I look forward to the time when the hon. Member for Havant (Mr. Willetts) and his colleagues back the idea of EMAs.

Mr. Andrew Turner (Isle of Wight) (Con): For a moment, Mr. Speaker, I thought that the Secretary of State was going to challenge your ruling. I wrote to her on 5 January, on behalf of Charlotte Cook, who is the Isle of Wight's Member of the Youth Parliament. She is concerned that the household income threshold for eligibility for the Christmas bonus might take elder siblings' earnings into account. Will the right hon. Lady set her mind at rest and assure her that the disincentive to elder siblings remaining at home and working will not occur?

Ruth Kelly: I would take the hon. Gentleman's question a little more seriously if he and his party supported the idea of EMAs. However, I am glad that he champions the needs of his constituents, who appreciate the value of EMAs. I look forward to his taking that message back to the constituent whom he mentioned and his other constituents. I can tell him that three-quarters of young people receive the bonus, and that we have designed the system in such a way as to remove the financial barriers that prevent our young people from being involved in post-16 education, and to give them an incentive to continue their studies.

Mr. Philip Hollobone (Kettering) (Con): What proportion of students who have received an EMA payment have not gone on to a second year of learning?

Ruth Kelly: I cannot give the hon. Gentleman the precise figures, but I can tell him that there are now 17,000 more 16-year-olds in further education than

there were in 1998. The extra financial payment is clearly making a real difference to the lives and opportunities of those young people.

University Students (Sickness Certificates)

2. **Chris Bryant** (Rhondda) (Lab): How many university students in England presented sickness certificates for their examinations in 2005? [49938]

The Minister for Higher Education and Lifelong Learning (Bill Rammell): That information is not collected centrally by any organisation. Universities are responsible for their own assessment procedures, but they are guided by a code of practice issued by the Quality Assurance Agency and their practice is independently scrutinised by external examiners and QAA auditors. The QAA believes that universities are adopting more systematic approaches to the consideration of medical certificates and other extenuating circumstances submitted by students.

Chris Bryant: I am not sure how we can know that universities are doing that if we do not know what the statistics are. I am an external adviser for the Oxford theology degree—[HON. MEMBERS: "Ooh!"] Well, it just shows what a terrible state education in Britain is in. We have noticed over the past five years a dramatic increase in the number of students presenting sickness certificates and the worry is that faculties and universities are dealing with the issue differently. If we are to prevent a sicknote tendency from growing in our universities, the Government may need to do more to promote good practice.

Bill Rammell: I am aware of the role that my hon. Friend undertakes, because we have discussed the issue. The role of external examiners is crucial in upholding quality standards in British universities. The QAA is in regular contact with institutions through its institutional audit mechanism. It says that it has identified a trend towards a more systematic approach and equalisation between departments in the management of the process. QAA is not aware of any generic concerns about an increase in the number of medical certificates, and the key point is that acceptance of students' claims about illness are now far more likely to lead to a deferral or resit than an adjustment to students' marks. That should reassure us about academic standards in terms of student outcomes.

Jeremy Wright (Rugby and Kenilworth) (Con): Does the Minister agree that students will not reach the point at which they can submit a sickness certificate if they do not reach their final year? Does he share the concern of academics reported in the media this morning that first-year undergraduates do not have the necessary standards of literacy and numeracy? Bearing in mind that they have undergone their secondary education exclusively under a Labour Government, what has gone wrong with their education?

Bill Rammell: The issue is what has gone right with education and schools under this Government. Over the past eight years, we have consistently increased investment and significantly improved results. We are, however, aware of the concerns, which is why we are reforming the 14 to 19 agenda. We very much want universities to be part of that process. The hon. Gentleman mentioned drop-out rates, but the past several years have seen a reduction in drop-outs, because the system has been improving.

Sixth Form Finance

3. **Mr. James Gray** (North Wiltshire) (Con): If she will make a statement on sixth form funding in schools. [49939]

The Minister for Schools (Jacqui Smith): Since 2002–03, school sixth form funding has increased from £1.4 billion to a planned £1.9 billion in 2007–08. On 21 October, we announced our strategy for Government funding priorities for post-16 education to 2008, including for school sixth forms. We confirmed the extra funding to meet the needs of an additional 46,000 16 to18-year-olds expected in school sixth forms and colleges by 2007–08 and we are increasing funding rates for 2006–07 and 2007–08 in line with the schools minimum funding guarantee.

Mr. Gray: I am grateful to the Minister for her full answer and I am grateful to the Government for their commitment to a vibrant and fast expanding sixth form sector in schools. However, schools in my constituency, which are growing fast, have raised a question with me. For example, Sheldon school, a very successful school in Chippenham, will have 80 more pupils in the sixth form next year than it has this year, but because of the new Learning and Skills Council formula the funding is based on last year's figures. That means that the school will be £200,000 out of pocket. Will the Minister look at the LSC funding formula to ensure that fast-expanding schools—Corsham school is another example from my constituency—do not experience a perverse disincentive to increase numbers in their sixth form? They should have an incentive to increase the numbers.

Jacqui Smith: Earlier this week we discussed the school funding regulations in a Committee Room. There was cross-party consensus that the move to funding schools on the basis of lagged pupil numbers helped to provide certainty in budgets and that that was an important criterion, but I recognise the specific issue raised by the hon. Gentleman. I have read the letters from the head teacher of Sheldon school. Although we have put into the system safeguards such as the cash floor of sixth-form funding for the coming years and the overall school minimum funding guarantee, there may well be specific, exceptional circumstances—possibly such as those that the hon. Gentleman mentions—where it would be appropriate for the Learning and Skills Council to consider how such exceptional growth could be met. It is working on proposals, and it will present options to Ministers in the near future.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Will my right hon. Friend describe the procedures that new trust schools must go through to set up sixth forms and the approvals that will be necessary where those schools do not have sixth forms already?

Jacqui Smith: As part of the local authority family of maintained schools, any future trust schools would go

through exactly the same requirements as currently exist; but, of course, we are keen to promote high-quality sixth-form provision as a way to develop choice for young people post 16. That is why we are introducing a presumption for sixth-form expansion, based particularly on those high-performing specialist schools that, very importantly, can also demonstrate that they want to take up a specialism in vocational education, to ensure that we have a greater variety of high-quality opportunities, particularly vocational ones, for the increasing number of young people whom we hope will stay on at school and in training after the age of 16.

Mr. Graham Stuart (Beverley and Holderness) (Con): Is the Minister aware that many pupils from the most deprived areas of Hull leave the city to attend East Riding schools, including those in my constituency? Those pupils bring with them none of the funding that is rightly allocated to support people from deprived areas. What steps is she taking to ensure that money intended to support deprived pupils follows them, whether they are sixth formers or others?

Jacqui Smith: I am sure that the East Riding welcomed the statement I made before Christmas outlining very considerable increases in school funding across the country of 6.8 per cent. per pupil in 2006–07 and 6.7 per cent. per pupil in 2007–08, but perhaps one of the questions that we should also address is how we ensure that parents in Hull feel confident that their children receive quality education in high-quality local schools. We have taken tough action in the past in intervening in respect of local authorities that have not lived up to their responsibility to challenge and support their schools—of course, that included Hull—and we continue to carry on the work that has ensured that schools in disadvantaged areas have improved faster than other schools.

Mr. Khalid Mahmood (Birmingham, Perry Barr) (Lab): I welcome my right hon. Friend's commitment to increase revenue funding for 16 to 19-year-olds, but will she look at capital funding for sixth forms, particularly Great Barr and Hampstead Hall schools in my constituency? They are making a huge investment in keeping on pupils and increasing the number of pupils, but the issue that they have at the moment is with the capital works needed to do so? Will she consider asking local authorities and the Learning and Skills Council to support those sixth forms that want to expand in that way?

Jacqui Smith: My hon. Friend makes a very important point. Of course, the considerable investment in constituencies such as his from the building schools for the future programme provides important opportunities not just to add sixth-form provision but to remodel and completely rebuild secondary schools. Last year, we brought together capital funding streams from the Learning and Skills Council and schools capital funding in one clear 16-to-19 capital pot, and I am sure that access to that will be able to support some of the proposals that he and the Government rightly want for his constituency.

Engineering Courses

4. **Mark Pritchard** (The Wrekin) (Con): What her policy is on the provision of education courses for engineers; and if she will make a statement. [49940]

The Parliamentary Under-Secretary of State for Education and Skills (Phil Hope): We have established an employer-led sector skills council, the Science Engineering Manufacturing Technologies Alliance—SEMTA—to help shape the provision of learning and training for engineers. SEMTA is currently working on one of the first new specialised diplomas in engineering for 14 to 16-year-olds and is developing sector skills agreements to assess the skill needs of the industry and will inform the engineering teaching supplied in colleges and higher education.

Mark Pritchard: Is the Minister aware that Harper Adams university college, Telford college of art and technology and the university of Wolverhampton have a proud tradition of supplying engineers to the public and private sectors in Shropshire? But is he also aware that his colleagues in other Departments are slowly dismantling the defence and manufacturing sectors in my constituency, so what is the point of young people going into engineering, particularly engineering apprenticeships, if there are no jobs for them?

Phil Hope: I congratulate the colleges to which the hon. Gentleman referred, which are doing an excellent job providing good-quality training for young people as a result of the extra funding we made available to schools and colleges in his constituency. I understand his concern and that of others about decisions being made by the Ministry of Defence, and I am sure that the MOD will take full account of his representations and those of other Members with similar concerns. I had the privilege of making presentations to the top apprentices in the armed forces; they are fabulous young people, doing a brilliant job and providing much more security for our nation because their talents are in our armed services.

Mr. Bill Olner (Nuneaton) (Lab): Will my hon. Friend constantly talk up all engineering skills? I thank him for the very good speech he made last night at the Institution of Mechanical Engineers, which itself wants to promote engineering, unlike Opposition colleagues. There is a huge skills gap and we must address it.

Phil Hope: I thank my hon. Friend for his kind remarks. It is true that every product and every activity of this country relies on the skills of engineers. Without engineers the bright ideas that we know are out there stay on the drawing board. Engineers are absolutely essential to the future of our nation's economy and the prosperity of all our businesses. Last night's reception at the Institution of Mechanical Engineers was excellent; many MPs attended to support engineering in the UK. I pay tribute to them and to companies such as Rolls-Royce and initiatives such as formula student, where universities work with businesses to make a real success of promoting the UK's engineering skills.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): I hope that the House will join me in congratulating

Harlington school in my constituency on achieving specialist science college status this week. However, we are all concerned that a number of university science departments have closed over the past two years. Will the Minister explain the rationale of establishing science colleges while closing university science departments?

Phil Hope: I am delighted that Harlington school has benefited from extra Government investment to support science in schools. There is a positive and growing relationship between universities and industry in developing new courses to ensure that the industry recruits the type of students, especially engineers, as well as science and manufacturing specialists, who can provide new developments. Partnership is the most important thing—between universities and organisations and companies such as Rolls-Royce and Airbus. Such partnerships will ensure that we deliver both quality and the quantity of skilled engineers that our country requires.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): As a former chemical engineer, I too congratulate the Minister on his speech at the institution. As the Government are seriously considering and exploring the nuclear option for our energy programme, has my hon. Friend assessed whether we have adequate undergraduates studying physics and nuclear engineering to deliver that option?

Phil Hope: Again, I thank my hon. Friend for his kind remarks—perhaps I should quit while I am ahead.

We are attracting more undergraduates to science courses. This year, there has been a 10 per cent. increase in the number of applicants for science courses, so we are making huge progress. Perhaps some of the science and engineering skills that those young people are developing will be needed by the Conservatives as they develop their new flip-flop machine.

Mr. John Hayes (South Holland and The Deepings) (Con): The Minister's leader in waiting—the Chancellor—says that our

"economic destiny . . . depends upon establishing leadership in skills",

but the Leitch review reported that even if the Government meet their target for skills by 2020,

"at least 4 million adults will still not have literacy skills expected of an 11 year old and 12 million"

will be without the equivalent numeracy skills. It said that the UK will be

"positioned at best, in the middle of the OECD ranking"

for skills.

As the Minister said, engineering is key, yet the sector skills council says that registrations for level 3 qualifications have dropped by 36 per cent. and that level 4 certifications are at "a very low level". No wonder the national employer skills survey shows that skills shortages account for 13,000 vacancies in engineering alone. Why has not the Minister grasped that we have a skills crisis, and furthermore—

Mr. Speaker: Order. There should be only one supplementary.

Phil Hope: The hon. Gentleman is right to identify a real challenge that faces us. We have trebled the number of apprenticeships from 70,000 a year to 255,000 a year, and completion rates are going up, too, but we need to go further. We have delivered 3.5 million courses in basic skills and 1 million adults have received basic skills qualifications. The train2gain programme will provide free training for employers, up to a full level 2 qualification, and we are trialling level 3 pilots in the north-west and the west midlands to provide training for employers that need level 3 qualifications. We are delivering a huge and ambitious skills strategy, so I hope that we will have support from both sides of the House to ensure that it is a success.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): I am sorry to have missed what sounds like an excellent speech by the Minister last night. May I assure him that there remains in the west midlands a first-class network of engineering, aerospace and technological skills? Will he assure his colleagues in the Ministry of Defence that if they locate defence training projects in the region, they will be able to plug into an excellent network of engineering skills and training resources?

Phil Hope: I will draw the remarks of my hon. Friend and others to the attention of my colleagues in the Ministry of Defence. The important thing is that we drive forward the skills agenda as it is appropriate to local areas. We know, for example, that engineering and manufacturing are a priority for future funding in the west midlands. We thus need to ensure that when we roll out the level 3 training pilots engineering becomes a particular priority so that we can deliver the engineers whom we need to make our economy a success.

Sure Start/Children's Fund

5. **Mr. Dan Rogerson** (North Cornwall) (LD): If she will make a statement on the future of Sure Start and the children's fund. [49941]

The Minister for Children and Families (Beverley Hughes): Sure Start children's centres and the children's fund are central to the Government's determination to improve outcomes and life chances for all young children. Children's centres deliver a wide range of integrated services for under-fives and their families. By 2010, there will be 3,500 centres. Local authorities are responsible for their development, with partners. The children's fund is designed to ensure that preventive approaches are delivered locally, and delivery plans for children's fund partnerships have been agreed for the period up to 2008.

Mr. Rogerson: I should perhaps declare a non-pecuniary interest in that my family has attended Sure Start events, which have been excellent, and my sister works for the children's fund. Both schemes have provided excellent opportunities for people in my constituency, but they suffer from two problems. First, when delivering a scheme in a rural area with many small communities, they have a real funding problem if they are to provide the same opportunities in multiple locations. Secondly, they are insecure about what will happen when funding ends in 2008. Will the Minister agree to meet representatives from North Cornwall to discuss the situation?

Beverley Hughes: I am really pleased that the hon. Gentleman and his family and friends have reaped the

benefits of our investment in Sure Start. Sure Start is going well in North Cornwall precisely for the reasons that he identifies. Sure Start local programmes are pushing the boundaries to reach wider rural areas and helping us to learn how to reach small communities. There will be considerable investment in Cornwall for the next two phases of development of children's centres, with just about £7.5 million in revenue and capital for phase 1 and a further £5.5 million for phase 2. He can expect further children's centres in his constituency due to those phases, and I would be happy to meet a delegation.

Dr. Brian Iddon (Bolton, South-East) (Lab): I represent some of the most deprived wards in the country, where Sure Start and children's centres have made a real difference, not only in terms of education. An holistic approach is taken: children's health is improving and so is the community. I ask my right hon. Friend to continue to target such centres on the most deprived wards in the land.

Beverley Hughes: My hon. Friend makes an important point. As the House knows, we are moving from an area-based local programme targeted on disadvantaged areas to a mainstream integrated service for all under-fives, with a children's centre in every community by 2010. However, I assure my hon. Friend that our focus for the full offering of fully integrated services will remain on disadvantaged areas, because we know that if we help disadvantaged children to improve their attainment early in their lives that will continue through their primary and secondary years and improve their life chances. The Government are determined to do that.

Sir Peter Soulsby (Leicester, South) (Lab): There are three Sure Starts in my constituency. Does my right hon. Friend agree that it is vital that local authorities are fully engaged in the work of Sure Starts and are able effectively to monitor and support the work of Sure Starts in their area?

Beverley Hughes: Yes, I do. Through the children's trust arrangements, local authorities are taking a lead. I want local authorities to deliver the plans that they have set out for all the children's centres in their areas over the next four or five years. It is also important, however, that local authorities accept their responsibility for working with private and voluntary sector partners and with health and employment services, because the integration that we need in children's centres requires all those other partners to be fully involved. I expect local authorities to take a lead in ensuring that that happens.

Teaching Accommodation (St. Ambrose College)

6. **Mr. Graham Brady** (Altrincham and Sale, West) (Con): What assessment she has made of the adequacy of teaching accommodation at St. Ambrose college in Altrincham; and if she will make a statement. [49942]

The Parliamentary Under-Secretary of State for Education and Skills (Maria Eagle): My Department is aware of the issues surrounding the suitability of the school's accommodation. Officials have met the head teacher and the Department's architects have visited the school. Following that visit, the school and the local authority used some funding from existing capital programmes to address pupils' immediate needs in respect of the dilapidated classrooms at the school.

Mr. Brady: I am glad that the Minister is aware of the problems at St. Ambrose college. Ofsted said that the teaching accommodation is

"old and cramped and at times . . . makes learning difficult",

but that the school is none the less excellent. Parents at the school have raised £500,000 toward the necessary improvements and they were disappointed that the bid for DFES assistance was turned down. Will the hon. Lady give me and the parents an undertaking that when another bid is submitted her Department will consider it as a matter of urgency, and that she will assist efforts to provide a proper, functioning teaching environment at St. Ambrose?

Maria Eagle: I understand the disappointment felt by the school and its head teacher about its bid not being successful in the latest round for targeted capital funding. I am perfectly happy to advise the school, through the hon. Gentleman, on how to improve its bid, which was somewhat disappointing. There were more than 200 bids from the voluntary aided sector alone and, unfortunately, St. Ambrose's bid came too low to receive money. That is not to say that the school cannot improve its bid in future and give itself a better chance of receiving the funds that it requires.

Schools White Paper

7. **Mr. Rob Wilson** (Reading, East) (Con): What assessment she has made of the Education and Skills Committee report on the schools White Paper; and if she will make a statement. [49943]

The Secretary of State for Education and Skills (Ruth Kelly): I have read with great interest the Select Committee report on the White Paper. I was pleased that the report accepted the key building blocks of the White Paper and welcomed without reservation our proposed reforms in personalisation, discipline and behaviour, and improving the quality of teaching and leadership. The report also contained a number of detailed recommendations, to which I shall respond in due course.

Mr. Wilson: Having started the process of making concessions to her Back-Bench rebels, will the right hon. Lady share with the House the Government's red lines in the education White Paper and the soon-to-be-published education Bill?

Ruth Kelly: Of course I can share those red lines. We want to raise standards and increase investment in our schools, and give schools the freedom and flexibility that they need to forge links with one another and external partners to do the best for every single child in every school throughout the country. Those have always been our red lines. They remain so, and I am completely committed to carrying them through to legislation.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): My right hon. Friend knows that I am not often described as a Back-Bench rebel. The Select Committee produced a majority report, and we were proud of its quality. We are quite pleased with much of my right hon. Friend's response, but will she assure the House that she is still willing to improve the Bill in the next few days before it is prepared and we receive a copy, I believe, next week? Will she assure the House that the full import of the Bill will ban all interviews, and schools will have to obey the admissions code?

Ruth Kelly: I congratulate my hon. Friend on the Select Committee report. I am sorry that the hon. Member for Reading, East (Mr. Wilson) and his colleagues decided to play politics with a constructive submission to the debate. I remind my hon. Friend—I have great respect for him and for his contribution to the debate—that we do not yet have a Bill. However, he is quite right—in future, schools must follow the admissions code, and they will not be allowed to interview. We will have a co-ordinated admissions system. I want excellence for every child in the country, but I also want a system that is fair and is seen to be fair. That is why I could clarify for my hon. Friend and his Committee the fact that the system will promote both excellence and equity.

Sir Nicholas Winterton (Macclesfield) (Con): The Secretary of State clearly wants to improve the quality of education. Does she believe that the Select Committee report gave sufficient thought to the teaching in schools of technical and engineering education, which is critical to the future economy of this country, particularly manufacturing? I accept that the Secretary of State is genuine in what she is seeking to do, but does she believe that sufficient emphasis and attention has been given to technical and engineering teaching in our schools?

Ruth Kelly: Yes. I am delighted to remind the House that the education Bill will include provisions to introduce a new vocational curriculum in our schools, which, over time, will introduce 14 specialised diplomas, including one in engineering. By 2008, every child in the country will have the opportunity to study one of five specialised diplomas while we work to deliver all 14 in a system that will require schools to collaborate with one another to provide the best possible personalised education and vocational education for our pupils.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): My right hon. Friend will know that the Select Committee report recommended the introduction of a system of benchmarking for secondary school pupils receiving free school meals or for parents who receive the working families tax credit. That is a way not of introducing a quota system but of introducing an added-value measure that will improve the social mix in all secondary schools. Will she give serious consideration to incorporating that measure in the Bill when it is introduced in the House?

Ruth Kelly: My hon. Friend is right. Neither he nor I want a system of quotas for schools. We want every school to take seriously their responsibility to widen access to ensure that every child, no matter what their family type or background, has the opportunity to apply for admission. There should not be any barriers outside the school that say, "Sorry, you're not welcome here." The role of the admissions forum, which was developed after the 2002 legislation, is very important, not just in co-ordinating admissions informally with schools and the local authority but in reporting cases in which schools breach the admissions code to the adjudicator.

Mr. Edward Davey (Kingston and Surbiton) (LD): I welcome the Secretary of State's letter to the Chairman of the Select Committee as a step in the right direction, but why, when she talks of giving schools more freedom, is she retaining so much control in Whitehall? Why cannot all schools be given more freedom on the curriculum, for example, and why must a local authority that wants to compete to build a new community school ask for her permission? Would not real reform see her powers cut, not increased?

Ruth Kelly: I am glad the hon. Gentleman has welcomed my clarifications to the Chairman of the Select Committee. I hope the hon. Gentleman and his colleagues will now give a commitment to back the Bill. He is right. There is already significant freedom over the curriculum through the national curriculum. Schools have the ability to innovate and they can apply to the Secretary of State for the power to innovate further. In the Bill we will propose that all trust schools within a particular trust are able to take up the power to innovate, so they can experiment with different approaches in the curriculum if they can make a strong educational case for doing so. Within the 14 to 19 curriculum, working perhaps with local business foundations and businesses where they can secure increased investment, schools as groups of schools may decide to come together to offer a different curriculum to their students. That is the sort of case that we will consider on its merits.

Mr. David Chaytor (Bury, North) (Lab): Of the many interesting policies described in the White Paper, how many will require primary legislation?

Ruth Kelly: We have set out all the measures that will require primary legislation in the annexe to the White Paper, but in addition I have committed the Government to banning interviewing, so there will be more measures requiring legislation than were originally set out in the annexe. The list is comprehensive, although my hon. Friend is right to suggest that what we are doing is building on what is seen to be working. We are building on the governance model of voluntary aided schools. We are building on the relationship with external partners seen in the specialist school system. We are building on the relationship between schools that is seen in the academies programme as well, allowing them the freedom and flexibility to develop in a way that drives up standards across the board. We are also introducing safeguards in primary legislation to make sure that the system is fair.

Mr. David Willetts (Havant) (Con): Is not the central message of the Government's White Paper that the future of education is not a monopoly of conventional local authority schools, but much more diversity of provision, with local authorities increasingly acting as commissioners? That is why I hope the meeting that the Secretary of State has at Downing street today with potential backers of trusts is a success. It is also why I was pleasantly surprised to see from her briefing note to the parliamentary Labour party that the announcements that she made the other day

"do not dilute the essence of the reforms".

We hope that that is true, but the trouble is that every one of her so-called clarifications looks very much like a retreat. Does she not recognise that there is a clear majority across the House of Commons for real reform of public services? Instead of prevaricating and settling for second best, will the Secretary of State pledge today that there will be no more concessions?

Ruth Kelly: I am glad the hon. Gentleman welcomes our commitment to diversity in the school system, which has driven up standards in every school across the country over the past eight years. He is right that local authorities will have a strategic role. The best local authorities already have a strategic role in education, and I want that delivered in every local authority across the country. He asks me whether we are diluting the reforms. We are not. We are making sure that excellence is accompanied by equity—that parents choose schools, rather than schools choosing parents. If the hon. Gentleman says that our commitment to no new selection in schools is watering down our proposals, all Labour Members and the wider public will see what he and his colleagues stand for.

School Selection

8. **Mr. Gordon Prentice** (Pendle) (Lab): How many schools interview parents as part of the selection process for pupils. [49944]

The Minister for Schools (Jacqui Smith): We do not survey school admission arrangements nationally. However, from a recent London survey we know that three schools have interviewing as part of their admission arrangements—the London Oratory school in Hammersmith and Fulham, and St. Joseph's college and St. Coloma convent school in Croydon. As my right hon. Friend the Secretary of State has said, we will legislate to end that practice.

Mr. Prentice: It only took my question to force that change in Government policy, so I shall try again. My friend the Member for Barnsley, East and Mexborough (Jeff Ennis) has raised the issue of admissions forums. If, for example, a school has a disproportionate number of children on free school meals, how would the admissions forum decide whether to refer the matter to the adjudicator?

Jacqui Smith: My hon. Friend is in good company in pushing for the end of interviewing. In 2003, the Church of England and the Catholic Church supported our guidance in the code of practice to end interviewing, and they have pushed us to take legislative action—I know that he likes to associate himself with such allies. We will enable admissions forums, which involve schools, local authorities and significant parts of the community, to determine whether schools are behaving in line with the new code of practice by, as my right hon. Friend the Secretary of State has said, welcoming all pupils and delivering fair access. Where they determine that that is not the case, they will have a new power to report schools to the adjudicator, which will considerably strengthen the current position.

Mr. Edward Leigh (Gainsborough) (Con): I happen to know the London Oratory quite well. It has always interviewed parents, it is a beacon school, and it involves a genuine social and academic mix of pupils. Why should that school, which has fought a successful court case to protect its ethos, be told by Government diktat that it should no longer interview parents? Is it fair that people who have enjoyed the services of an excellent school are pulling up the ladder behind them?

Jacqui Smith: I repeat that the good practice has not been determined by this Government alone. The Catholic Church and the Church of England asked us to act, because, like us, they recognise that we need fair, objective and transparent admissions arrangements. There is considerable doubt whether interviewing fulfils those criteria so, along with the Churches, we believe that the time is right to move away from that practice and to make the situation clear in legislation.

Mr. Eric Illsley (Barnsley, Central) (Lab): On the question of interviews, and whether cost is a barrier to take-up, will my right hon. Friend examine admissions policies in relation to informal methods of selection—for example, when schools insist on a particular type of uniform, which must be purchased from a particular expensive outlet—which have been highlighted in recent reports? The media recently highlighted a case in which a headmaster insisted on children wearing a particular sports outfit manufactured by Nike, which is the most expensive in the range.

Jacqui Smith: I agree with my hon. Friend that such restrictions on uniform are unacceptable. I am a strong proponent of school uniform, which benefits schools, but we have made it clear—we will reinforce this point in guidance—that uniform should not be disproportionately expensive and that it should not be confined to certain suppliers. School uniform is useful in developing the right attitudes within a school, but it should not be used to discriminate in deciding who gets into a school.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): The real issue is not a school's intake, but what happens within a school. Does the Minister agree that setting children in ability groups—selection within a school—enables the curriculum to be tailored to each child's ability and aptitude, with resulting higher standards? If she agrees, why is it that 60 per cent. of lessons still take place in mixed-ability classes, the proportion of mixed-ability teaching is rising not falling, and half of all English lessons are still taught in mixed-ability classes?

Jacqui Smith: I do accept the significance of setting—that is why I am pleased that following the action that we have taken over the past eight years, more children are taught in set classes than previously. There are two challenges for the approach that the hon. Gentleman takes. First, he has to begin to square his supposed commitment to trusting the professionalism—

Mr. Speaker: Order. It is not for the Minister to talk about the commitment of a political party. Will she please take her seat? I have told her before—this is becoming quite a regular thing with the Minister. It is the Minister's duty to tell us about her stewardship of her portfolio.

Jacqui Smith: I apologise, Mr. Speaker.

I believe that our approach to setting should not suggest that Whitehall writes the timetables of schools across the country, but trust in the professional judgment of head teachers, alongside the guidance that it is possible for us as a Government to provide, as we have done and will continue to do. I also believe that the time is right, as we spelled out in the White Paper, to move beyond simply saying that there is benefit in setting pupils within groups, and reach a position whereby we are more able to identify the individual needs of pupils, provide catch-ups where they are falling behind and stretch them more effectively where they have particular gifts and talents. That is why we have accentuated, and will invest in, further personalised learning in our schools.

Sure Start

12. **Helen Goodman** (Bishop Auckland) (Lab): If she will make a statement on the Sure Start programme in the north-east. [49948]

The Minister for Children and Families (Beverley Hughes): There are 62 Sure Start local programmes in the north-east, most of which will become Sure Start children's centres by March this year. Children's centres will provide integrated support services for parents of young children under five. There are 53 designated children's centres operational in the north-east, and we propose to increase that to more than 250 by September this year, and to more than 340 by March 2008.

Helen Goodman: I am grateful to the Minister for that answer. My constituents are grateful for the two Sure Starts that have opened in the past six months—one in Evenwood and one in Bishop Auckland—where children and families are enjoying activities and facilities that they never had before. However, I get complaints from people who are unable to go to Sure Start. Can the Minister say what new Sure Starts and children's centres are planned for the constituency?

Beverley Hughes: I thank my hon. Friend for her question and for her work in supporting and promoting early years services, particularly Sure Start. By September 2006, there will be another 30 designated children's centres in County Durham, including a total of five in her constituency. There will be more in phase 2, but we do not yet have their locations; I will let her know as soon as I am aware of them.

SOLICITOR-GENERAL

The Solicitor-General was asked—

Thames Valley Crown Prosecution Service

20. **Tony Baldry** (Banbury) (Con): When he next expects to meet the head of the Thames Valley Crown Prosecution Service to discuss resources. [49929]

The Solicitor-General (Mr. Mike O'Brien): I met the chief Crown prosecutor for Thames Valley in Oxford on 6 October. I have spoken to her several times since, including a few days ago. I do not have a date set in my diary for a further meeting. Thames Valley CPS has received a significant increase in resources and has deployed them in recruiting new front-line staff. I am pleased to say that there has been a study by the police and CPS in relation to resources at Banbury, which I hope will result in an increase there.

Tony Baldry: I hope that when the Solicitor-General met the head of Thames Valley CPS she explained that there have been several instances in Banbury magistrates court where cases have been set down for a not guilty contest, witnesses have been summonsed and fixtures have been arranged, but the case has had to be abandoned because a prosecutor has not turned up. That includes cases involving assault and burglary. That is simply unacceptable, and it is unfair to everyone involved. It is unfair to the victims, unfair to the defendants—who cannot clear their names—and unfair to the police, who have spent a lot of time working up a case only to see it abandoned. Will the Solicitor-General ensure that there are sufficient resources, and that Thames Valley CPS ensures that prosecutors turn up at court to prosecute not guilty pleas?

The Solicitor-General: Since 2003 the number of prosecutors in Thames Valley has increased by 20 per cent., to 70 lawyers today. Eleven lawyers are specifically recruited to deal with issues such as charging. The CPS in the area has recently had an increase in its budget from £6 million to £7 million a year, which is one of the biggest budget increases for the CPS in the country.

The hon. Gentleman is right to say that there was an issue about certain cases—three, according to my understanding—which were subject to a pre-trial review. A request was made to vacate some dates for a trial and the CPS took the view that it would accept guilty pleas to some offences. The pleas were accepted and the cases did not proceed to trial. I have some concerns about that and have asked for a report about it. The hon. Gentleman therefore raises an issue about which I would be concerned, but I am told that an error was made, and the chief Crown prosecutor assures me that it will be rectified.

Identity Theft

21. **Miss Anne McIntosh** (Vale of York) (Con): If he will make a statement on the work of the Serious Fraud Office on identity theft. [49930]

The Solicitor-General (Mr. Mike O'Brien): Cases of identity fraud are normally prosecuted by the Crown

Prosecution Service, and no case has so far met the criteria for prosecution by the Serious Fraud Office. However, the Serious Fraud Office engages in policy work on identity theft through its participation in the fraud review.

Miss McIntosh: Will the Solicitor-General be good enough to consider a constituency case in which all of an individual's mail has been redirected to a specific address, but the police are taking no action and no case will therefore be brought? Can he also confirm that the Serious Fraud Office will investigate the huge fraud perpetrated against the Treasury?

The Solicitor-General: There is already an ongoing investigation of the Treasury matter. At this stage, it is probably better if I do not comment substantially on that, but my right hon. Friend the Paymaster General recently made a statement that set out some of the background. The particular case to which the hon. Lady refers sounds like a matter for the police to investigate initially. If she has concerns about the police not taking it up, I shall bring that to the attention of Home Office Ministers.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the Solicitor-General confirm whether the legislation on identity theft applies only to individuals? Could it also apply to organisations? Yesterday the Prime Minister referred to a political party that claimed to be Liberal, Conservative and a new Labour successor. Is not that a prima facie case of fraud?

The Solicitor-General: That is an interesting view. Political parties sometimes adopt names, and there are appropriate means—through the Electoral Commission, for example—of dealing with that.

Mr. David Heath (Somerton and Frome) (LD): Identity fraud is undoubtedly a serious problem, although it does not perhaps cost as much as the Government's figure of £1.7 billion, which the banking and credit card group the Association for Payment Clearing Services—APACS—described as

"a good story to scare people with".

Nevertheless, as we have the Serious Fraud Office and the City of London police, who have specific skills in dealing with fraud, but a patchy approach to fraud in other police forces, will the Solicitor-General, as part of the reorganisation of police, hold serious talks with the Home Secretary to ascertain whether we can adopt a better integrated approach to fraud throughout the country, thus ensuring that prosecutions occur in cases such as that raised by the hon. Member for Vale of York (Miss McIntosh)?

The Solicitor-General: Certainly the national hi-tech crime unit, the Serious Fraud Office and the National Criminal Intelligence Service liaise about fraud operations. Fraud is changing enormously, and that is why a Bill on the matter will be introduced. The new Bill will help us tackle some identity fraud. However, in recent years we have developed greater unity between the different organisations that deal with fraud. The national hi-tech crime unit is one mechanism that has helped bring things together. The Home Office has worked with the Department of Trade and Industry and others to try to improve the safety and security of people who are the victims of fraud, especially small businesses and consumers who use the internet. Much work is already being done. The Metropolitan police and the City of London police are at the forefront of that, but there is a great deal of co-operation throughout the country.

Rob Marris (Wolverhampton, South-West) (Lab): One of the reasons for identity theft is that fraudsters use it to get credit, and credit is too easy to obtain in this country. In the course of my right hon. Friend's policy work in this area, will he ensure that the Serious Fraud Office and the other organisations to which he has referred liaise with banks and other institutions offering credit to ensure that the ease of getting credit does not encourage identity theft? We need preventive work on this.

The Solicitor-General: Direct liaison on such matters would take place through the Treasury rather than the Serious Fraud Office. The SFO has substantial links to the banks and other such organisations, but they are primarily for the purpose of dealing with large-scale fraud. That body would not therefore be the best placed to address these issues. None the less, the DTI, the Treasury and the Home Office are all working to ensure that we have effective policies to deal with them.

Mr. Dominic Grieve (Beaconsfield) (Con): The Solicitor-General will be aware from previous questions that there is disquiet about the way in which identity theft is being handled. Perhaps part of the problem is that it is often not suitable for the Serious Fraud Office to deal with such cases. There is no evidence that a great deal of serious fraud is perpetrated in this way, but there is a lot of evidence of minor fraud. In many cases, the person who has been impersonated is not necessarily the loser, but the taking of their identity is being used to defraud others. Will the Solicitor-General take these points on board and give the House an assurance that further thought will be given to more active engagement by the police and the Crown Prosecution Service in dealing with this problem? I have picked up complaints from constituents that when their identity appears to have been taken by someone else, their cases are not being pursued with the kind of energy that one would expect.

The Solicitor-General: Identity fraud is a growing problem, which the police and the various prosecuting authorities are aware of. The Home Office has certainly been doing a lot of research into how best to tackle it. A great deal of identity fraud is committed by offshore operations, which are obviously much more difficult to prosecute because they are outside our jurisdiction. However, we have entered into agreements with other countries under which they will prosecute people who are not committing offences in those countries, but are doing so here. We were undertaking that work when I was in the DTI. The Government are very concerned about identity fraud, and much of the work on co-ordinating our activity involves dealing with new aspects of identity fraud that are increasingly becoming a problem. I can assure the hon. Gentleman that the police and the prosecuting authorities are taking the subject very seriously.

Deception

22. **Mr. Gordon Prentice** (Pendle) (Lab): How many prosecutions the Crown Prosecution Service has brought since January 2005 against people posting (a) websites purporting to represent UK banks on the internet and (b) sending bogus e-mails from law firms as a way of getting personal and financial details. [49931]

The Solicitor-General (Mr. Mike O'Brien): I regret that I cannot give my hon. Friend the statistics in the precise form that he has requested, because CPS records identify offences in relation to sections of our legislation rather than the means by which the offence was perpetrated. These internet and e-mail offences could be prosecuted under a range of different laws. When the criminal is in the United Kingdom, it would obviously be possible to secure a prosecution. However, when the criminal generates the material abroad, the question of jurisdiction is more problematic.

Mr. Prentice: I realise that this is a difficult problem, perhaps even an intractable one. However, I am fed up with phishing. I get bogus e-mails from Barclays bank every day—and I do not even bank with Barclays. Is it technically possible to track down the people who post such information on the web?

The Solicitor-General: The answer is sometimes. Research by MessageLabs shows that 18 million phishing e-mails were detected in the course of one year, and we suspect that the numbers have subsequently increased. However, the numbers of phishing e-mails reported by people to the authorities—I am sure that my hon. Friend is one who does that regularly—is actually quite low. So we have the problem that although we are detecting a lot of phishing e-mails and getting anecdotal reports of them, not many people are reporting them to the police and the prosecuting authorities. The national hi-tech crimes unit issued advice on how to avoid such attacks in October 2003, and we are working with the British Bankers Association to try to deal with particular aspects of banking phishing expeditions. It is very difficult to catch some of the people involved, particularly when they are abroad, but the international agreements that we are entering into represent the start of a process of dealing internationally with the internet—which is, after all, an international phenomenon.

Business of the House

11.34 am

Mrs. Theresa May (Maidenhead) (Con): Will the Leader of the House give us the business for the coming week?

The Leader of the House of Commons (Mr. Geoffrey Hoon): The business for next week will be as follows:

MONDAY 13 FEBRUARY—A motion to approve a money resolution on the International Development (Reporting and Transparency) Bill, followed by consideration of Lords Amendments to the Identity Cards Bill.

TUESDAY 14 FEBRUARY—Remaining stages of the Health Bill.

WEDNESDAY 15 FEBRUARY—Consideration of Lords Amendments to the Terrorism Bill, followed by a motion to approve a Statutory Instrument relating to the renewal of the Prevention of Terrorism Act 2005.

THURSDAY 16 FEBRUARY—Motions relating to the draft Social Security Benefits Up-Rating Order 2006 and the draft Guaranteed Minimum Pensions Increase Order 2006, followed by a debate on tackling health inequalities on a motion for the Adjournment of the House.

FRIDAY 17 FEBRUARY—The House will not be sitting.

The provisional business for the week following the Constituency recess will include:

MONDAY 27 FEBRUARY—Progress on remaining stages of the Government of Wales Bill.

TUESDAY 28 FEBRUARY—Conclusion of remaining stages of the Government of Wales Bill.

I should also like to inform the House that the business in Westminster Hall for 16 February will be:

THURSDAY 16 FEBRUARY—A debate on the report from the Treasury Committee on cash machine charges.

Mrs. May: I thank the Leader for the House for giving us the business for the coming week. He will not be surprised to hear me ask again about the date for the Budget, as he knows that the Treasury Committee recommended that two months' notice of the date should be given. We are less than two months away from the Easter recess, so that advice cannot now be met. Will he at least tell us when he expects to be able to give us the date of the Budget?

Can we have a debate on Lord Carter's review of criminal legal aid, which is being published today? As I am sure that the Leader of the House will know, that is a matter of real concern for high street solicitors.

Yesterday, a Standing Committee considered the new contract for dentists. As there is a shortage of 1,850 dentists, and only half the population are registered with an NHS dentist, will the Leader of the House make Government time available for a debate on dentistry and the problems faced by those who have no access to an NHS dentist?

The Government tell us frequently that they are family-friendly and interested in issues for working families. The Childcare Bill finished in Committee on 15 December, and its remaining stages debate has already been postponed once, yet we have no replacement date. Similarly, the Children and Adoption Bill finished in the Lords on 29 November, yet we have no date for the start of its passage through this House. When will those Bills return to the House?

It was revealed yesterday that the Office of the Deputy Prime Minister has been holding talks with councils about scrapping next year's local government elections—[HON. MEMBERS: "Disgraceful."] As my hon. Friends say, that is absolutely disgraceful. The Minister for Local Government has said that it is all pure speculation, but as constituents such as mine will want the opportunity next year to vote on the record of their local Liberal Democrat council, which is putting up council tax by 4.95 per cent.—an increase of 20 per cent. over three years—and given the backlog of business in the House, will the Leader of the House confirm that no time will be made available for the legislation necessary to scrap the council elections next year, and that next year's council elections will go ahead?

Finally, can we have a debate on the public appeal of MPs? I am sure that the Leader of the House will be aware that my right hon. Friend the Member for Witney (Mr. Cameron) has been voted one of the world's 100 sexiest men. [HON. MEMBERS: "Who voted?"] I see that in a BBC poll conducted to find the sexiest Nottinghamshire MP—I have the right county this week—the Leader of the House came seventh. Top of the poll was my hon. Friend the Member for Newark (Patrick Mercer), second was "none of the above", and the Leader of the House even came behind my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke). A debate would, of course, give my right hon. and hon. Friends an opportunity to give the Leader of the House a few tips.

Mr. Hoon: I have always recognised that I need all the help I can get, but I am quite happy with the result of that particular poll—and so is my wife.

James Duddridge (Rochford and Southend, East) (Con): Who voted many times!

Mr. Hoon: As the shadow Leader of the House is in a good mood, let me draw her attention to the shadow Chancellor's proposals for what appears to be a forthcoming shadow Cabinet reshuffle. The shadow Chancellor has made it clear that by the time of the next general election there will be no one in the shadow Cabinet over the age of 50. Honour forbids me to reveal the right hon. Lady's age, but shall we say that if the reports are correct, she will be looking forward to a very early general election—but I have to say that she will be disappointed.

The date of the Budget will be made known very soon. As for the question of legal aid and high street solicitors, as one who has had ministerial responsibility for the distribution of legal aid in the past, I am confident that the Government will continue to ensure that it is available, and that the considerable amount of money contributed by the taxpayer to support the system will be used to maximum effect.

The right hon. Lady asked about the availability of dentists. I announced to the House that there would be a debate on tackling health inequalities on Thursday

[Mr. Hoon]

16 February. I am sure that that will give all Members an opportunity to comment on dentistry as well as other aspects of health care, and also to mention the considerable amount of extra money that the Government have put into health, almost trebling the health budget since 1997.

As the right hon. Lady said, the Childcare Bill and the Children and Adoption Bill await time in the House of Commons. They will be presented as soon as business allows, but, as I hope I have made clear, we have a very crowded legislative agenda. We are determined to continue the pace of change that the country requires, and that necessarily means that there will be—as ever—significant business on the Floor of the House, not least next week.

I refer the right hon. Lady to what was said by the Minister of Communities and Local Government about local government elections:

"We expect and intend the 2007 elections to go ahead. The debate on local government reorganisation is gathering pace—we are having a mature discussion with local government—and we will make our position clear in the Local Government White Paper in the middle of this year."

I think that that deals with the various points that the right hon. Lady raised. I am grateful to her for raising them.

Jon Trickett (Hemsworth) (Lab): I do not know whether, while having his muesli for breakfast, the Leader of the House managed to glance at the Venezuelan media, but if he has had a media brief, he will know of the storm of protest in that country following the Prime Minister's perhaps somewhat incautious remarks about it during Prime Minister's questions yesterday. Will he find time for a debate on Venezuela, and on United Kingdom-Venezuela politics and relationships? If we cannot agree on Venezuela's international relationships, we might at least be able to celebrate its social gains following the removal of the divisions and inequalities that feature elsewhere in the third world.

Mr. Hoon: I am always impressed by the learning and wide reading of my hon. Friends. I must confess that I managed to miss in my media brief this morning the latest revelations in the Venezuelan media, but that is my loss. I am grateful to my hon. Friend for raising an issue that I am sure he will have an opportunity to raise again at the next Foreign Office Question Time.

Mr. David Heath (Somerton and Frome) (LD): The Leader of the House referred to the very busy timetable, and I still think it very unwise to programme three potential defeats in one week, but there we are. I support the view that we need a debate on the Carter review, which is published today. It is not just small high street solicitors who are concerned about this issue; so is everybody who cares about the legal aid system. Indeed, this is a major issue in the context of our welfare state and it deserves proper parliamentary debate.

I noticed that when the Leader of the House responded to the right hon. Member for Maidenhead (Mrs. May) on the question about local government reform, he did not rule it out. Many of us suspect that it will indeed happen, given the Government's passion for reorganising everything—be it the police, local government or health authorities—and making it as uniform as possible, but always bigger than the existing structure. May we therefore have a debate on that issue?

There will be a statement today on the Child Support Agency but at the same time, the Government are releasing the report of the CSA's chief executive, which might inform debate in this House. May we have a separate statement on that subject, or better still, a debate on it?

Lastly, I wonder whether there is scope for a replay of parliamentary debates. A couple of months ago, the right hon. Member for Birmingham, Ladywood (Clare Short) introduced the Armed Forces (Parliamentary Approval for Participation in Armed Conflict) Bill, which deals with the royal prerogative and the power to go to war, but it seems that the right hon. Member for Witney (Mr. Cameron) has changed his mind on that subject. When it was last debated, only two Conservatives could find their way to the Division Lobby to support such a proposal. Is it possible to introduce new procedures to deal with flip-flops?

Mr. Hoon: The hon. Gentleman is obviously in lively mood now that the Liberal Democrats have started the process of voting for their new leader. I understand that there is a determined write-in campaign on his behalf to ensure that the current rather narrow field is expanded somewhat by his addition. Labour Members would strongly support that campaign, if only we had access to the ballot papers. Given that Liberal Democrat MPs, who can nominate two people, also get two votes in that election, I sincerely hope that they will use at least one of them to support his campaign.

I want to make clear the importance of the Carter review, which the Government will deal with very seriously. I have set out clearly our position on local government reform, and there will shortly be a statement and an opportunity for Members to ask questions of my right hon. Friend the Secretary of State for Work and Pensions. As for replaying parliamentary debates, it would be useful for the House to hear from the right hon. Member for Witney (Mr. Cameron)—probably daily; otherwise, we will not be able to keep track of the various changes in policy that he announces.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): Will my right hon. Friend consider having an early debate on the BBC charter? This is a crucial time to discuss the role of the BBC in the coming years, and many of us are concerned not about the range of programmes that it provides, which is generally good, but about the independence of its news broadcasting. Many of us believe that it too often follows the 75 per cent. Tory-owned press, rather than giving a firm, independent and dispassionate view of the news, be it on Venezuela or anything else. May we have an early debate on the quality of the BBC news service and the charter?

Mr. Hoon: I am grateful to my hon. Friend for raising this issue. The BBC charter is vital to those of us who believe passionately in public service broadcasting. I

assure him that there will be every opportunity to discuss the matter once it is brought to the Floor of the House.

Mark Pritchard (The Wrekin) (Con): Will the Leader of the House make time for a debate on South America in general, not just Venezuela, given the lurch to the left in recent years in that country and in Bolivia? Moreover, there are nine other presidential elections in that region. Is he aware of the potential renationalisation of British Gas assets in Bolivia worth hundreds of millions of pounds, and does he share my concern at President Fidel Castro's instigating what he calls a crusade against capitalism, which will undermine British investments in the region?

Mr. Hoon: The hon. Gentleman is right to raise the subject of South America. It is an important part of the world, where significant events are not always well served, either by debates here or generally in the British media. I cannot offer an immediate prospect of an early debate, but I recognise that he raises an important matter that we should take very seriously.

Mr. Paul Truswell (Pudsey) (Lab): My right hon. Friend will be aware that the Commons Bill has made progress in another place and is due to come to this House shortly. It contains a number of important provisions and closes a loophole affecting the registration of town and village greens across the country, including my constituency. Given its importance for a number of current cases and applications, will he ensure that the Bill comes before the House at the earliest opportunity?

Mr. Hoon: I am grateful to my hon. Friend for raising that matter, which is important for towns and villages across the country. The provision of public spaces is of vital concern to our constituents. I certainly undertake to ensure that the Bill is dealt with speedily, as soon as we are in a position to do that.

Mrs. Maria Miller (Basingstoke) (Con): Will the Leader of the House join me in calling for a statement on the funding of local theatres next week? The Haymarket theatre in my constituency of Basingstoke is being threatened with having its Arts Council funding withdrawn. That would jeopardise its future, only eight months into a 36-month recovery plan. Will he make time for an urgent statement on the matter next week, so that we can get a commitment on Government support for theatre outside London, and ensure that the Arts Council's approach is constructive in all cases?

Mr. Hoon: As a thoroughgoing provincial, I entirely share the hon. Lady's concern about the need to support the theatre and other arts around the country. I cannot offer her the prospect of an urgent debate next week on the theatre in Basingstoke, but I suspect that she has made her point as she intended.

Mr. Fraser Kemp (Houghton and Washington, East) (Lab): I am sure that my right hon. Friend the Leader of the House will want to join me in welcoming this week's announcement of a knife amnesty, but will he also support the decision taken by the chief constables of many UK police forces to have an amnesty on airguns this year? My constituent Andrew Ross was shot in the head last year, and airguns have affected the lives of many of our constituents. Will he urge the Home Office to give the amnesty its full support? We need it to be successful, so that those dangerous weapons are taken off the streets.

Mr. Hoon: My hon. Friend has campaigned assiduously on this important matter, and I hope that he accepts that my right hon. Friend the Home Secretary takes the dangers posed by knives and airguns very seriously. The possession of such weapons is every bit as serious as their use, not least because unfortunately, people who take knives out with them tend to use them, with catastrophic consequences. The Government take the matter extremely seriously, and am grateful to my hon. Friend for raising it.

Mr. Peter Robinson (Belfast, East) (DUP): Will the Leader of the House find time for a debate on the review of public administration in Northern Ireland? We had a very short debate on it in Westminster Hall, when there was not even enough time for the Minister to reply. The issue is of critical importance for the future of Northern Ireland, and especially for the public bodies involved. If the right hon. Gentleman cannot find time for such a debate in the House, will he call a sitting of the Northern Ireland Grand Committee, preferably in Northern Ireland, to discuss the matter?

Mr. Hoon: The hon. Gentleman has raised this important issue for the people of Northern Ireland with me on a number of occasions. I assure him that my right hon. Friend the Secretary of State for Northern Ireland is keen to ensure that public bodies are able to discuss the full range of issues affecting the people there. The matter that he raises is part of that debate.

Mr. David Winnick (Walsall, North) (Lab): For reasons that I have never been able to understand, I have never been included in the list of the sexiest MPs. *[Interruption.]* As I say, the reasons are totally incomprehensible to me. However, I draw my right hon. Friend's attention to the fact that Labour Members are pleased that agreement has been reached in respect of the House of Commons cleaners employed by outside contractors. This is an issue that has been raised only by Labour Members, but now the cleaners are going to get a pay increase, with new sick pay and holiday pay arrangements implemented immediately. That is very good, but will my right hon. Friend do all he can to see that a proper pension scheme is negotiated, too? We receive pensions, so it is only right and proper that those who clean up after us do too. It is an important matter, very much connected to last night's 100th anniversary of the parliamentary Labour party. We continue to fight for social justice, as we have done for the cleaners.

Mr. Hoon: I suspect that my wisest course would be not to comment on my hon. Friend's first observation, but I am delighted that a difficult dispute has been settled. I am grateful to him and other hon. Members for raising an important issue, and it is right to ensure that those who serve us so well in this House, and in Parliament in general, are given appropriate recognition

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in their remuneration. In particular, we should recognise the importance of their pensions and other ancillary arrangements.

Mr. Greg Knight (East Yorkshire) (Con): Does the Leader of the House agree that today's main business is of considerable constitutional significance? That being so, should not part 1 of the Legislative and Regulatory Reform Bill be committed to a Committee of the Whole House? Why has he failed to make provision for that to happen?

Mr. Hoon: The right hon. Gentleman has written to me very recently on behalf of the Procedure Committee to make that point. I am still considering the matter.

Keith Vaz (Leicester, East) (Lab): Surely the shadow Leader of the House is right to say that we ought to have a debate on the Carter review, which is a fundamental review of the legal aid system? We need to look at the spending priorities of the former Lord Chancellor's Department, now the Department for Constitutional Affairs. When my right hon. Friend was a Minister in the Lord Chancellor's Department in 1997, £700,000 was spent on outside consultants. Last year, however, the Department spent £9 million on consultants. This week, my hon. Friend the Member for Cardiff, North (Julie Morgan) has raised the fact that there have been cuts of £3 million in specialist legal aid services. May we please have a debate on this very important subject?

Mr. Hoon: I have made it clear that I regard this as an important subject, but my hon. Friend has also dealt with the administration of the legal aid system, and will know that although it is important to ensure that it works effectively on behalf of those of our citizens who require legal assistance, we must also ensure that the system works effectively on behalf of taxpayers, who fund it very extensively. It is right to ensure the most effective delivery of legal aid; that is why we set such store by holding a review, and I anticipate that in due course there will be an opportunity for the matter to be discussed and debated on the Floor of the House.

Mr. Mike Weir (Angus) (SNP): The Leader of the House may not yet have had an opportunity to read this morning's edition of *The Herald*. Had he done so he would have seen, in an article headlined "Ofgem Could Stem Tidal Energy Flow", that a former Minister for Energy has raised concerns about Ofgem's attitude to renewable energy. May we have a debate on Ofgem's role, as many of us are worried that its policies are undermining renewable energy resources?

Mr. Hoon: There is a long list of newspapers that I have not read this morning, and the hon. Gentleman has mentioned one of them. However, I recognise the importance of this issue, and he is right to raise it. I am sure that there will opportunities to discuss it as part of a wider debate on energy policy.

Dan Norris (Wansdyke) (Lab): May we have an early debate on the impact of the Licensing Act 2003? I for one would very much want to be present for it, and would book my seat in advance, as I want to hear the Opposition having to eat their words.

Mr. Hoon: I recall that the right hon. Member for Maidenhead (Mrs. May) told the *Daily Mail* as recently as 24 November last year that the

> "'Government promised the measures would deliver staggered closing times, more power for local people and a reduction in alcohol related crime'",

and then said

> "'We now know that none of this is true'".

Perhaps, at a suitable early opportunity, she will be able to tell us just how right we were.

Ann Winterton (Congleton) (Con): I second the request by my right hon. Friend the shadow Leader of the House for a debate on NHS dentistry, which is in crisis and disappearing fast. May we have a specific debate, because a debate on the Adjournment on all NHS matters will mean that dentistry will hardly be raised? I have seen the new contract, which is prescriptive and bureaucratic, and I am not surprised that many dentists will not sign up. Does the Leader of the House recall that previous experiments, in which dentists have been employed directly by the state, with the NHS paying all expenses, have cost the country twice as much as continuing NHS dentists' practices?

Mr. Hoon: I will be here next Thursday and I am sure that the hon. Lady will have the opportunity to be here also. If she catches your eye, Mr. Speaker, she will have the chance to debate dentistry and the other aspects of the NHS that require discussion. However, I suspect that several of my right hon. and hon. Friends would point out the disaster that was dentistry under the last Conservative Government and make it clear that it has been the responsibility of this Government, since 1997, to ensure that the health service can move ahead. The hon. Lady will be able to make her points next Thursday.

Julie Morgan (Cardiff, North) (Lab): I would also welcome a debate on the Carter report. Would it be possible to have a debate about the protection given to people who have bought council flats, exercised their right to buy and have long leases? In Tongwynlais in my constituency, owner-occupier constituents face bills for thousands of pounds because Cardiff council has mended the roofs of the blocks of flats, even though the residents thought that the repairs were not necessary. They have been landed with huge bills. In one case, the person is considering selling his flat to pay for the liability. The landlord and tenant legislation is very convoluted, so may we have a debate on that important issue?

Mr. Hoon: My hon. Friend raises a wider question about the nature of shared ownership and the relevant legal provisions. I know from my constituency that that causes problems for those who have purchased former council accommodation. The Government take it seriously and I am grateful to her for raising the issue.

Mr. John Hayes (South Holland and The Deepings) (Con): May we have a debate on Government waste,

following the publication by the Taxpayers' Alliance of a book—I am sure that it is on your bedside table, Mr. Speaker—identifying what they claim is £82 billion of Government waste, including more than £800,000 on policing the street meeting held by Abu Hamza after his mosque was closed down and £150,000 spent on new art for the Home Office building? Such a debate would give us a chance to find out how much of the £21.5 billion of savings that the Gershon review identified the Government have actually recovered.

Mr. Hoon: The hon. Gentleman usually raises issues of general concern to the population, but before he relies on that report he might like to check on its provenance. The chairman of the organisation is a Tory councillor, one of the authors of the book is a Tory researcher and the other was a Tory candidate at the last election. That so-called objective report has been described by someone who would probably regard himself as a conservative commentator, Mr. Neil Collins of the *Evening Standard*, as

"playing fast and loose with the figures"

and as using examples of waste compiled over the last eight years, when it is supposed to be an annual report. Before citing such nonsense—and this report is nonsense almost from start to finish—the hon. Gentleman should have regard to the reality of Government spending. We have produced 32,500 more teachers, 86,000 more teaching assistants, 27,000 more doctors, 78,000 nurses and a record number of police officers. That report appears to suggest that none of that extra spending should have been made. The hon. Gentleman should check the Conservative party's position with the right hon. Member for Witney (Mr. Cameron), because it is not clear at the moment.

Rob Marris (Wolverhampton, South-West) (Lab): As a non-practising solicitor, I urge my right hon. Friend to have a debate on the Carter review of legal aid, but I caution him against having too early a debate. Legal aid is one of the pillars of our society. When the iron curtain came down, there were two main calls, one for parliamentary democracy and the other for the rule of law. One cannot have the rule of law without a proper legal aid system and I would not wish any changes to the present legal aid system, which is under some strain, to be rushed. Therefore, I caution my right hon. Friend against an early debate, although we should perhaps have a debate some time just before the summer recess.

Mr. Hoon: I am grateful to my hon. Friend, who puts the point in a more measured way than I have been able to do. I should note that this is the first time since I have been in this job that someone has asked for a later debate on a subject.

John Hemming (Birmingham, Yardley) (LD): We need at least two debates on the NHS, to discuss dentists and the purchaser parity adjustment. The phasing out of the purchaser parity adjustment will cost Birmingham £19 million next year, £28 million the year afterwards and £38 in the year after that. It will also affect the constituencies of other hon. Members, so we need an urgent debate on that issue.

Mr. Hoon: That subject also falls within the terms of the debate that I have announced for next week and the hon. Gentleman will be able to join in. Perhaps I will check that he is here next week to make his speech on that subject. I look forward to reading it.

Ms Sally Keeble (Northampton, North) (Lab): I have pressed my right hon. Friend previously about a case that has been held to be sub judice because the Crown Prosecution Service has not made a decision and the inquest could not be concluded. The CPS decided before Christmas that no prosecution would be pursued, but no date has been set for the resumed inquest because the file seems to have got stuck in the system. Does my right hon. Friend agree that it is outrageous that two years after the death of a young boy it should be impossible to hold the Government to account for what happened because of delays in the administration of justice?

Mr. Hoon: My hon. Friend has raised this issue on several previous occasions and I do not wish to test the patience of the House by repeating what I said on those occasions. It is always possible for hon. Members to raise issues in general terms, such as the delay and the time taken by an institution to resolve a problem. We should be careful about commenting on particular cases before they have reached a conclusion. Although my hon. Friend makes a reasonable point about that particular case, there would be difficulties if that approach were adopted generally for most cases. I know that my reply will disappoint my hon. Friend, as it has on previous occasions, but that is an important safeguard on issues that are sub judice. It may not always provide a proper reply as far as she is concerned, but it is right in general terms that we adopt that approach.

Sir George Young (North-West Hampshire) (Con): May I press the Leader of the House on the reply that he gave to my right hon. Friend the Member for Maidenhead (Mrs. May) about next year's local elections? He referred to a Government statement that said that he hoped and expected those elections to take place. Why cannot he say that they will take place?

Mr. Hoon: The right hon. Gentleman is always a model of fairness and clarity, but what I actually said, quoting my right hon. Friend the Minister of Communities and Local Government, was that we expect and intend those elections to take place. That is a clear statement and I do not intend to improve on it.

Paul Flynn (Newport, West) (Lab): The genuinely shocking news about the use of heroin by a nine-year-old is further proof that there has never been so much heroin on the streets of Britain at such a low price, in spite of the courageous and professional work by our soldiers in Afghanistan. Should we not have a debate and a vote on the deployment of further troops in the Helmand province in Afghanistan, as that is likely to be mission impossible? There is certainly a grave danger that local farmers will be driven into the hands of the Taliban and the lives of our troops will be put in grave peril.

Mr. Hoon: I entirely agree with my hon. Friend in raising that important issue and, indeed, in highlighting the prevalence of heroin use, particularly by very young children, but I am puzzled about his subsequent

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comments. Clearly, as my right hon. Friend the Secretary of State for Defence suggested when he announced the deployment to Helmand, part of the purpose is obviously to reduce lawlessness in that part of the world, particularly to reduce therefore the ability of those who trade in heroin to take advantage of that lawlessness. It is important in that process that we restrict the opportunity of the Taliban to continue with their appalling terrorism, but that is part of the wider process of ensuring that an elected Government in Kabul have the ability to control the whole of Afghanistan, with necessary benefits not only to the people of Afghanistan but, as my hon. Friend was also implying, to the people of Europe, who suffer so much from the trade in heroin.

Dr. William McCrea (South Antrim) (DUP): As the Leader of the House used Government time yesterday to ensure that over £500,000 would go into the hands of those who do not come to the House—I am speaking about Sinn Fein-IRA—will he use Government time to allow those of us who do come to the House to debate the issues that affect our constituents and to hold direct rule Ministers to book, whether in respect of health, education or other issues?

Mr. Hoon: There are clearly opportunities for the hon. Gentleman, who is assiduous in the use of parliamentary time, to hold Ministers not to book, but to account, which is obviously what he does very successfully. There are opportunities during Northern Ireland questions to raise such issues, and I am sure that he will take full advantage of them.

Mr. Bob Blizzard (Waveney) (Lab): My right hon. Friend may have heard this morning's announcement that Unilever is to sell off its Birds Eye frozen food industry across Europe, including the factory in Lowestoft, where 800 people work—a big slice of our local economy. The Lowestoft food factory is one of the most efficient and productive in the country. It received factory of the year and manufacturer of the year awards last year. It should therefore be an attractive part of the business for a new buyer. Does my right hon. Friend agree that it is time to stress the positive attributes of Lowestoft? Will he ensure that the Government and the East of England Development Agency do all that they can to encourage prospective buyers? May we hold a debate on food processing in this country, so that we can understand what is going on in that industry?

Mr. Hoon: As someone who has been a fairly regular visitor to my hon. Friend's constituency, I know what a thriving and vital place Lowestoft is and the importance of that factory to the local economy. An early resolution is essential, given the obvious uncertainty that the announcement must have caused the people of Lowestoft. I am sure that my right hon. Friend the Secretary of State for Trade and Industry would be willing to see my hon. Friend to discuss these matters and to find out what help the Government can provide.

Mr. David Evennett (Bexleyheath and Crayford) (Con): There are real concerns across London about health, education, the environment, transport and how the Government have failed to deal with those issues for the capital. Will the Leader of the House therefore find time to hold a general debate on London issues on the Floor of the House in the near future?

Mr. Hoon: I will certainly add the hon. Gentleman's suggestion to the long list of other suggestions that I have received. I recognise the importance of London, but I do not entirely recognise his description. The Government have provided significant support to the people of London, to its infrastructure and to ensure the effective delivery of public services in our capital city.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): As chair of the parliamentary group of the Transport and General Workers Union, I congratulate my right hon. Friend and all those involved on bringing about a satisfactory conclusion to the cleaners' dispute, but does he agree that low-paid workers and more vulnerable workers are also concerned about the ever-rising cost of energy? He may be aware that British Gas has trailed in the press a price increase of up to 25 per cent. That will cause tremendous concern among low-paid workers, pensioners and businesses. Will he arrange time in the House for a debate on those proposed increases, so that we can investigate the reasons behind them?

Mr. Hoon: I am grateful to my hon. Friend for referring to the resolution of the dispute involving our cleaners. He has played a significant role in that process and I congratulate him on his efforts. It is important that the House continues to debate the wider issues of energy. We have recently held debates on energy. It is obviously a matter of great concern, particularly to the poorest members of our society, that energy price increases might significantly affect their ability to enjoy other aspects of their lives. That is obviously part of the wider Government commitment to ensure that we use our energy efficiently and effectively—something that the Government take extremely seriously.

Bob Spink (Castle Point) (Con): May we have a debate that is dedicated exclusively to cancer care, so that we can address cancer patients' access to the most effective and appropriate drug treatments, such as Herceptin, so that we can tackle the postcode prescribing lottery and so that Essex MPs can ensure that we save our excellent cancer centre at Southend-on-Sea hospital?

Mr. Hoon: The hon. Gentleman is right to raise that important issue, which affects every family throughout the country. The Government have given a great deal of priority to cancer care. I hope that he will forgive me if I do not refer directly to Herceptin. As two judicial reviews are under way, it would not be right for me to make any observation about those cases at this stage. However, I absolutely assure the hon. Gentleman that the Government know that cancer care is vital. We have put enormous extra resources into cancer care, and I am delighted that that extra money is having some effect in improving the care of and results for those who suffer from that dreadful disease.

Several hon. Members *rose—*

Mr. Speaker: Order.

Child Support Agency

12.16 pm

The Secretary of State for Work and Pensions (Mr. John Hutton): With permission, Mr. Speaker, I should like to make a statement on the future of the Child Support Agency.

The previous Administration established the Child Support Agency because the system of collecting maintenance through the courts had lost the confidence of parents. That was the right decision to make. Different courts applied different criteria, resulting in widely differing settlements for families in similar situations. Too often, cases took months to come to court. Enforcement was difficult and costly.

The Child Support Agency was designed to provide better support to children and families, by making sure that parental responsibilities were properly enforced. Those were the right foundations upon which to build the new agency, and it is why the Child Support Act 1991 enjoyed widespread support. But as we know, over the years, those good intentions have not been translated into good performance. When we came to office, the agency was still costing more to run than it collected in maintenance and taking longer to process claims than the courts.

The Child Support, Pensions and Social Security Act 2000 made important changes. Maintenance calculations were simplified. For the first time, parents on benefits could keep up to £10 of the maintenance that they received. Tougher enforcement measures were introduced.

The performance of the agency has improved. It has nearly doubled the number of children receiving maintenance payments. About £600 million of maintenance will be collected this year—twice the level of 1997. That improved performance is a credit to the hard work of the agency staff, who are doing a good job in very difficult circumstances. They have had to cope with a great deal of criticism—much of it unfair—and I want to place firmly on the record today my appreciation of their commitment and dedication. Notwithstanding the efforts of its staff, the performance of the agency remains unacceptable.

The agency currently manages 1.5 million cases. Of the 670,000 cases assessed as having a positive maintenance liability, just over 400,000 parents with care are actually receiving any payment via the collection service or have a Maintenance Direct arrangement in place. There is a backlog of over 300,000 cases. Despite having collected £4.5 billion in maintenance, more than £3 billion of debt has also built up, and it has already cost the taxpayer well over £3 billion to administer.

Only 30 per cent. of lone parents receive any maintenance. Less than 15 per cent. of lone parents on benefit receive any maintenance through the CSA. There is little evidence to suggest that outcomes are any better than under the court system that it replaced. That is why, last April, my right hon. Friend the Member for Kingston upon Hull, West and Hessle (Alan Johnson), now the Secretary of State for Trade and Industry, asked the new chief executive of the CSA to undertake a review of the agency's operations. Today I am publishing his recommendations on my Department's website.

The review recommended a restructuring of the agency's operation to increase productivity and performance. It proposed a plan that included migration and conversion, new legislative powers to write off debt and close cases and the greater use of outsourcing to support the removal of backlogs and collect debt. The plan required an additional £300 million of public money over the next three years, over and above the agency's £400 million a year current budget.

Even if the plan were fully implemented, however, at the end of the three-year period only half of lone parents would receive maintenance, only one third of lone parents on benefit would receive any money, and although more parents would receive maintenance, about half those assessed would be eligible to receive only £5 or less per week. In those circumstances, I do not believe that it would be right to commit £300 million of additional public money in that way.

As we all know, the CSA deals with many of the most difficult cases. In one in five cases the parents have never lived together; 5 per cent. question paternity; half of absent parents have no contact at all with their children; about 15 per cent. have links to other cases—often more than one; and 70 per cent. of new applicants are on benefit and thus have no choice but to use the CSA.

Given that complexity, we should be suspicious of simple solutions, because there are none. Walking away is not the answer, nor is handing over wholesale the work of the CSA, in its existing structure, to another Department. More than 500,000 children currently benefit from maintenance payments collected through the CSA and we must ensure that that continues, but it is time for fundamental change.

Having had an opportunity to consider the matter over the past three months, I have concluded that neither the agency nor the policy is fit for purpose. I have, therefore, asked Sir David Henshaw—a distinguished public servant—to redesign completely our system of child support. The primary objective must be to ensure the welfare of children. Sir David will set out both the policy and the operational structure needed to achieve that. He will need to consider how best to ensure that parents meet their responsibilities to their children, while minimising the cost to the taxpayer.

In undertaking his task, Sir David will need to address several difficult choices and questions. What support and advice can be given to help parents reach a fair solution as to how best to support their children if their relationship breaks down? Can we find a more cost-effective way of ensuring that children get maintenance payments? What is the right balance between enforcing responsibilities and getting more money to children and value for the taxpayer? Should benefit claimants be forced to use the agency even if they have informal arrangements in place? Should the Government continue to chase cases where the parents have decided to get back together again and restart their relationship? In some instances, the agency is chasing cases where the end result will be recycling money in the same household, with no benefit whatever to the child.

[Mr. John Hutton]

There will be an opportunity for all those in the House and beyond to make their views known to Sir David and his team. He will seek the widest possible involvement in his work. Just as the original proposals commanded widespread cross-party endorsement, my ambition is to ensure that the new framework enjoys similar support. I have asked Sir David to deliver his findings to me before the summer recess, and today I have placed in the Library copies of the terms of reference for his work, which have been drawn as widely as possible to allow all options for reform to be considered fully.

The Government have a clear responsibility to those already using the agency to ensure that it delivers for children and parents, so today I am publishing proposals that will help to stabilise and improve the performance of the agency in the short term. The plan will make more effective use of current enforcement powers, improve the productivity and effectiveness of the new IT system and increase debt recovery. I am thus making available from the Department's existing resources investment of up to £90 million over the next three years, to support that short-term recovery.

That investment will of course be subject to review in the light of Sir David's work and the achievement of agreed milestones. In addition, I am making available a further £30 million to contract out some of the agency's debt recovery. I expect that to result in a substantially increased recovery of the current debt owed to parents with care.

The CSA will take quicker and firmer action against those who default on payment. Supported by changes to secondary legislation, we will increase the use and effectiveness of deduction from earnings orders. The CSA will also be able to make more progress in clearing up the growing backlog of cases, and we will draw on data held by credit reference agencies to help speed up enforcement. I will consider tougher enforcement measures that require primary legislation, but they will need to be addressed as part of the redesigned child support system. That extra investment will mean that by 2008 we will improve compliance rates, ensure that 200,000 more children benefit from maintenance payments, be on track to help lift an additional 40,000 children out of poverty and see a significant increase in the number of parents receiving the child maintenance premium.

Given the considerable cost and risks involved, the stabilisation and improvement plan will stop short of converting all the old scheme cases to the new scheme. I know that conversion is of concern to many Members—rightly so—and I have asked Sir David to consider it as part of the redesign of the child support system. We must come to a decision on the right way forward as soon as possible.

I believe that Members on both sides of the House continue to support the original objectives of the Child Support Agency. The measures that I am announcing today are an important step towards improving the current arrangements and, critically, putting in place the foundations for a system of child support that will have a better chance of meeting those original objectives.

As we all know, relationships come to an end, but responsibilities do not. I know that every Member of the House will want to make sure that that fundamental truth underpins any new arrangements.

I commend the statement to the House.

Mr. Philip Hammond (Runnymede and Weybridge) (Con): I welcome the Secretary of State's decision to publish the internal review of the problems at the CSA—something for which we have been pressing since he received it.

Obviously, we have not yet had a chance to study the report, which I understand will soon appear on the Department's website, but on the back of it the Secretary of State has concluded that the present structure of the CSA cannot be made to work and this morning he has set out his plans for what amounts to a further review—no matter what he may choose to call it—of the system for assessing and collecting child maintenance payments.

Although the decision to redesign the system from scratch may be the right one, the truth is that the Government must accept responsibility for the lamentable failure to get to grips with the problem much, much earlier. That is not a criticism of the Secretary of State—he has been in his post for only three months and nobody could criticise the speed with which he has dealt with a report that landed in his in-tray only just before Christmas; but it is a criticism of the Government and the failure of political leadership at the Department for Work and Pensions over a long period, as successive short-lived Secretaries of State played revolving doors, without engaging with the fundamental problems that were self-evident to every Member of the House, because we have to deal with them every week in our constituency surgeries. The problems are evident to many of the parents who have to engage with the system and were evident more than a year ago to the Select Committee on Work and Pensions, which called for action in its report of January 2005.

The CSA's track record is not a happy one. The new computerised system that the Government introduced in 1999, in which they "invested" £0.5 billion of taxpayers' money, was two years late getting started and has never worked properly. Now the Secretary of State is writing it off.

While the Government fiddled around with the problem, 330,000 applications for child maintenance piled up, unprocessed due to the IT and management problems in the agency—330,000 single mums going without the financial support they need and to which they are entitled. The Government have failed them.

Some 920,000 cases have remained on the old assessment system, which has left parents who were promised a rapid transfer to the new system worse off and unfairly treated in comparison with new claimants. The Government have failed those parents. Some £3.3 billion of arrears have been allowed to accumulate, while the agency's enforcement unit last year managed to collect just £8 million at a cost of £12 million. That was less than £1 collected for every £40,000 outstanding. The money is owed to single-parent families, but the agency has made no effective attempt to collect it. The Government have failed those families, too. Complaints

have risen by 30 per cent. over a year, and face-to-face contact between agency staff and parents has halved since 1997. Compliance under the new system has dropped to 61 per cent.

In the face of such a catalogue of evidence, the Secretary of State's predecessor asked the chief executive of the agency to examine not the fundamental design of the system, but the internal workings of the agency. Now that the Secretary of State is dropping that internal report in the wastepaper basket, it looks like the wrong question was asked of the wrong man. That has created an additional nine months' delay to eventual reform—nine months in which chaos and injustice continues.

Some have suggested that the CSA should simply be handed lock, stock and barrel to Her Majesty's Revenue and Customs. While I and, I am sure, the Secretary of State would not want to rule out a future role for the tax authorities in an alternative system, does he agree that it would be completely inappropriate to suggest that HMRC should take over the present system? Does he agree that such a move would effectively transfer the burden to employers under the pay-as-you-earn system, and that it would compromise the Revenue's core functions, not to mention its ongoing struggle to sort out the problems in the tax credits system?

Will the Secretary of State confirm that the new enforcement powers that he announced will be used against only seriously non-compliant absent parents? Conservative Members will support greater powers to track down and deal with parents who try to dodge their responsibilities to their children. We welcome the use of private debt collectors, which will be an effective step, but such greater intrusion into people's private lives can be justified only when there is serious non-compliance, so I urge him to ensure that it does not become part of the routine process at the front end when dealing with applications.

The Secretary of State told the House that the terms of reference for the belated review will be to redesign completely the child support system. Will he confirm that, whether or not much cash is raised in individual cases, he still believes in the principle that every parent should contribute something towards the maintenance of his or her child? That principle, on which the CSA was founded, was—and remains—important, so it should not be lost in the redesign of the system.

The Australian child support agency is often cited as a model and has many features to commend it, but in Australia, nearly all parents use the agency when families split up. In this country, the majority of families make entirely private arrangements. Will the Secretary of State confirm that the Government remain of the view that voluntary arrangements are to be preferred when it is possible to make them and that the state should get involved only when it is not?

Will the Secretary of State discuss with the Secretary of State for Education and Skills whether Sir David's remit should include an examination of the impact of decisions about access, which are managed by CAFCASS—the Children and Family Court Advisory and Support Service—on the operation of the child maintenance system—and, indeed, vice versa? There was a report in some of the media this morning that the public sector unions have been given a promise that the CSA will not be broken up. Will he categorically confirm that no such undertaking has been given? Will he tell the House the lessons that he has drawn from the IT disaster in the CSA, which deals with 1.5 million cases, that he can share with his Cabinet colleagues before they ask the House next week to commit to an IT system that would have to deal with 60 million people?

The action that the Secretary of State has announced to address the crisis in the child support system is certainly too late. Let us now all work together to ensure that it does not turn out to be too little. We will continue our work on child support and seek, with his agreement, the opportunity to feed that work into Sir David's review.

There are grounds for optimism. It is possible to run a workable child support system because international experience tells us so. However, for parents who receive CSA payments, this will be a time of uncertainty and anxiety as they face the prospect of further turmoil and change. We owe it to them, as well as the many hundreds of thousands of parents for whom the CSA is not delivering, to ensure that we move forward as rapidly as possible with clarity and, hopefully, consensus on how best to deliver a simple and effective system for the 21st century.

Mr. Hutton: I welcome the hon. Gentleman's support for the work that Sir David Henshaw will initiate to help us to redesign a more cost-efficient and effective child support system. I make it clear to all hon. Members, as I have made it clear to the hon. Gentleman, that their views will be welcomed, and I am sure that Sir David will want to follow that up.

It is not true that there have been no improvements at all to the operation of the Child Support Agency since 1997. It has improved in several key areas, but I have not come to the House to say that the agency's performance is acceptable—quite the opposite. We have to move beyond that now, so I am not going to quibble about the statistics that the hon. Gentleman cites, which are right. The agency's performance has simply not been good enough. My predecessors worked hard to try to make the CSA work, but it cannot work. Rather than investing more money in it, let us design a sensible new system to replace it. I agree that it would make no sense to transfer the CSA's existing functions to any other Government Department or agency, including HMRC, given the CSA's range of functions, which other Departments clearly would have no expertise—or legal basis—to perform.

Clearly, the new enforcement powers will need to be focused on non-compliant parents or used if there is a risk that a parent will become non-compliant. I do not believe that the right way to solve the problems would be to construct a mini-dictatorship at the centre of Government—absolutely not. However, we have a responsibility.The hon. Gentleman asked whether I thought that every parent should contribute—yes, absolutely.

We must be prepared to take some of the decisions that I have suggested that we should take to give the CSA the tools that it needs to do its job. I know that many hon. Members have had the same experience as me when talking to people in the CSA. They often say that they are fighting the war—that is what it feels like

[Mr. Hutton]

to them—of getting absent parents to pay what they should be paying for their children with one arm tied behind their back. We cannot ignore that any longer, so we have to get tough, which is what I propose that we should do with non-compliant parents. I hope that Opposition Members will lend their support to measures to achieve that.

Of course voluntary arrangements are to be preferred and it would be an immensely good and important step forward if they were in place for more parents. Sadly, as we all know from our constituency work, relationships that break up often do so in turmoil and involve a lot of emotional upset. It is thus not always possible for such agreements to be reached, so I remain convinced that we will continue to need a strong and effective system to ensure that maintenance is paid when relationships break up. We do not have such a system now, so we must address that problem.

It is true that the CSA needs to focus on its existing responsibilities. The stabilisation plan will allow it to do that and there is no question whatsoever—I hope that this is clear—of us, or anyone else, backing away from giving the CSA in its present form all the support that it needs to ensure that non-compliant parents meet their financial responsibilities to their families.

Mr. Frank Field (Birkenhead) (Lab): I thank the Secretary of State for the most honest statement about the CSA that we have heard from the Treasury Bench for many a long year, but I suggest that one aspect of his statement that will cause disquiet on both sides of the House is the question of what we can do for those whose cases are trapped on the old system—the hundreds of thousands of people who are paying nothing and who should be making a modest contribution, and those who are paying substantially more than Parliament said they should be paying from 2003. My guess is that his staff have told him that it is impossible to do much to transfer those cases to the new computer. To test whether that advice is correct, will he and Lord Hunt—the Minister in charge of the CSA—spend a day in the office with staff and see whether, in fact, they can start to transfer those cases to the new system?

Mr. Hutton: I am grateful to my right hon. Friend for his words. We have a major problem in converting cases from the old scheme to the new one and I shall not pretend that we have solved that problem. Clearly, we have not. The advice that I have received is that we cannot make those transfers easily. That is a significant problem, especially in relation to the payment of the child maintenance premium. A clerical operation in which we went through all 900,000 such cases would be required to make those payments. My right hon. Friend is right to say that that is where we must focus our immediate concern. Sir David Henshaw will have to examine the problem as part of his redesign work, and I hope that we will shortly be able to come to the House to deal with that question.

Mr. David Laws (Yeovil) (LD): I thank the Secretary of State for advance notice of his statement. He knows that, where we agree with him on policy issues, we are not afraid to say so, but today I wish to express the anger of many of our constituents about the ongoing failures at the CSA and the Government's ongoing inability to put in place a clear set of policies for its reform. The Government have been talking about dealing with the CSA since coming to office in 1997. The Prime Minister said in 1998 that urgent reform was needed, but we still await a clear decision by the Government on what that urgent reform will be—and that is no clearer today, after the statement.

Does the Secretary of State accept that what we have in this country is the most inefficient child support agency in the world and that, even though CSA staff are doing a difficult job, the standard of performance is not acceptable? Does he also accept that it is shambolic and absurd that after a one-year review, we are to have another review, which will take a further six or nine months to reach a conclusion? What on earth have his Department and his predecessors been doing since the Select Committee reported in January 2005 and called for his Department to put in place an alternative set of policies? Why is he having to brief newspapers today that he is going back to the drawing board, that he has a blank sheet of paper and that, as he said in his statement, all the options for reform are open? Why is that the position when a review has been going on for the past year? Why has that review not reached a conclusion? Is the problem that the Secretary of State believes that the CSA should be transferred to the Inland Revenue but does not have the agreement of other parts of the Government?

Why, in spite of the recommendations that the Select Committee made a year ago, have the reductions in back office and support staff at the CSA continued for the past year? What is the magnitude of those cuts and have they contributed to the fact that there is now an absurd delay of 470 days in processing outstanding unprocessed new claims? Does the Secretary of State agree that that is wholly unacceptable? When, under his new proposals, will that 470 days be reduced to the 42 days that used to be the Government target? What has happened to the gimmick of tagging about which we heard so much two or three weeks ago, but which was not mentioned today? Has that idea been totally rejected?

I accept that the Secretary of State inherited a mess from his numerous predecessors, who failed to act in respect of the CSA. I accept also that, in so far as one can establish his direction of travel, he is edging in the right direction today. It is tempting to feel sorry for him, given the position in which he finds himself, but most of us feel much sorrier for the people who have suffered for too long as a consequence of the agency's failures. Today, those people were expecting action and fundamental reform but instead they have got patching and another review. Does he accept that that will not be satisfactory to most people?

Mr. Hutton: I am not asking for the hon. Gentleman's sympathy. I am asking for his support to solve the problems. He can carry on dancing around, as he has today and on previous occasions, hinting at his wisdom, knowledge and superior assessment of the problem, but the fact is that he does not have a sensible policy to offer. There is a golden rule in this House: it is best not to throw those kinds of stones from a position of total intellectual bankruptcy. His policy is not a sensible one.

I am happy to help him out of his predicament: he should help us and work with Sir David Henshaw to achieve a resolution.

I do not want to get party political—[HON. MEMBERS: "Go on."] All right then, I will. It is fashionable to accuse the Liberal Democrats of flip-flop but that accusation is proper in relation to their policy on child support arrangements. The hon. Gentleman has gone from supporting a return to the courts to transferring the CSA to the Inland Revenue, but both policies are risible.

I have made it clear today that the CSA's performance is not acceptable. Of course that is the Government's responsibility—there is no one but us to stand here and defend the agency's performance and that performance has not been good enough. Now, we have to engage with the fundamental issues and put in place the foundations of a more acceptable solution. However, as I said in response to the hon. Member for Runnymede and Weybridge (Mr. Hammond) it is simply not true to say that nothing has been done in the past eight years. We now have a much better formula in place and performance in key areas of the CSA has improved, but I shall not trade statistics on inadequate performance with the Opposition spokesmen, because the truth is there for all to see.

There has been no reduction in CSA staff—the hon. Member for Yeovil (Mr. Laws) is quite wrong. It is clear in the plan that I published today that additional staff will be recruited to ensure that we make progress on the backlog and shift the focus from the back office to enforcement and debt collection to make absent parents who are not paying fulfil their responsibilities to their children.

Mr. Dennis Skinner (Bolsover) (Lab): The CSA was born during those grey Major years—uninspiring and unworkable and within three years, I and a few other Labour Members voted to scrap it. I am the first to acknowledge that when we did so, we—my right hon. Friend the Member for Birkenhead (Mr. Field) and I—did not have a joint answer to the problem, but we knew that the agency might not work. Several attempts have been made to solve the problems, including a recent one, which also failed. Today, I am pleased that an effort is being made to start afresh. If there is to be a fresh, blank, white sheet of paper, that is good. I hope that we are going get away from that uninspiring proposition that came out of those grey Major years and do something that saves the situation for millions of people in Britain.

Mr. Hutton: I am grateful to my hon. Friend for his support. As he says, it is time to get serious and design a proper, more cost-efficient system. I suspect that some of the Labour Members and people outside the House who supported the creation of the CSA were concerned about the real motivation of its creators. Was the aim to help families or to save benefit? We can now afford to leave that behind us as we focus on designing a new system and I look forward to my hon. Friend's support during that process.

Alistair Burt (North-East Bedfordshire) (Con): I appreciate more than many the difficulties that face the Secretary of State and Lord Hunt, the Minister responsible for the CSA. There was a collective failure in the House to scrutinise the original proposals and intentions, and since then there has been a collective failure to breathe life into a corpse. No matter how hard agency staff have tried, I agree with the bottom line suggested by the Secretary of State, that perhaps the agency has reached the end of its days and something radical is needed.

Will the Secretary of State confirm that, although he has given Sir David Henshaw proposals for practical development, he will have some policy input in setting *parameters for the review on key policy areas* such as maintaining the link between parents and children, and perhaps also in differentiating more effectively between the deliberate non-payers, who have always been a problem under every system, and those who voluntarily want to maintain contact? Will he—

Mr. Deputy Speaker (Sir Michael Lord): Order. That is sufficient.

Mr. Hutton: I am grateful to the hon. Gentleman for his candour and honesty. He worked very hard to make the CSA work, but he experienced exactly the same problems that we have experienced. I therefore welcome his comments. I am sure that he will have something to contribute to the work of Sir David Henshaw's team.

Tony Lloyd (Manchester, Central) (Lab): I, too, strongly welcome my right hon. Friend's honesty with the House, as it shows that we are determined to achieve proper solutions. There are two groups of people. One group is trapped under the old system, to which my right hon. Friend the Member for Birkenhead (Mr. Field) referred, and the other group is simply receiving nothing at all. For some of our constituents, there is no justice at the moment so, in the short term, would it be possible to provide rough justice to achieve solutions that are not necessarily elegant or perfectly bureaucratic solutions but which will simply make sure that money goes to the families who deserve it?

Mr. Hutton: I agree. My hon. Friend will have a chance to look at the detailed plan published by the chief executive of the CSA today. In crude but simple terms, over the next two or three years, the CSA will focus on doing exactly what my hon. Friend said. Its priority should be to make sure that more parents receive more maintenance from absent parents more regularly, and the plans that Stephen Geraghty has set out will help it to do so.

Mr. Mike Weir (Angus) (SNP): The one big disappointment for many people in the statement is the lack of action on migration, which causes people more heartache than anything else in the system. The Minister said that £90 million will be made available over three years for the stabilisation scheme. Does he think that it will be another three years before the Henshaw review is put into effect, so that it will be six years before the new system is introduced? People will still be on different systems which, as I said, causes much anguish. If the new system is to receive public backing, it must be a fair one that treats everyone the same. On debt recovery, if the right hon. Gentleman is going to use private debt collectors, can he assure us that there will be strict monitoring of their effectiveness and, importantly,

[Mr. Mike Weir]

the methods that they use to recover payment, as the industry has more than its fair share of shady characters?

Mr. Hutton: Of course there is migration from the old scheme to the new one. Conversion is a different issue. The chief executive has looked at it in depth and made his recommendations to Government, but the cost of making conversion a practical reality will run into hundreds of millions of pounds. We must therefore make the position clear, as it is an important issue for Sir David Henshaw's team to consider so that, as I told my right hon. Friend the Member for Birkenhead (Mr. Field), it can return quickly with suggestions for more sensible arrangements. As for bailiffs, we must work properly, fairly and reasonably, and I am sure that the CSA will. I have no qualms whatsoever about allowing non-compliant absent parents who do not pay up to hear the knock on the door from the bailiffs saying it is time to pay up. I hope that the hon. Gentleman supports that.

Vera Baird (Redcar) (Lab): It is important to acknowledge the professionalism of the CSA staff who, for years, have tried to make the system work, particularly when the IT repeatedly failed. They must have dealt with crowds of anguished and angry parents on the telephone. Their morale is low now and it may not have been elevated by my right hon. Friend's announcement. What reassurance can he give CSA workers about their jobs and what can he do in the relatively short term to try to improve their low morale?

Mr. Hutton: I agree that that should be one of our top priorities. I can only repeat what I have found when I have visited CSA offices. The staff want the system to work and the single biggest reason why morale is low is that it is simply not doing so. They want to find a way to change that. In the short term, the stabilisation plan published by the chief executive, which I support, will result in significant additional investment in the CSA, including additional staff. However, it will be a difficult job to manage, which is why I intend to give my full support to the chief executive for his work to make sure that the CSA delivers the job that Parliament has asked it to do. I hope that hon. Members on both sides of the House will lend him their support too.

Angela Watkinson (Upminster) (Con): The Secretary of State rightly focused on the backlog of unheard cases and those of non-compliant absent parents. Will he give serious consideration to the way in which we could help another group—compliant absent parents, who often pay so much that they do not have money to keep a roof over their own heads? Sometimes, they are paying money to a former partner who is now in favourable financial circumstances and withholding access to the children.

Mr. Hutton: It is always possible for someone in those circumstances to seek a reassessment under existing legislation. I have not announced any changes to that today. The hon. Lady may have dealt with specific cases in her constituency, and she is welcome to bring them to our attention, but our focus and priority must be the children. We must find a sensible way of doing what she, I am sure, wants and what I want. We must balance those responsibilities to make sure that children are not the losers because I am afraid that, far too often, they are.

Mr. Wayne David (Caerphilly) (Lab): I thank the Minister both for his statement and for the frankness that he displayed. When the redesign of the agency is carried out, will models used in other European countries be taken into account?

Mr. Hutton: Yes, I think that Sir David should be free to consider all the available options that could contribute to the design of a more cost-effective and cost-efficient system.

Mr. Mark Francois (Rayleigh) (Con): I agree that, given the myriad problems with tax credits, the solution is not to pass the buck to HMRC. I do not think that that would work. Like many hon. Members, I have seen single mothers in tears in my surgery because they are frustrated with the weaknesses of the system. We must do better. My personal view is that the agency is irretrievably broken but, given that the Department has already had months, if not longer, to review the problem and that the Secretary of State's answer is essentially that there will be yet another review, is there anything more positive that he can offer parents who are suffering under the broken system?

Mr. Hutton: The hon. Gentleman will need time to study the detail of the plan that was published today, as it contains a series of measures that will make a significant difference to the performance of the CSA, including for his own constituents. May I make it clear that we have not announced another review today? We have announced a redesign of the current system. We are not reviewing the Child Support Agency. I agree that we need to move on, so we have announced that, in the next four to five months, Sir David Henshaw will redesign the essential parts of the child support system. I hope that we can then take the next steps and make sure that we can legislate to create that new system.

Liz Blackman (Erewash) (Lab): Is my right hon. Friend satisfied that the extra capacity to deliver improved performance in the next few years is available, and is he confident that it can be drafted in speedily so that all our constituents can experience improvements in the interim before the redesign takes place?

Mr. Hutton: I have every confidence that the new chief executive of the CSA and his management team will deliver the stabilisation and improvement plan that I have announced. Clearly, however, it is something in which my colleagues in the Department for Work and Pensions and I will take a close interest.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): Will the Minister reply to the question that my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond) asked about CAFCASS? May I point out, too, a mistake that the Minister may have made in the statement? He said that relationships, as we all know,

come to an end. That may be a future Labour policy, but in my experience, more relationships endure than end, so could he correct that statement?

Mr. Hutton: Of course I do not want relationships to come to an end, but they do. The job of the Child Support Agency, often in very difficult circumstances, is to try and sort out the mess. It is our job collectively in the House, and specifically mine as Secretary of State, to make sure that we have in place a proper cost-effective and efficient system for dealing with hard cases. My whole argument today is that we do not have that system in place, after many years of effort. All of us must get on, do the work and put a better system in place.

Rob Marris (Wolverhampton, South-West) (Lab): I am heartened that one year after the Select Committee produced its report—as a member of the Select Committee, I was pleased to draft some of it—we are moving on and that my right hon. Friend is indeed talking about redesigning the Child Support Agency, because it has failed. That seems to be the conclusion of the new chief executive in his report, when he wanted so much money.

Can my right hon. Friend reassure me about two things in the interim? First, he spoke today about the huge cost of migration of old cases to the new system. Is EDS, the computer supply company, to be sued for that? Secondly, as an interim measure, will he address the issue that we found when we looked into the CSA—that too many staff were engaged in calculation, leaving none doing enforcement, so that enforcement always took the back seat? Will there be a division now, not after the redesign comes in, to ring-fence some enforcement staff?

Mr. Hutton: Yes, very specifically, in answer to my hon. Friend's last point. The chief executive is looking to redeploy resources significantly inside the CSA, so by the end of the period one in five staff in the CSA will be working in the area of enforcement. That will be a significant change. On my hon. Friend's point about conversion from old scheme to new scheme, it is true that that has been beset by IT problems from the beginning. We have reached a settlement of those disputes with EDS so we are not planning any litigation, but clearly the IT system across the CSA needs to improve very quickly indeed.

Mr. Peter Bone (Wellingborough) (Con): At the start, I welcomed the Secretary of State's statement, but I am getting more and more concerned as I listen to his replies. He said in his statement that Sir David's terms of reference would be drawn widely, yet at the Dispatch Box the right hon. Gentleman has already rejected the idea of going back to the court system and transferring to the Revenue. Is there anything else that he has ruled out?

Mr. Hutton: The hon. Gentleman will have to pay more attention to these proceedings. It was suggested by some on the Opposition Benches and some on the Government Benches that we should transfer all the existing functions to HMRC, and I have said that that makes no sense at all. It is not a serious proposition. The hon. Gentleman will have a chance to study the terms of reference that we published today, and he will find that it makes clear, as I have made clear in my answers, that Sir David Henshaw will able to consider all the options for a more cost-efficient child support system for the future.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. We must move on to other business. We now come to another statement.

Offender Management

1.3 pm

The Secretary of State for the Home Department (Mr. Charles Clarke): With permission, Mr. Deputy Speaker, I should like to make a statement.

I am publishing today a five-year strategy for protecting the public and reducing reoffending. I believe that most people want three main things from the criminal justice system. They want to see justice done, with people who commit crimes getting caught and punished. They want to be protected from dangerous people so that they can walk the streets without fear. They want a system that gets people back on the straight and narrow, so that time spent in the criminal justice system stops reoffending, rather than just acting as a brief interlude in a life of crime.

More than half of all crime in this country is committed by people who have been through the criminal justice system. Prison does not work in stopping reoffending. The strategy that I am publishing today is designed to meet the challenge of reducing reoffending. I begin with our first duty, which is to protect the public.

The recent record of prisons is good, with no category A escapes since 1996. The best way to keep the public safe from violent and dangerous people is to keep them in prison for as long as is necessary and to improve the way offenders are supervised in the community. The new indeterminate sentence for public protection will mean that seriously dangerous offenders will not be released until the Parole Board assesses that it is safe to do so, which in some cases could be never.

We will do more to protect the public from all offenders who are still assessed as being dangerous. Through the multi-agency public protection arrangements, offender managers will be required to work with all agencies, including the police, to supervise dangerous offenders closely and send them back to prison if necessary. We anticipate bringing forward, as soon as parliamentary time allows, mental health legislation that will improve public protection, while respecting individual rights. Our second and third duties are to punish and to rehabilitate offenders.

The argument that I wish to make today is that prison is only one way of punishing offenders, and that it is best for the most serious offenders, particularly those who are dangerous. However, there are better punishment regimes for others. In particular, properly organised community sentences can be a powerful, effective and tough punishment that offers the best chance of stopping offenders offending again.

I recognise that community sentences need to win the confidence of sentencers, local communities and, most important, the public. The five-year strategy sets out the essential components for success—first, significant expansion of unpaid work in a variety of different settings, which are highly visible to the public and demonstrate reparation and payback to the community; secondly, full use of the range of rehabilitations, including health, education and other support; and thirdly, genuine aspiration to going straight for every individual, with a contract based on strong future prospects of employment, housing and social and family relations.

All those can be delivered only through far stronger partnerships with local authorities and other public services, voluntary and community organisations and individual citizens, in the ways set out in the strategy document. Central to that is managing offenders better, whether in custody or in the community. A named offender manager for every offender will be responsible for ensuring that they are both punished and rehabilitated properly. They will work across prison and probation, which is why we have brought together all our work with offenders under a single organisation, the National Offender Management Service.

We need to develop closer links with communities. Later this spring, we will publish a new strategy for the prisons estate. That will confirm our vision for community prisons, with a modernised prison estate that is focused on reducing reoffending and facilities that can help to bridge the gap between custody and community. To achieve all that, we need to increase support to our staff and bring in the best possible people and organisations to challenge and to support every offender. We need to move to a system that has the flexibility to provide what will best cut reoffending. Many partners from the private and voluntary sector already work in prisons and the community, and the complex problems they face often need better partnerships. Our proposals take this one step further.

The National Offender Management Service, with commissioning at its heart, will harness the dynamism and talents of a broader range of innovative and effective providers from the public, private, voluntary and community sectors. The primary aim will be to drive up standards and reduce reoffending. We expect many successful bidders to be partnerships from the public, private and voluntary sectors, and we will shortly publish a prospectus to set out a phased programme of contestability.

We consulted last autumn on a proposal to change probation boards into probation trusts, which would have contracts with the commissioners in the National Offender Management Service. I will introduce legislation to make that change. We will carefully consider the results of the consultation to make sure that we can overcome any risks and practical difficulties, but still get the benefits of commissioning. We will commit to excellent, well trained and well supported staff, with new occupational standards and better support for good leadership. As we move forward, I intend to give more freedom to high-performing prisons and probation trusts.

We have already made some progress in cutting reoffending, but our progress has been slow and incremental. I have concluded that we need to underpin the measures in our strategy with fundamental structural reform. Taken together, our measures will ensure that we protect the public and also cut reoffending much more significantly, make the public safer, and reduce crime and criminality.

David Davis (Haltemprice and Howden) (Con): I thank the Home Secretary, as is traditional, for advance sight of the statement, although much of it was trailed this morning in the press and by the right hon. Gentleman himself on the radio. It is called a five-year plan, but it has taken the Government eight years to come up with it. There is much in the Home Secretary's

statement with which we agree. The prison estate is overcrowded and the reoffending rate is far too high. On that, there is no difference between us. There is a desperate need for better education and training in our prisons.

About two years ago, the Home Secretary's predecessor came to the House of Commons to announce the forerunner of today's five-year plan, the so-called Carter report. The report contained a number of grand plans, some of which the Home Secretary has reiterated today, but as Lord Ramsbotham, the former chief inspector of prisons, said this morning, little of it actually happened.

Realising that it would be at least 20,000 prison cells short, the Home Office decided to increase the number of community sentences and early releases and deter judges and magistrates from sending criminals to prison in the first place—incidentally, that policy was a complete reversal of the then Home Secretary's public rhetoric. It cannot be right or fair on the law-abiding public to address the problem of prison overcrowding by releasing dangerous or unsuitable prisoners on tags or by simply not sending such people to prison in the first place. Covering up the failure of planning has also proved to be a false economy. The greatest costs of the prison and probation service are not measured in the accounts, because they are the costs of failure—the Home Office has estimated that the cost to the country of reoffending is at least £11 billion.

Failure is the norm under this Government. For example, criminals sent on community punishment should be less hardened than those sent to prison, so their reoffending rates should be better. In practice, however, the reoffending rate among those subject to community punishment is at least as bad, if not worse, than that among criminals who have been sent to prison. The Government's flagship programme for punishment in the community is the intensive supervision and surveillance programme, which the Youth Justice Board has described as the

"most robust and innovative community based programme available".

It has a failure rate of 91 per cent.

Under this Government, reoffending levels have risen to an all-time high—more than 60 per cent. of prisoners reoffend within two years, and the same is true of 73 per cent. of young offenders. There are reasons why that is the case. If a prisoner comes out of jail without a skill, unable to read and hooked on drugs, his chances of going straight are near to zero. And what is the current situation? Half of all prisoners cannot read as well as a typical 11-year-old, and four fifths of them cannot write as well as a typical 11-year-old. Half of all prisoners do not have any of the skills required by 96 per cent. of the jobs available to them, so most are virtually unemployable. That is compounded by the fact that large numbers of them are addicted to drugs, often crack cocaine.

How has that happened? The first problem is chaos in the system. Prisoners do not get the training that they need to get them back on the straight and narrow. Often, those who are lucky enough to start a course never complete it, because they are moved to another prison in the constant reallocations that occur as a direct result of the prison overcrowding allowed by this Government. Drug addiction is getting worse because of the Government's serial failure in that area—for example, drug treatment and testing orders have a failure rate of 80 per cent.

The Government's failure to stop reoffending rates spiralling out of control is no surprise, but so far under this Government community punishment has not been proven to be a success. On the radio this morning, the Home Secretary said that the Government had

"not tried it in a coherent and systematic way".

Will he tell the House why we should expect any different now?

Some of the Home Secretary's proposals sound sensible enough. Sending 10,000 foreign prisoners home sounds sensible, provided that they are locked up in their home country and never come back here—although the fact that the figure is 10,000 in the first place prompts a question about the current management system. Local prisons are not a bad idea, and using charities and voluntary groups is a good idea, but those are minor changes in the face of a massive problem.

The public at large are not protected from a criminal who receives a non-custodial sentence. That issue has been thrown into sharp relief by those criminals who have committed crimes while on early release from prison—criminals who were released early have committed at least 7,000 crimes that we know of, including almost 1,000 violent crimes and at least two high-profile murders. All those crimes would not have happened if the criminals involved had been locked up, as they should have been. Would it not have been more sensible to await the findings of the inquiry into the murder of John Victor Monckton rather than making this statement in advance? Do we not need a thorough and wide-ranging look at the whole question of early release, parole and release on licence before the Home Secretary revamps the system yet again?

I would welcome much of today's announcement if it were the blueprint of a Government fresh into power, but it is not. As for gimmicky initiatives and new powers, we have been there and got the T-shirt—the only difference is that this time the T-shirt has "Community Payback" emblazoned on the back. In the past eight years, we have seen custody plus, custody minus, early release schemes, intensively supervised community service, cognitive therapy for prisoners and so on. The results include rocketing prison populations, high rates of drug addiction and revolving-door prisons, with high reoffending rates. It is easy to trot out the figures showing that the current failing system costs the economy billions of pounds. However, hidden in that figure is the cost to local communities that must deal with the effects of criminals who are released on to the streets unreformed, uneducated and still addicted to drugs.

I should also ask about the cost to the offenders themselves. Most of them are largely uneducated, illiterate and innumerate young men aged between 16 and 25, whose crimes result largely from alcohol and drug abuse. They need not only punishment for their crimes, but some help to go straight and make something useful of their lives on release. Is not the taxpayer, who spends millions on prisons and community sentences, entitled to a real return on his

[David Davis]

investment in the criminal justice system? All that has come from the Government's multiple strategies thus far has been a lot of wasted money and even more wasted lives.

Mr. Clarke: Despite the negative tone adopted by the right hon. Member for Haltemprice and Howden (David Davis), I agree with a great deal of what he had to say. The cost of failure is, of course, the key point—by the way, the cost is the result not only of this Government, but of decisions made in past decades and centuries. Every time that we fail to rehabilitate somebody, the cost of failure to society as a whole—let alone to the individual, as the right hon. Gentleman rightly said—is massive.

The right hon. Gentleman is right to identify the massive issues around the people who are in our criminal justice system. The Government are committed to education and health, and the least educated and least healthy people in the whole population are those within the criminal justice system—as the right hon. Gentleman has said, the issues include illiteracy, innumeracy, drug abuse, alcohol abuse and mental health.

Why have we not succeeded in conquering that problem? In my opinion, it is because we have been insufficiently systematic and rigorous, insufficiently determined to focus on the individual circumstances of each offender and insufficiently ready to form a partnership among all agencies. The essence of the right hon. Gentleman's criticism is that not enough has been done to deal with those questions, which is a criticism of the record rather than of this five-year strategy. He is entitled to make that criticism, but I am entitled to say that the result of years of neglect of the prison and probation system is that we have a long way to go to resolve the matter.

I acknowledge the difficulties and say that we must do two things: first, we must focus on individual offenders and implement regimes to get them to go straight; and secondly, we must build a partnership with a more diverse range of providers and other agencies to achieve the changes set out in the strategy. I hope that we will have the support of the right hon. Gentleman's party.

Mr. John Denham (Southampton, Itchen) (Lab): The vision is correct, but the challenge is implementation. Will my right hon. Friend rule out the possibility that vital decisions about the supervision and management of dangerous sex offenders could in the future pass into the hands of private companies? A Minister confirmed that that is a possibility in the Home Affairs Committee last autumn. The introduction of commissioning may centralise funds at least at a regional level, but many hon. Members believe that greater flexibility is needed on the front line to ensure that support for individual offenders is tailored to their needs, the challenges that they pose and the communities in which they live.

Mr. Clarke: I agree with my right hon. Friend that the challenge is implementation. His Committee has taken a consistent interest in the subject, and I hope that we can work together on implementing the strategy.

I agree with my right hon. Friend that we must ensure that the people who are most dangerous to society are under our control in prison. The right hon. Member for Haltemprice and Howden (David Davis) has identified some of the weaknesses in our regime, and we must resolve those issues in the public sector.

Finally, I also agree with my right hon. Friend that flexibility on the front line is the key issue. Candidly, I do not believe that the relationship between prisons, probation and other services such as education and health and local employers is as strong as it needs to be in communities in Norwich, Southampton and up and down the country.

Lynne Featherstone (Hornsey and Wood Green) (LD): I welcome the thrust of today's announcement and the Home Secretary's courtesy in providing an advance of copy of the statement.

The Home Secretary is right to say that we are sending too many people to prison, and I welcome the fact that he had the courage to say so. He will know that Liberal Democrat Members have long supported the principle that offenders should be required to pay back their communities for crimes that they have committed. However, the Home Secretary has had time since 1997 to make inroads into this problem, and several important studies have not been acted upon. Can he tell the House whether he intends to implement the recommendations made by the social exclusion unit in 2002, when it called for an increase in the discharge grant and the prioritisation of ex-prisoners on local authority lists? Can he explain why no action was taken on that?

Will the Home Secretary now implement the recommendations of the Home Office review of the Rehabilitation of Offenders Act 1974, which has been neglected and ignored since 2002? Does he accept that the disclosure rules have left thousands of ex-offenders in a Catch-22 situation whereby they cannot get work and therefore resort to further crime? Finally, if the Secretary of State is committed to ending the scandal of prison overcrowding, why did he abandon the commitment made by his predecessor to cap the prison population at 80,000?

Mr. Clarke: The hon. Lady raises five points. I generally welcome the approach that she has taken.

On the discharge grant, we are discussing with the Department for Work and Pensions whether we can get a better situation as regards the benefits for people leaving prison. On housing, I agree with the hon. Lady that there are serious issues about housing discontinuities. We are discussing with the Office of the Deputy Prime Minister and housing organisations how best to deal with that. We are also considering issues to do with the rehabilitation of offenders.

I do not accept that the disclosure rules are the problem in respect of ex-offenders being unable to get work; in fact, the reverse is true. Many employers are ready to give work to ex-offenders, but we have not succeeded in engaging with them properly to provide the necessary pathways. We will of course work on that.

On the hon. Lady's final point, for too long our policies in this area have been driven by a discussion about the size of the prison population. In my opinion,

prison should be used where it is needed for dangerous prisoners, and we should proceed on that basis. Community sentences should be built up to work in a tough and effective way where they are needed. The process is not helped by picking a relatively arbitrary figure and saying that it is the appropriate size for the prison population.

Steve McCabe (Birmingham, Hall Green) (Lab): Does my right hon. Friend agree that public confidence might increase if the public felt that they had a more direct input into recommending or designing the punishment project so that it was more relevant to local communities? Given that it is punishment, should not there be a prompt and visible consequence for non-compliance, no matter what the excuse?

Mr. Clarke: I very much agree with my hon. Friend, and I am grateful to him for raising the point in that way. My view is that unpaid work should be a much higher component in community sentencing than is sometimes the case, that a wide range of potential providers of unpaid work can resolve the issues, and that that unpaid work should be highly visible in a particular locality. We have seen in other countries that the visibility of unpaid work is an important component of the community sentence. We have to be far more ambitious, as is set out in the document, in providing better ways of dealing with that.

Mr. Michael Howard (Folkestone and Hythe) (Con): Is it not the case that this Government started by talking tough on prison and failing to make the necessary accommodation available, and are now, confronted by the consequences of that failure, shifting the emphasis to community sentencing without making available the resources that might make that work? Would it not be better if the Home Secretary, instead of reannouncing shallow initiatives that enable him to go on to the "Today" programme and pretend that he is taking effective action, simply rolled up his sleeves and got down to the hard graft of making the present system work?

Mr. Clarke: I am always grateful for the comments of the right hon. and learned Gentleman, with his experience in these areas, but with respect I think that he is entirely wrong.

We have to look at the people who are in prison today and consider whether prison is the right place for them. I cite foreign national prisoners—more than 10,000 of them. Is it right that they should be in British prisons rather than in their own countries? I cite remand prisoners. Is it right that they should be in prison rather than being in the courts and moving more quickly through the process? I cite mentally ill prisoners, where there are serious issues about their mental heath care. I cite prisoners on very short sentences caught in the revolving door, where our failure—I acknowledge that word to the right hon. and learned Gentleman—to provide credible and effective community sentences has meant that we cannot do what is needed for those people in the best possible way.

I am not telling the right hon. and learned Gentleman that everything has been got right—I do not think that. I do think, however, that it is fundamentally wrong simply to say that the current system is basically okay and we should work a bit harder at it. We have to focus on every offender and build genuine and diverse partnerships.

Ms Sally Keeble (Northampton, North) (Lab): On building links with the community, may I bring to my right hon. Friend's notice the outstanding work that is being done by the Bridgewater hostel in my constituency? A key part of its success has been the acceptance of risk in building links between offenders and the community. Will my right hon. Friend ensure that, in looking at other providers, risk is properly recognised and quantified? So far, the private sector has been extremely risk-averse in handling prisoners in the community.

Mr. Clarke: My hon. Friend makes a powerful and important point about risk management, which is insufficiently addressed but absolutely central. However, I do not entirely accept her observation that the private sector has been risk-averse. That is why I said that we will publish a prospectus which means that private sector bidders can look at the particular circumstances and decide how to engage.

As for the voluntary and community sectors, we have not had the right relationship with them to enable them to address the risks in the way that my hon. Friend describes. I do not take the view that one type of provider is good at dealing with risk and another is bad at it, but that risk has to be at the centre of the whole contestability agenda.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I think that most people would agree with the bulk of the right hon. Gentleman's statement. As he knows, community penalties are very successful in reducing reoffending. The way to increase their use is to increase the number of fully trained probation officers needed to implement them. It is extremely disappointing that after months of debate, it seems that the National Offender Management Service will have contestability—privatisation—at its core, yet it is already known that many private prisons are failing.

Mr. Clarke: With all due respect to the hon. Gentleman, he misses the point in an important way. I pay credit to the work done by probation officers and, indeed, by prison officers; they include highly professional and almost universally highly committed individuals. However, we have not been very good at working with other organisations, whether in education, health, housing, local government or whatever. That working together offers us the best possible chance of developing community sentences that are much stronger and more effective than they are at the moment. It is not simply a question of expanding what exists now, but of changing its nature to bring a far wider range of participants into the frame.

Ian Lucas (Wrexham) (Lab): I should like to draw to my right hon. Friend's attention the excellent work that is being carried out by the Wrexham youth offending service and by the north Wales probation service, whose work I was recently able to see. It is concerned about the proposal for an all-Wales probation service, which it

[Ian Lucas]

feels may undermine its close links with prisons in north-west England that serve north Wales, which does not currently have its own prisons.

Mr. Clarke: My hon. Friend makes an interesting point about the relationship between north Wales and the north-west of England. He is right to say that the police reorganisation proposals, on which he has strong views, must take full account of the implications for probation. I assure him that I shall study carefully the relationship that he raised.

Charles Hendry (Wealden) (Con): The Home Secretary announced a range of initiatives for improving the skills base and tackling the lack of education and attainment of people in prison. Does he accept that that process does not end when they leave the prison gate? Does he envisage a role for the voluntary sector and charities, such as the Centre for Adolescent Rehabilitation—C-FAR—in Devon, which does incredibly good work in rehabilitating offenders and enabling them to go back into society, but faces a continual battle for Government funding because it was not eligible for any pot of money? If he envisages a role for such charities, will he assure us that funding will be available?

Mr. Clarke: I certainly envisage a role for voluntary and community organisations and I know of the hon. Gentleman's commitment, which was reflected in the question that he asked the Prime Minister yesterday. Partnership with voluntary organisations is central and his point about what happens after leaving prison or after a sentence has ended is important. However, we must bear in mind the need for quality. It is important that we do not say that an organisation will receive funding, whatever happens. We must ensure the quality of the provision.

Mr. Neil Gerrard (Walthamstow) (Lab): I am sure that the majority of people agree with my right hon. Friend's comments about the need for stronger partnerships with a range of providers. However, some of us have serious concerns about contestability. Yesterday, I received a reply to a written parliamentary question in which I asked about responses to the consultation on restructuring probation. It appears that there were 748 responses but nobody could tell me how many were in favour of contestability. I suspect that the answer is a small number. I urge my right hon. Friend to reconsider the matter. It would be much easier to make a success of the positive agenda that he presented if we carried probation staff with us rather than having a fight with them over privatisation.

Mr. Clarke: My hon. Friend is right. I give away no secrets by saying that, when the full results of the consultation are published, they will show that, as he suggested, few people supported the original proposals. I also accept that it is critical to move forward in the way that the strategy sets out with the professionals in the service, not against them. However, almost everybody in the service believes that the end-to-end offender management strategy and the partnership approach is right. They are not convinced that our proposals fulfil those two requirements. I am committed to fulfilling them and to trying to tackle my hon. Friend's point.

Mr. James Clappison (Hertsmere) (Con): Does the Home Secretary accept that few dangerous offenders are women and that relatively few women commit violent offences? Yet in recent years, there has been a disproportionate increase in the female prison population. May we therefore have the widest possible range of alternatives, in which the courts and the public can have confidence, to custody for women, including sentences that are especially tailored to women and would be suitable for women with young families?

Mr. Clarke: I completely agree with the hon. Gentleman. He may have noted an important recent speech by Lady Hale, a former Appeal Court judge, who clearly set out the points that he made. We are considering the matter carefully. There is no doubt that women in prison constitute an important group for whom we could and should look for alternatives to prison in several specific circumstances. We are actively examining that matter and I would be interested in any specific observations that the hon. Gentleman made to work with us on that.

Rob Marris (Wolverhampton, South-West) (Lab): Unusually for me, I want to build on a point that the shadow Home Secretary raised. He made a thoughtful point about education, which is vital. The statement refers to a modernised prison estate that focuses on reducing reoffending and facilities that can help bridge the gap between custody and community. I urge my right hon. Friend to consider a specific difficulty, whereby young people in the secure estate start to engage in education and are then moved to another institution. It can sometimes take weeks for the records to catch up with them, by which time they are moved again. That happens seriatim, they never receive the education and they leave prison still illiterate and unskilled.

Mr. Clarke: My hon. Friend is correct. Although there have been some moves to improve the position, it remains unsatisfactory. I hope that two aspects of the proposals will tackle his concern. First, the move to community prisons will ensure more stability for precisely the reasons that he states and afford a better chance of working with local education institutions. Secondly, the IT systems, especially the national offender management information system—NOMIS—will ensure that the data are handled better. I hope that the strategy will address the central point that my hon. Friend raised.

Mr. Desmond Swayne (New Forest, West) (Con): How widespread is the problem of intimidation of prison officers and their families by drugs gangs to secure a supply of drugs on the inside?

Mr. Clarke: The short answer is that I do not believe that such intimidation is widespread. There are examples of organisations trying to get drugs into prison and we are trying to stop that. The Prison Service makes

a constant effort to prevent that. However, I do not believe that the specific manifestation that the hon. Gentleman describes is widespread.

John McDonnell (Hayes and Harlington) (Lab): May I follow the point that my hon. Friend the Member for Walthamstow (Mr. Gerrard) made? I am convinced that front-line probation and prison staff share the Home Secretary's objectives and that they will welcome his statement about partnership and co-operative working. However, as my right hon. Friend knows, there has been an underlying concern for the past two years that the Government seek large-scale or wholesale privatisation, especially of the probation service, but also of the Prison Service. Will he make it clear that that is not the Government's objective? Will he give us some indication of the scale, range and nature of the private sector involvement that he envisages?

Mr. Clarke: I am grateful for and perhaps surprised by the direction of those comments. The central objective, which is shared throughout the whole service, is to reduce reoffending. That is the test for the precise reason that the right hon. Member for Haltemprice and Howden (David Davis) identified: by reducing reoffending, we make the greatest savings for society in terms of the overall economic position. The test applies to the public sector, whether the probation service or the Prison Service, voluntary and community organisations that want to work in the field and private sector organisations. That is the appropriate test: not cost cutting and its attendant aspects, but reducing reoffending. To tease out the details of my hon. Friend's important question, we shall shortly publish a prospectus that will go through our approach to different sorts of offender, different parts of the country and so on. By doing that, we will explore how different organisations want to meet the challenge of reoffending among particular groups.

Mr. Geoffrey Cox (Torridge and West Devon) (Con): Although I welcome a broader range of innovative and effective providers from the voluntary and private sectors, does the Home Secretary agree that it is important that any bidders or organisations that want to provide the service should receive transparent, precise and clear indications of the quality and other conditions that they should satisfy? I ask that question for a specific reason. My hon. Friend the Member for Wealden (Charles Hendry) referred to C-FAR, which was originally situated in my constituency but closed in circumstances with which the Home Secretary may be familiar. It is anxious to revive its valuable work for offenders throughout the south-west region. On the Department's advice, it attempted to engage with the regional offenders' manager. However, there was a spectacular failure to provide the precise indication that it needs of what it must do to receive support from the Department. Will the Home Secretary please examine that? Will he ensure that precise and transparent guidance is given? Otherwise, valuable people who do that sort of work will be deeply disillusioned.

Mr. Clarke: I entirely agree with the point about precision and transparency and acknowledge that that has not always been provided. That is why I believe that publishing a prospectus, which sets out precisely the matters that the hon. Gentleman mentioned, including quality standards and targets for reducing reoffending, is the right way to proceed. Organisations such as that to which he referred can examine the document and decide whether they have a genuine contribution to make.

Sir Peter Soulsby (Leicester, South) (Lab): I welcome my right hon. Friend's statement, and the apparent consensus that alternatives to prison play an important role in reducing reoffending for the significant proportion of prisoners with drug problems, mental health problems and learning difficulties. Does my right hon. Friend agree that making tough and effective alternatives a reality will require working with the probation service, using its considerable expertise, and providing it with the resources and training for education and rehabilitation that it will need in order to be effective?

Mr. Clarke: I agree with my hon. Friend, but again I must make the point that it is a question not only of providing the resources to the probation service, but of building partnerships between the probation service and other providers, including local government, which my hon. Friend knows well.

Bob Spink (Castle Point) (Con): Does the Home Secretary accept that a key ingredient in the problem is that we have not done enough to rehabilitate drug offenders? Will he undertake dramatically to increase the number of residential rehabilitation places available, so that we can cut down on the number of people entering the revolving doors of the prison system?

Mr. Clarke: I agree with the hon. Gentleman, but I hope that he will acknowledge that there has been a substantial increase in the amount of places available for drug rehabilitation. Whether the right way to deal with this is through the use of residential places or other forms of support is a matter of constant, principally professional, debate. However, I accept the hon. Gentleman's point that residential provision has a substantial contribution to make.

Martin Linton (Battersea) (Lab): I, too, welcome the emphasis on community sentences in my right hon. Friend's statement, and the commitment to an expansion of unpaid work. Does he agree, however, that to win the full-hearted support of probation officers, he will need to ensure that the probation service—especially the London probation service—has the necessary resources and training to supervise that unpaid work? Does he also agree that the key to the success of community sentences—turning them from a soft option to a hard choice—is a well trained and well supported staff, as I am sure the National Association of Probation Officers would agree?

Mr. Clarke: I agree with my hon. Friend and, as he knows, the London probation service is recruiting at the moment. I say again, however, that while it is right that there should be well trained and well resourced staff, they must work in partnership with other agencies. It is important to realise that not all of this can be done exclusively by the probation service. Despite the recent

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major improvements in the London probation service, there remain central security issues in the whole approach, and they need to be addressed at the same time as these other issues are considered.

Mr. Peter Bone (Wellingborough) (Con): Will the Home Secretary tell the House how many hours a day, on average, a prisoner spends in education at the moment, and what that figure will be when the reforms come in?

Mr. Clarke: I cannot give the hon. Gentleman those precise figures across the Floor today, but I will happily write to him with the information. If the point of his question is to suggest that more time should be spent on education and skills, I agree with him. It is perfectly reasonable to report to Parliament on how much time is spent on those activities.

Mr. Philip Hollobone (Kettering) (Con): May I draw to the Home Secretary's attention the concerns of my constituent, Mrs. Anna Westaway, whose son Harry was stabbed in an unprovoked attack in the street while studying at university? Had he been stabbed an inch nearer to his heart, the charge would have been murder. His assailant has been given a poncey community order. Mrs. Westaway and Harry, as well as most of my constituents and I, believe that if someone commits a knife attack in the street, they ought to go to prison.

Mr. Clarke: Obviously, I cannot comment on that particular case. I agree, however, that prison sentences are appropriate for people who commit knife crimes. That is why the Violent Crime Reduction Bill, which is now being considered in the other place, will increase the sentence for those who carry knives. I also believe that the knife amnesty that I announced yesterday will be an important means of taking knives away from the population, and it is being backed by a series of enforcement and education programmes. I take knife crime extremely seriously, but I regret that I cannot comment on the case that the hon. Gentleman has raised; I simply do not know the details.

Points of Order

1.44 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): On a point of order, Mr. Deputy Speaker. On Monday this week, the Regulatory Reform Committee produced a report that described part 1 of the Legislative and Regulatory Reform Bill as being of constitutional significance. On Tuesday, the Procedure Committee took evidence from the Under-Secretary of State for the Cabinet Office, the hon. Member for East Renfrewshire (Mr. Murphy). The Chairman of the Committee subsequently wrote to the Leader of the House requesting that part 1 of the Bill be dealt with on the Floor of the House because of its constitutional significance. Today at business questions, the Leader of the House said that he was considering such a request from my right hon. Friend the Member for East Yorkshire (Mr. Knight). In these circumstances, would it be in order either for the Minister to withdraw the programme motion, or to table an alternative motion that reflects the deep concern of two of our most important Select Committees?

Mr. David Heath (Somerton and Frome) (LD): Further to that point of order, Mr. Deputy Speaker. The hon. Member for North-East Hertfordshire (Mr. Heald) is absolutely right. Indeed, the Regulatory Reform Committee states in its summary that the legislation is

"the most constitutionally significant Bill that has been brought before Parliament for some years".

There are clear precedents for constitutional matters being taken before a Committee of the whole House, but the present committal order, exceptionally, does not allow that to happen with this Bill. If it is not possible for the Government to withdraw the programme motion today, may we at least have an opportunity to debate the matter?

Mr. Deputy Speaker (Sir Michael Lord): I understand what both the hon. Gentlemen have said. These are obviously serious and important matters. However, the questions raised are for the Minister to respond to. No doubt he will have heard what has been said, and he will respond as he thinks appropriate. For the time being, we can proceed only with the business on the Order Paper.

Mr. Nigel Dodds (Belfast, North) (DUP): On a point of order, Mr. Deputy Speaker. Have you had a request from the relevant Minister to come to the House to make a statement on the post office strike in Belfast, which is causing major disruption and even paralysis to postal deliveries and collections in the city and across Northern Ireland? This is causing real hardship for local businesses, and for people who depend on the postal service for their benefit cheques. What are the Government doing to try to help in this situation? I would be grateful to hear whether you have had any

information on whether the Government are going to inform the House of their plan of action to bring this serious situation to an end.

Mr. Deputy Speaker: The matter that the hon. Gentleman raises is clearly serious, but again it is a matter for the Minister responsible for these issues. I have had no notice, so far, that a statement is planned.

Bob Spink (Castle Point) (Con): On a point of order, Mr. Deputy Speaker. May I ask for your guidance on what remedies exist when it is felt that a Minister might have given an incorrect answer to a parliamentary question? I believe that that is the case in respect of my question to the Department for Transport, which was answered on 30 January and affects all south Essex MPs. I was told:

"There are no committees considering transport infrastructure for the proposed London Gateway port."—[*Official Report*, 30 January 2006; Vol. 442, c. 68W.]

Yet I discovered yesterday that the Thames Gateway South Essex Transportation Board is a committee that exists for those purposes and that Government and Go East members sit on that committee. We need transparency and open government on these important matters.

Mr. Deputy Speaker: I understand the point that the hon. Gentleman is making. I can only suggest that he repeat his question to the Minister, and I hope that he will get a more satisfactory answer this time.

Orders of the Day

Legislative and Regulatory Reform Bill

Order for Second Reading read.

1.48 pm

The Parliamentary Under-Secretary of State for the Cabinet Office (Mr. Jim Murphy): I beg to move, That the Bill be now read a Second time.

In opening this debate, I would like to set out the context for the Bill. That context is the importance of the Government's better regulation agenda in maintaining our economic prosperity and continuing to improve our public services. I should then like to make the case for this alternative legislative process to deliver our better regulation objectives, before setting out the Bill's provisions in more detail.

I should like to start by thanking all those who have helped with the development of these proposals, including the business community and members of our public services. I am particularly grateful to the Regulatory Reform Committee and the Delegated Powers and Regulatory Reform Committee in another place. They have made a significant contribution to the Bill's development, having provided very useful insight into the operation of the Regulatory Reform Act 2001 and how its defects might be addressed.

I also welcome the Regulatory Reform Committee's recently published first special report of Session 2005–06, which expresses general support for, and shows a constructive approach to, the issues raised by the Bill. We have not been able to respond to those conclusions given the short time scale, but I wish to say at this early stage of our proceedings that the recommendations deserve serious consideration as they are sensible and constructive, and we expect to draw extensively on the experience of the Committee and its members during the Bill's passage.

The Government have outlined a radical approach to better regulation and the Bill is central to delivering it. The Bill will provide a more proportionate way of delivering better regulation reforms to legislation. It will help to promote a real change in the culture of regulation and inspection and enable the implementation of valuable and non-contentious Law Commission proposals.

The introduction of the Bill is a reflection of our continuing commitment to maintain one of the best regulatory performances of any major economy.

Mr. John Redwood (Wokingham) (Con): As the Minister knows, I am a strong supporter of the idea of deregulation. Which measures would he want to simplify, amend or remove under the wide-ranging powers that he is seeking to give himself? Why does he not simply bring those forward as substantive proposals in their own right?

Mr. Murphy: As always, it is a delight to give way to the right hon. Gentleman. I am just disappointed that I no longer face him at Cabinet Office questions every month, as he is performing another important role as one of the 90 Opposition Front-Bench spokespeople. It

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is interesting that the repositioning of the Liberal Conservative party seems to be about giving everyone a position in the party. I will, as I make some progress, come to the specific question that he has asked. Of course, out of courtesy, I will give way again at that point should he still be in his place.

David Howarth (Cambridge) (LD): I think I just heard the Minister say that the purpose of the Bill is to bring forward non-contentious Law Commission matters. Does he recognise, therefore, that some Law Commission matters will be contentious? I remember being consulted as a legal academic on whether burglars should be allowed to sue householders, whether people in fights should be allowed to sue one another, and other such questions. Those strike me as more than technical questions. They are substantive political questions.

Mr. Murphy: I welcome the one Liberal—an actual Liberal, rather than a Liberal Conservative—Back Bencher who has come along today for what is supposedly a constitutional, ground-breaking debate. The proposals before us will not allow the introduction of contentious Law Commission proposals. I will make some remarks about that later in my speech and as the debate progresses, but there is a number of non-contentious Law Commission proposals. On average, they have waited about seven and a half years to be implemented. It cannot be right to allow them to gather dust on shelves. Therefore, the legislation will enable such proposals to make progress through Parliament.

As I was saying, in the March 2005 Budget, my right hon. Friend the Chancellor of the Exchequer set out a radical programme of regulatory reform that included the Government's acceptance in full of the recommendations in Philip Hampton's report, "Reducing administrative burdens: effective inspection and enforcement" and in the Better Regulation Task Force's report, "Less is More: Reducing Burdens, Improving Outcomes". A key recommendation was to address the shortcomings of the Regulatory Reform Act 2001.

The UK is currently one of the best places in the world to do business. Independent surveys have shown that the UK economy is subject to one of the lowest levels of administrative burden of any major industrialised country. The World Bank survey published in September 2005 rated the UK as having the most straightforward employment law in the EU. The survey also ranked the UK second in the EU and ninth in the world for the best business conditions. However, there is no room to be complacent about our economic position. The global economy presents us with huge challenges, not least from the emerging major economies of India and China. We cannot risk our competitiveness by hindering British business with over-burdensome regulation and inspection. If we deliver on our better regulation objectives, the benefits will be considerable. The Better Regulation Task Force estimated that we could boost British national income in the long term by as much as 1 per cent. per year.

The better regulation agenda is about not just preserving our economic prosperity, but minimising the burden on the public and voluntary sectors. Unnecessary bureaucracy and burdensome inspection can hold back our public servants and voluntary workers, and divert them from their primary purpose: to continue to focus on the needs of the citizen. Better targeted regulation can and should improve the lives of our citizens as well as make life easier for UK business.

Mr. Oliver Heald (North-East Hertfordshire) (Con): The hon. Gentleman will know that the British Chambers of Commerce produces its burdens on business barometer each year. The most recent one is for 2005 and it shows that things are getting a lot worse: a £40 billion extra burden has been imposed on business since the Government came in. When is the improvement that he was talking about going to start?

Mr. Murphy: The British Chambers of Commerce, the Institute of Directors and all sorts of other important national organisations that represent business strongly support the Bill. I know that the hon. Gentleman has heard this point before but hopefully he will never get sick of hearing it: the Labour Government make no apology for introducing important, progressive regulations such as the national minimum wage, opposed by the Conservative party, and the climate change levy, opposed still, I think, by the Conservative party—

Mr. Redwood *indicated assent.*

Mr. Murphy: The right hon. Gentleman nods. I am not sure what was announced this morning or last evening by his new leader but, at the moment, we assume that the Conservative party still opposes the climate change levy. It opposes all sorts of family-friendly and supportive policies to enable parents to have the opportunity to work if they so wish. We make no apology for introducing those important pieces of legislation and regulation. I welcome, as part of the repositioning of the Conservative party, any attempt by it to achieve consensus on those issues.

Rob Marris (Wolverhampton, South-West) (Lab): My hon. Friend has been going down the track of better regulation, no burdens on business and so on. May I invite him to take a step back? I may be misreading the import of the Bill, but clause 1(1) gives a Minister power, by order, albeit on the negative resolution, to reform legislation, or to implement recommendations of one of the Law Commissions in the UK. There is also the power in the Bill for a Minister, by order, also on the negative resolution, I believe, to change the common law of this country. That seems, if I am reading the Bill correctly, far more sweeping than powers to deal with the number of weeks' notice one has to give under some statutory instrument. Can he step back and deal with that broader constitutional picture?

Mr. Murphy: I thank my hon. Friend, who as usual makes an important point. I will address the specific matter that he has asked about later in my contribution.

As I mentioned, the better regulation agenda is about not just preserving our economic prosperity, but minimising the burden on the public and voluntary sectors. I want, however, to be clear that that is not simply a deregulatory agenda. As I said, the

Government make no apology for introducing well designed regulation where it can help to enhance opportunity, improve standards in public services, reduce poverty, promote competition and protect our environment.

Mr. David Gauke (South-West Hertfordshire) (Con): Will the Minister give way?

Mr. Murphy: I will make some progress first. Of course, I will give way as a matter of courtesy to the hon. Gentlemen on the Conservative Benches—and they are all gentlemen—if they so wish.

Applying better regulation principles to new regulatory proposals is crucial, but the Government must also address the stock of existing regulation if we are to ease the regulatory burden. If regulation is unnecessary, over-complicated, difficult to comply with or poorly targeted, we must do something about it. Two key aspects of the Government's better regulation programme are aimed at tackling the existing stock of regulation: the project to reduce administrative burdens and forthcoming departmental simplification plans.

The administrative burdens project will reduce the cost and burden to business of administering regulation by focusing regulatory resources on areas of greatest risk. Reducing the burden of complying with regulation for the vast majority of compliant business should result in one third fewer inspections and 25 per cent. less form-filling. The UK will be one of the first countries in the world to measure the total administrative burden on business and set ambitious targets for their reduction. In addition, all Departments will have published simplification plans by the time of this year's pre-Budget report. As well as containing proposals to meet targets for the reduction in admin burdens, those plans will include wider simplification measures to deregulate, consolidate and rationalise regulation. The Department for Environment, Food and Rural Affairs, the Department of Trade and Industry and the Health and Safety Executive have been first to produce their simplification plans, which are now available for consultation.

Mr. Mark Harper (Forest of Dean) (Con): The Minister mentioned DEFRA. In relation to the comments of the hon. Member for Wolverhampton, South-West (Rob Marris) about laws that could conceivably be amended or revoked by a Minister, my constituents have raised concerns about the statutes that affect the Forest of Dean, including the Dean Forest (Mines) Act 1838 and a number of common law powers. They are worried that were the Bill passed in its current form, it would give Ministers sweeping powers to make substantial changes to the law governing my constituency. Will he refer to that in his wind-up? I will write to him on the matter at a later date.

Mr. Murphy: I thank the hon. Gentleman for his question, and I know that he has tabled a written question on the matter. If I am not being too unkind to him, I would welcome the opportunity to discuss the matter with him, but the most appropriate means of doing so might be for him to volunteer for the Standing Committee. That would be a real commitment to his constituents at the level of interest that he continues to show on the matters that he has raised.

From the initiatives, a wide range of proposals will emerge for the removal, simplification or consolidation of existing regulations.

Mr. David Evennett (Bexleyheath and Crayford) (Con): Will the hon. Gentleman give way?

Mr. Murphy: Let me make some progress first.

The central issue is to find the most appropriate and effective means of implementing the proposals. The current arrangements are not fit for purpose. Without the Bill, many of the proposals on which Departments are working will remain just that—proposals. Time on the Floor of the House is rightly precious, and should be reserved for the big issues of the day. Legislative changes to bring about better regulation outcomes, however, are often minor and technical in nature. Not surprisingly, Departments, which must compete for limited space in the legislative programme, find it difficult to justify Bills for such measures. When better regulation reforms are forced to compete for precious parliamentary time, this and future Governments will struggle, just as previous Governments have, to ease the burden on business and our public services.

For that reason, there was widespread support for the Regulatory Reform Act 2001. Its principles and aims were right—scarce parliamentary Bill time should not prevent Departments from bringing forward regulatory reform proposals and should not deny Parliament the opportunities to play its proper role in regulatory reform. There is also widespread agreement, however, that the way in which the Act was framed has proved inadequate for purpose.

I acknowledge that the proposed regulatory reform power in this Bill will make important changes to the way in which we pass some legislation. It is important to remember, however, that Parliament accepted the need for an alternative legislative route when it passed the 2001 Act. The order-making power in this Bill simply aims to put right the inadequacies of the 2001 Act. The Bill will not undermine the legislative rights of the House or its role in scrutinising Government proposals; on the contrary, the Government would like to see the House playing a much fuller role in pursuing the better regulation agenda and scrutinising more Government proposals to improve our regulatory landscape.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): My hon. Friend is absolutely right that we should not undermine good legislation passed by the House. Does he agree, however, that legislation should be driven not only by finance but by the implications for the people we are deemed to protect under it?

Mr. Murphy: My hon. Friend is absolutely right. In his four or five years in the House, he has made a significant impact on the way in which important and vulnerable workers are protected. He is right that we must not only weigh up the financial cost but the benefits, real or perceived, when identifying new regulations or seeking to remove regulations. I know that he has paid close attention to such matters, and I know from our conversations over the past few days that he continues to do so. I believe that the Regulatory Reform Committee and its equivalent in another place

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provide the most effective forum in which to do that. I am determined that the proper role of Parliament should be preserved, and I have insisted that the formal preconditions on orders are retained or adapted to remove the narrow and technical concept of burdens. Indeed, those safeguards now apply comprehensively to capture all of the impacts imposed by orders. There is also a new safeguard—no order will be made where there is a better alternative to legislation.

I want to examine in more detail the inadequacies of the 2001 Act and how the new Bill will remedy those. It was always our intention to review the groundbreaking powers in the 2001 Act and to assess how well they work. Both Houses asked for that undertaking during the passage of the Act. The review, conducted with Departments and drawing on parliamentary Committee reports, was published in July last year, and highlighted some positive aspects to the RRO powers, pointing out that some worthwhile regulatory reforms had been delivered.

However, the review also identified some serious flaws in the existing RRO power. First, the concept of legal burdens, on which the regulatory reform power is based, is narrow and technically complicated. Departments have found it difficult to make many of their proposals fit those narrow requirements, no matter how beneficial the proposals would be from a better regulation perspective. For instance, the current power can remove a statutory requirement, but it cannot make a statutory requirement easier to comply with. The current power must also be related to an activity, which meant that proposals to improve personal insolvency administration orders could not be taken forward.

Secondly, technical restrictions such as the two-year rule, which prevents a regulation from being reformed until it has been in effect for two years, have blocked useful reform. The need for reform of a regulation often becomes apparent a lot sooner, and it makes no sense to hold back reform in that way.

Thirdly, the technical nature of the Act has meant that the work involved in preparing orders is not proportionate to the effect of the orders; nor is that analysis focused on the merits of the proposal as it should be. That has been both a deterrent to using the powers and a significant factor in the length of time that Departments have taken to prepare and present proposals to Parliament. It can often take longer to pass an RRO than a whole Bill. Clearly, that is disproportionate for proposals that are often minor and uncontroversial. For example, the RRO reforming business tenancies, a relatively straightforward reform, took more than two and a half years to complete.

The review left the Government in no doubt that the RRO power needed to be reformed. It led to proposals that were put out to consultation last year. That consultation drew a wide range of responses from the business community and representative groups, and demonstrated strong support for our proposals.

Mr. Christopher Chope (Christchurch) (Con): Can the Minister explain why the necessary safeguard in the 2001 Act which ensures that a reform proposal that would only benefit a Minister or Department cannot be put forward under the procedure, has been removed from the Bill?

Mr. Murphy: The narrow definition did not allow us to implement specific regulatory reform orders, because of the narrow way in which a legal burden was defined and the way in which a proposal or regulatory reform order, if it only affected a Department, could not be progressed with. There have been specific examples, which I will bring to the hon. Gentleman's attention in writing if he wishes, in which the Government wished to make common-sense, non-contentious simplification proposals, but because of the tight legal definition in the 2001 Act, we were not able to make the type of progress that we would all have wished to see.

Mr. Redwood: The Minister kindly said that he would give way again in pursuit of my original question, and I think that this is the right moment. Can he tell the House how much cost has been removed under the existing legislation, and how much extra he thinks will be possible if he is granted the new powers, with one or two examples so that we can understand why he wants those powers?

Mr. Murphy: In total, I think that 27 RROs were delivered under the 2001 Act. At the time of the Second and Third Reading of the 2001 Act, it was anticipated across the House that there would be many more substantial reforms as a consequence of it. The right hon. Gentleman asks a reasonable question, and there is a reasonable answer. More than 200,000 businesses across the UK have been contacted in the admin burdens project on which the Government are working. They have identified a stock of administrative burdens, which the Bill will be able to reduce and simplify. The last Government and, indeed, the present Government would probably not have been able to find time to legislate in that way before, and businesses and others welcome the new measures.

Many of the non-contentious aspects of the simplification proposals—plans for their implementation must be produced by every Department before this year's pre-Budget report—will find a path through Parliament as a consequence of the Bill. An avenue may also be found for the mergers envisaged in the Hampton report and the penalties review that Professor Macrory is undertaking on the Government's behalf. I believe that 29 of the Law Commission's proposals have not yet been implemented, and that the Government consider about 16 of them to be non-contentious, at least in part.

I hope that I have given a full answer to the entirely fair question asked by the right hon. Gentleman.

As I have said, the Bill removes technical limitations such as the legal burdens concept, and makes the RRO power simpler to use. That power is expected to deliver a better regulation outcome than the removal or imposition of a legal burden. The order-making power will also be able to confer legislative functions, or sub-delegation. It can confer a new power on a Minister to lay statutory instruments subject to the negative or affirmative resolution procedure. That is an important restriction, which will ensure proper parliamentary scrutiny of the exercise of that function by Ministers. In addition, a Minister proposing to make an order

conferring legislative functions on a Minister will have to lay an explanatory document before Parliament giving reasons for the power to legislate and the procedural safeguards attached to it. Where possible, Ministers will be expected to lay regulations in draft to illustrate exactly how such functions will be used.

While the proposed new power is much more straightforward and more able to deliver better regulation outcomes, the preconditions in the Bill are stronger than those in the 2001 Act. They have a wider application, applying to all types of provision made by order, not just to those affecting burdens. A Minister wishing to make an order under the new power must ensure that those stringent safeguards are observed.

The Bill specifies five conditions. A Minister must be satisfied that they have been met before embarking on the order-making process. I think that this deals with the point raised by my hon. Friend the Member for Wolverhampton, South-West (Rob Marris). There must be no non-legislative alternatives to the order; the effect of the proposal must be proportionate to its policy objectives; the proposal must strike a fair balance between the public interest in its implementation and the interests of any individuals who would be adversely affected by it; the order must not remove any necessary protections; and the order must not prevent any person from continuing to exercise any right or freedom which that person might reasonably expect to continue to exercise.

An additional condition applies when an order is intended to restate legislation or codify the common law. A Minister must be satisfied that the order will make the law more accessible or more easily understood.

David Howarth: Is there not a problem here? All the alleged restrictions are worded so subjectively that none of them, even the ones containing words such as "reasonable", will turn out to be justiciable. Will the Minister consider changing them so that individuals will at least have the right to go to court if the powers are abused?

Mr. Murphy: The Government will be happy to be reasonable and listen to sensible suggestions during the Bill's passage, but the conditions are not "alleged"; they are in the Bill. The Bill contains more preconditions than the 2001 Act. I believe that only two out of five conditions apply fully in the Act. All six conditions in the Bill apply fully to all aspects of the order.

I am delighted that the hon. Gentleman is still with us and trust that he will be present for the end of the debate. I know of his interest in the issue. If he has any specific suggestions, I shall be happy to enter into dialogue or correspondence with him, and I look forward to seeing him, along with the hon. Member for Forest of Dean (Mr. Harper), on the Standing Committee.

There are additional restrictions on the order-making power, which are essential to ensuring that it is used appropriately. An order cannot create or increase criminal penalties beyond a specified limit; it cannot create new powers for forcible entry, search or seizure; it cannot compel the giving of evidence; and it cannot impose or increase taxation. Once a Minister is satisfied that the Bill's conditions have been met, he or she will have to submit the order proposals to an exacting process of scrutiny. An effective statutory consultation on the proposals must then be carried out according to the criteria in the Bill before the order-making process can begin.

Dr. Tony Wright (Cannock Chase) (Lab): The Minister is now dealing with a crucial point. Whatever Ministers say about the conditions, at some point Members will have to decide—or will want to decide—whether what is being proposed should be dealt with by primary legislation or by order. What mechanism will allow the House to determine whether that distinction is being observed?

Mr. Murphy: My hon. Friend is right, as he often is. I know how closely he follows the procedures of parliamentary protocol.

Not only will there be that statutory consultation; the House, or the relevant Select Committees empowered by the House, must be certain that every suggestion can appropriately be dealt with by the order-making power. The Regulatory Reform Committee, to which I gave evidence towards the end of last year, produced an excellent report this week. It contains 17 recommendations. As I said, we are prepared to listen in a reasonable way to those important recommendations and I gave a commitment to the Procedure Committee when I appeared before it earlier this week that we would respond to them before the Bill's Committee stage.

Mr. Gauke: As a member of the Procedure Committee, I discussed the recommendations with the Minister earlier in the week. One of them would give the relevant Committee the right to veto the procedure employed, as opposed to the ability conferred by the Bill to change the procedure to super-affirmative, affirmative or negative. What does the Minister think after seeing the report that was published on Monday? Is he minded to amend the Bill?

Mr. Murphy: I know that it is voguish to change policies and positions in a couple of hours, but I am not tempted to follow the fashion. I have nothing to add to what I thought was a good exchange of views at the Procedure Committee hearing, but we will stick to the commitment that I gave to respond specifically to the Regulatory Reform Committee's 17 recommendations.

Dr. Tony Wright: Following on from the previous intervention, will the Minister confirm that the Bill as drafted does not contain the provision that we are discussing, and that he is mindful that it should acquire one?

Mr. Murphy: My hon. Friend is right to say that, on the face of it, the Bill does not contain the right of veto, but of course, nor did the 2001 Act, as he knows. Such a veto is one of the Regulatory Reform Committee's 17 recommendations and we are looking at it very closely indeed. As I have said to him in conversation, and to the Procedure Committee and the Regulatory Reform Committee, we are open to a process of consultation and discussion, and to seeing where we can offer further reassurances.

Mr. Heald: Does the Minister remember that, when he gave evidence before the Procedure Committee—I was there—he said that there was a veto, and that he would examine the Bill to see exactly where it was located. Of course, this is a complex issue, in that there is an interaction between the Bill, current legislation and the Standing Orders of the House. But as he knows, under Standing Order No. 18(2) it is possible to go ahead with such an order, even though the Committee in question takes the view that doing so is inappropriate. Will he examine this issue? Many of us feel that there should be a right of veto, and he obviously originally thought that there was one.

Mr. Murphy: In effect, there is an operational right of veto under the terms of the 2001 Act, and ministerial assurances have been given in respect of not overriding the Commons Regulatory Reform Committee or the Lords Delegated Powers and Regulatory Reform Committee. The Government have not sought at any point in the past five years to overrule any specific suggestions made by either Committee, so there is an operational veto, built on ministerial assurances given when the 2001 Act was implemented, and those assurances have been retained and adhered to. As I pointed out to various Members, we are seeking ways of offering further assurances as part of this process.

Rob Marris: Perhaps I have misunderstood the protections offered by the Bill, but I ask my hon. Friend to clarify the following point. Clause 3(2) lists the five protections to which he referred and clause 6 deals with criminal penalties. If we put the two together, it appears that a Minister could decide to increase the penalty for using a hand-held mobile phone while driving, for example, to 18 months' imprisonment. Such an increase would appear to be consistent with all five protections, and it meets the test under clause 6 because the period in question is less than two years. Many Members would regard increasing the current penalty for using a hand-held mobile phone while driving from three points on one's driving licence to 18 months' imprisonment as rather more than a regulatory reform, but, unless I have misunderstood the Bill, it gives a Minister the power to do that, albeit subject to the negative resolution procedure. Could that be done?

Mr. Murphy: I should at this point remind the House that, within the past five years, the Government acknowledged and accepted the recommendation of the Commons Regulatory Reform Committee and the Lords Delegated Powers and Regulatory Reform Committee concerning a veto on the registration of births and deaths RRO. Given that I have given way so many times, I shall ditch the rest of my formal speech. Doing so may prove helpful, and it constitutes simplification of a different type.

I point out to my hon. Friend the Member for Wolverhampton, South-West that, in addition to the six conditions included in the Bill, it is envisaged that a Minister would have to undertake statutory public consultation during a 12-week period. That will help to identify stakeholder and public opinion on any of the relevant issues raised. The Minister would have to table an explanatory memorandum, and the Government would have to respond to the consultation. A recommendation would then be made to the Committees that are charged by this House with analysing the specifics of such an order, and they would make their own recommendations. Those Committees have great experience of taking such decisions and of making recommendations on a case-by-case basis.

There are a number of procedural safeguards: statutory public consultation and ministerial assessment of it, the laying of the draft order and the assessment of the Select Committees themselves. Moreover, the Government have given a commitment not to override the protections guaranteed by those Committees. Such a veto exists, therefore, and the Government have also said that they will not introduce anything highly controversial, so there are various safeguards at each and every stage.

On my hon. Friend's specific example, the Commons Regulatory Reform Committee and the Lords Delegated Powers and Regulatory Reform Committee would make an assessment based on public consultation, and on their own instincts and attitudes toward whether such a change would be highly controversial and ought not to be made. The relevant Select Committee would then operate a power of veto and the Government would be told to think again and seek an alternative legislative vehicle, if they were still minded to proceed with the suggestion.

Rob Marris: That is much better than the formal speech.

Mr. David Heath (Somerton and Frome) (LD): I have to agree with the remark made by the hon. Member for Wolverhampton, South-West (Rob Marris) from a sedentary position. The fact remains that the Bill will empower a Minister to increase the penalty for a criminal offence without the benefit of primary legislation. Are there any circumstances in which the Minister believes that that falls within the broad definition of regulatory reform, rather than within the proper duty of this House to scrutinise primary legislation?

Mr. Murphy: On criminal penalties, the Bill gives a commitment not to go beyond a fine exceeding level 5. In addition, the Regulatory Reform Committee will assess such issues. Frankly, the Government have a genuinely more ambitious better regulation agenda than we have ever seen before—an agenda that includes simplification proposals, administrative burden proposals and, of course, the introduction of this Bill. We are absolutely determined to ensure that we maintain our economic competitiveness and that we support our businesses and public services through better regulation, so, yes, we are seeking to go in a much more ambitious direction, but important safeguards will be put in place that are much stronger than the 2001 Act.

I shall now return to an element of my text before I sit down. I apologise to the House for that. I may wander off it again if the House wishes. I am giving a clear undertaking today that orders will not be used to

implement highly controversial reforms, that they will not be forced through in the face of opposition from the Committees of this House and that the Committees' views on what is appropriate for delivery by order will be final. Under the super-affirmative procedure, which, as I have said, Parliament has a right to require, these Committees will be able to recommend amendments to orders, and the Minister will be able to lay a revised draft order reflecting those recommendations. The safeguards contained in the 2001 Act have been maintained or enhanced. Key procedural safeguards have been retained and I have given clear undertakings on the appropriate use of these powers.

The Regulatory Reform Committee and its equivalent in another place will be central to the policing of the preconditions and safeguards on the face of the Bill and to the scrutiny of proposals in general. Committees in both Houses will have the right to recommend amendments to draft orders or to veto them completely. Parliament's role remains paramount, but the tool will be flexible enough to deliver the will of all sides of the House to ease the burdens on businesses and our public services, where appropriate.

I turn now to some other specific aspects of the Bill. The 2001 Act was also intended to provide a means for the implementation of Law Commission recommendations. I am sure that hon. Members will agree that the Law Commission has a long history of valuable work in updating, modernising and codifying many areas of our law. Its work is well respected and its recommendations are often non-contentious and attract widespread support. However, as with regulatory reform proposals, the lack of parliamentary time on the Floor of both Houses means that its recommendations are rarely implemented. It makes no sense to leave them languishing when we could be effecting real and helpful change to our laws.

The 2001 Act did not help enough with the problem, as the technical restrictions of the RRO power made it difficult to implement Law Commission recommendations. The new order-making power in the Bill will address the problem and make it much easier to implement such recommendations, such as the 2001 recommendation on the rights of third parties against insurers. This desirable reform will make it easier for people who are physically injured or economically damaged to recover money from insurers where the perpetrator is insolvent. This sensible reform would not be possible under the current RRO power.

Some of the restrictions in the new order-making power will not apply to the implementation of Law Commission recommendations, but the same preconditions and rigorous scrutiny process will apply.

I turn to the issue of Europe, albeit with some apprehension. *[Interruption.]* Opposition Members are not as excited as they usually are by the use of the word, so I hope that I can make some progress.

The Bill also contains provisions to reduce the burden imposed by, and increase the transparency of, EU regulations incorporated into domestic law. These technical provisions are intended to improve the transposition of Community law into domestic legislation.

Mr. Redwood: Quite right.

Mr. Murphy: I am a little worried to hear the right hon. Gentleman say that. Perhaps I should go off script again and disagree with what is written here. Nevertheless, I welcome his sedentary endorsement for what I have said and am about to say.

The provisions will make it easier for Departments to transpose regulations and update EU regulatory regimes, as well as making it easier for organisations and individuals to understand the changes that they effect and how they relate to previously implemented EU regulations.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Government have said that the CBI is broadly in favour of the Bill, but what has been the reaction of small business? I had a good number of small business clients before I entered the House in 1997. The Federation of Small Businesses says that what amounts to a "rule of five" exists—that small businesses face administrative burdens five times as great, proportionately, as those faced by larger businesses, that 5 per cent. of their budgets are spent on compliance and, most importantly, that every five weeks in the past five years one new requirement affecting small businesses has reached the statute book. Is the Minister confident that the Bill will deliver a means to reduce the regulatory burden in an effective way?

Mr. Murphy: In an unusually helpful contribution, my hon. Friend identifies an important issue. We are, of course, in close consultation with the FSB and other business organisations. Indeed, the FSB's policy chairman has written to the press strongly endorsing the approach taken by the Bill.

Although it is relatively straightforward to introduce a Bill, the important thing is what that Bill does. The Government have an ambitious agenda for better regulation, as I emphasised in my meetings with small business people when I travelled around the country last year as part of the wider consultation. They made it clear that one of the biggest problems faced by single-person businesses was the difficulty involved in moving to employing one or two additional people. We are looking for ways to simplify that.

I have taken a number of interventions, and time is against us, so I shall bring my remarks on Europe to a close. I particularly look forward to support for these measures from those who consistently ask for an easing of the burdens of EU legislation and for the introduction of practical measures to do something about that problem.

The Bill abides by the regulatory principles of transparency, accountability, proportionality and consistency. Regulatory activity must be targeted only at cases where action is needed. The Bill also enables those principles to be developed further by conferring a power to issue and revise a code of practice in relation to the exercise of regulatory functions. The Bill makes important changes to the way in which we pass some of our legislation. When the House passed the 2001 Act, it agreed that an alternative means of passing legislation to improve the UK's regulatory performance was essential. What this Bill provides is a more proportionate way of delivering those improvements without undermining the role of Parliament. On the

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contrary, it is clear that it will enhance the role played by Parliament on better regulation issues. I hope that my comments have offered the House a useful starting point for debate and emphasise that we are determined to deliver on our ambitious better regulation programme. The current Act does not deliver on those objectives and the Bill will make a major contribution to maintaining our competitiveness, safeguarding our economic prosperity, reducing the burdens on our public services and improving the lives of our citizens. I commend the Bill to the House.

2.36 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): The central point that the Minister makes is that the House will still have the opportunity to debate in the traditional way any measures of importance or controversy. This Bill is an early test of that because the Regulatory Reform Committee has said that the first part of the Bill is of constitutional significance. The Chairman of the Procedure Committee has written to the Leader of the House asking that part 1 of the Bill be considered on the Floor of the House, which is the normal arrangement for issues of constitutional significance. The Leader of the House said earlier that he was considering the issue, and I hope that the Minister will consider withdrawing the programme motion—we may take his willingness to do so as a test of what he says. It should be the principle that any issue of constitutional importance is dealt with on the Floor of the House.

Mr. Heath: I shall make this point now so that I do not need to do so later. I agree entirely with the hon. Gentleman. Part 1 of the Bill is clearly a constitutional issue that should be dealt with on the Floor of the House. The Government should withdraw the committal motion and move a new one next week, after discussions through the usual channels.

Mr. Heald: I am grateful to the hon. Gentleman. It is worth mentioning that Lord Holme, who is the Chairman of the Lords' Constitution Committee, has also described part 1 of the Bill as being of first class constitutional importance. There is time in hand, because the Minister has kindly agreed to look at the Regulatory Reform Committee's proposals and respond before the Committee stage, so we are not as short of time as we might be.

The House supports deregulation and the Opposition are determined that there should be not only a reduction in the stock of regulation, but that we should regulate less, year on year. However, the worry is that this Bill does not refer to deregulation at all. It is a sad reflection on the Government that burdens on business are rising. I have already referred to the burdens barometer produced by the British Chambers of Commerce, which has increased by £40 billion since 1997. That puts in context the Chancellor's target of cutting regulation by £10 billion, because that is only a quarter of the increased burden on business.

Meanwhile, the World Economic Forum shows that the United Kingdom is becoming less competitive. In 1997, the UK was the fourth most competitive country in the world. It has now fallen to 13th. The World Economic Forum specifically cites regulation and bureaucracy as two of the main obstacles to business in the Britain.

Rob Marris: My understanding of the £40 billion sum is that a large proportion of it—some £26 billion—consists of the minimum wage. If that is the case, is the hon. Gentleman saying that the Conservatives have changed their mind again about the minimum wage? I thought that they now supported it.

Mr. Heald: I have a long list, so I do not really think that I should trespass on the good will of the House.

David Taylor: It is a flip-flop list.

Mr. Heald: It is the "Burdens Barometer" produced by the British Chambers of Commerce. The hon. Member for North-West Leicestershire (David Taylor) was telling us how keen he is to represent the interests of small businesses, so perhaps he would find it a useful read. It shows, for example, that in just the past two years, the burden has gone up by £9 billion. That, of course, does not refer to the minimum wage at all, but if the hon. Member for Wolverhampton, South-West (Rob Marris) wants to read it, I am happy to pass it across the Dispatch Box, if the Minister will allow it to be passed on.

Mr. Chope: Can my hon. Friend confirm that the British Chambers of Commerce said that its estimate of £38.9 billion specifically excludes the cost of the minimum wage?

Mr. Heald: That is my understanding, and the hon. Member for Wolverhampton, South-West can now read that with interest.

Dr. Tony Wright: This is all very interesting and we hear it regularly, but is not the problem precisely that, alongside the burdens barometer, we must always put the protection barometer? Getting the balance between those two things right is the real challenge. We should consider the arguments that we have had recently about protecting pupils in schools against being taught by paedophiles and a whole revisiting of the associated protections regime. One moment we are anxious about burdens; the next moment we are anxious about protection—but the key thing is to get the balance right between the two.

Mr. Heald: I could not agree more. In fact, later in my speech I will talk about the one in, one out principle that Sir David Arculus considered when he was in charge of the Better Regulation Task Force—now renamed the Better Regulation Commission—when trying to balance new regulation against the removal of outdated regulation. I accept that protection is also important.

Other measures, such as the International Institute for Management Development's "World Competitiveness Yearbook", show that the UK has fallen from ninth to 22nd since 1997. The London School of Economics recently warned about

"concerns that tougher competition could be undermined by increasing regulation".

The CBI has said:

"Many businesses believe regulation is damaging the UK's attraction as a place to invest . . . the burden has grown and expect it to increase further."

The Library has shown that there are 3,887 regulations a year on average under this Government—15 every working day. That is a 50 per cent. increase on what happened under the last Conservative Government.

Against the background of failure that was evident in 2000, Lord Falconer introduced the Regulatory Reform Bill, which was described as a major measure for deregulation. He said:

"The Bill will provide a major tool to tackle unnecessary over-lapping, over-complex and over-burdensome legislation."—[*Official Report, House of Lords*, 21 December 2000; Vol. 620, c. 850.]

In the House on 19 March 2001, the then Under-Secretary of State for the Cabinet Office, the hon. Member for Manchester, Blackley (Graham Stringer), was asked:

"Do the Government intend the measure to be used to introduce orders that have a net deregulatory effect—yes or no?"

He said:

"The Bill makes it clear that each regulatory reform order must contain a deregulatory element."—[*Official Report*, 19 March 2001; Vol. 365, c. 118.]

The Bill was described as "a valuable tool", "an excellent tool" and "a major tool", but the sad history records that only 27 regulatory reform orders have been made, although everyone expected more than 60.

Of course, a review was promised. It talks about whether it should be possible to amend or appeal primary legislation to do one of three things: remove, reduce, re-enact or impose burdens; simplify legislation; and implement uncontroversial Law Commission recommendations. We wanted that power to be as flexible as possible, so it went out to consultation. Not surprisingly, business groups in particular supported the consultation and the idea of that flexibility, but something strange then occurred. The Government changed tack and removed all reference to removing burdens on business. What we have now is constitutionally novel. The Bill extends the scope of powers available to Ministers while relaxing the constraints of parliamentary scrutiny. Ministers will be able to amend, repeal or pass primary legislation without going through the normal parliamentary procedures. There is no requirement that such measures should have a deregulatory effect, so the danger is that we shall have legislation, regulation and parliamentary corner-cutting with no deregulation at all.

Like the Minister, the Government talk much about deregulation and better regulation. They have their Better Regulation Commission, with its new chairman, and their simplification process, whereby every Department has to find simpler legislation. Expensive consultants have calculated the costs to many businesses of every burden or cost of regulation. Now, we have the Bill, but the sad truth is that so far, despite the talk, there has been no deregulation.

All the talk of one in, one out—the idea that every time a regulation is passed another should be repealed—is a vain hope. The Minister will have seen the latest list from the Department of Trade and Industry showing the regulations coming in on 6 April and 1 October—the regulation-making days. It runs to 30 pages, but there is not even the sniff of a list of regulations that will be scrapped. As the Institute of Directors said recently:

"We are pleased to see all the policy activity, but are still waiting to see tangible action on the ground."

James Brokenshire (Hornchurch) (Con): Is my hon. Friend aware of the Company Law Reform Bill, currently in another place, which includes provisions for fast-track reforms? If the Government want to speed things up and reduce burdens, might not that measure be the place to start, as it overlaps with the Bill?

Mr. Heald: The Government are taking several overlapping measures, all of which remove power from the House and give it to Ministers. There is a process in the Government of Wales Bill to take power from the House and give it to Wales on a case-by-case basis. There are similar procedures in the Company Law Reform Bill and other measures. My hon. Friend the Member for Huntingdon (Mr. Djanogly), who will wind up the debate, has detailed knowledge of the Company Law Reform Bill and will have something to say about it.

In Committee, we shall make a range of suggestions to toughen up regulatory impact assessments so that they concentrate on whether regulation is cost-effective and necessary as a last resort. We shall try to include a special assessment of whether small business should be exempt from regulation, instead of the current patchwork, whereby only some small businesses are exempt and there is no clear theme. The Government will have to consider whether small business should be exempt on every occasion, which relates to the point made by the hon. Member for North-West Leicestershire about the disproportionate burden on small businesses.

We want to ensure that regulatory impact assessments are audited at a later date to determine their accuracy. The Better Regulation Commission or the Regulatory Reform Committee might have a role in that. We shall propose sunset clauses, proper post-legislative scrutiny and perhaps an enhanced role for the Law Commission to consider outdated legislation. We shall try to focus the Bill much more on deregulation than regulation.

Part 1 is of concern due to the breadth of the power taken by the Government to replace, amend or introduce legislation, including any Law Commission Bill. The Minister will be aware of criticisms made by various Committees, and that the Law Commission is considering measures to introduce palimony—giving people who have lived together equal rights with those who divorce. It is also considering how to deal with tenants' rights and the termination of tenancies and with criminal law reform, including reform of the law of murder and the question of provocation in domestic violence.

I might well agree with the Law Commission about such matters, but they are the sort of issues that hon. Members will want to discuss on the Floor of the House in the normal way because there are strong feelings about them in the House. However, where in the Bill is there anything to reassure us that that will happen? The Minister told the Procedure Committee on Tuesday that

[Mr. Heald]

the Government would not use the procedure for highly controversial matters and that there was a sort of veto for the two Select Committees. However, I worry about dealing with the matter on the basis of such assurances because I can find no such veto in the Bill.

The right hon. Member for Berwick-upon-Tweed (Mr. Beith), who cannot be here today, once wrote an article called "Prayers Unanswered" about the change that was made in 1954 to the way in which regulations were considered. The old tradition that every set of regulations was debated on the Floor of the House was changed and statutory instruments were then taken upstairs. The right hon. Gentleman wrote:

"Until 1954, all prayers could be debated. Any Member could put a prayer down for debate on any sitting day except Friday, and unless a closure was carried there was no time limit at all. In 1954 a rule was established that debates were to end at 11.30 ... Nonetheless, the Committee which recommended the 1954 rule clearly intended that all prayers would still be debated on the floor of the House and the Leader of the House at the time, Captain Crookshank, insisted that 'if honourable Gentlemen put down prayers, time will be found for prayers.'"

Of course, the rest is history. I believe that now only a tiny number of prayers are ever debated.

The Minister has said that we will continue to have full parliamentary debate for terrorism measures and the Parliament Acts, but he must accept that they are of the highest importance among the measures that we expect to debate on the Floor. The House would wish to debate many matters that were controversial, but not in that highest category. I will want the Minister's assurances to be included in the Bill so that they bind his successors.

The House should also be worried about clause 9, which contemplates conferring functions on the Welsh Assembly without full debate. The Minister needs to explain how the power would operate in conjunction with the Government of Wales Bill. Is it really envisaged that powers will be gradually devolved by the back door using the order-making power in the Bill? Few hon. Members would think that appropriate for something as important as devolution?

Clause 8 deals with Scottish matters. Does it mean that Sewel motion legislative proposals—changes that are within the remit of the Scottish Parliament, but made by the House—will be dealt with by order? If so, has the Scottish Parliament been consulted? What assurances can the Minister give us that we will have the right to debate important matters? Where in the Bill are those assurances?

The Regulatory Reform Committee and its equivalent Committee in the other place have the important role of deciding how regulatory reform orders should be dealt with procedurally. Why does that role not include the ability to refer such an order for full parliamentary scrutiny as though it were a Bill? There might be cases in which a Minister's decision about the nature and importance of a measure does not reflect the opinion of the House itself. In such circumstances, surely it would be useful if we were able to transfer into full Bill mode.

Part 2 of the Bill includes provisions that are based on the Philip Hampton proposals. We welcome his commitment to entrenching the principle of risk assessment throughout the regulatory system and ensuring that administrative burdens are reduced. We also welcome his concentration on substantially reducing the need for form-filling and the requirement to follow good principles of enforcement. Will the Minister confirm that that is what the codes of practice will be about?

Part 3 seems to introduce simpler provisions for bringing European law into force in the United Kingdom. However, there is reference in clause 26 to "rules" and "schemes" being used to implement provisions, instead of provisions simply being implemented "by regulations". What does the Minister have in mind? We should be interested to hear his reply. I do not know whether my hon. Friend the Member for Stone (Mr. Cash) is here—[HON. MEMBERS: "He is not."]—but I know that he was hoping to ask that very question.

The Bill should be about deregulation and building a culture of light-touch regulation. We should ensure that Whitehall treats such matters as seriously as it does the passing of new legislation and regulations. I was struck by what the Minister told the Procedure Committee. He conceded that in the present culture it is more exciting and one is more likely to be promoted if one is in charge of or on a Bill team than if one is a successful deregulator—or, in his terms, a better regulator. How to change that culture is at the heart of the problem.

It is easy to see how a Government who were not all that keen on deregulation could decide to regulate in fields such as social rights—particularly employment rights—and that the regulatory reform order would be a convenient way of doing that. As the hon. Member for Wolverhampton, South-West said, the subjective tests in clause 3 are not adequate to protect against that sort of action. The Minister may well agree with the social rights in the EU charter of fundamental rights and want to introduce new legislation on employment rights. Is he able to give us any assurance that he would not use regulatory reform orders to do that sort of thing? Just as it would be simple for a Government who had a strong view on the social rights in the EU charter to introduce those rights through the back door by using such an order, a Government who took a different view could do the opposite. That is precisely what worries the TUC, whose head of equality and employment rights, Sarah Veale, said a couple of days ago:

"The current government has undertaken not to use RROs for measures that are 'large and controversial', but this will not apply to future governments. Future governments will not be detained long by safeguards that are tested by standards that are matters of judgment and not objective".

The experience of the introduction of Standing Committee hearings in the 1950s shows what can happen: a procedure is introduced, assurances are given and no one thinks that it will end a particular way of doing things, but over time the protections fall away as Ministers enjoy the convenience of the new arrangements. Both those who worry about the way in which the EU operates and those whose views are the

opposite can see how the RRO procedure might be abused. In those circumstances, would it not be right to insert stronger safeguards into part 1?

Rob Marris: I understood the Minister to have given two undertakings: first, that the procedure would not be used for controversial legislation; and secondly, that the Select Committees would in effect have, to use his word, a veto. Would the hon. Gentleman be satisfied if those undertakings were—it would be difficult—put into the Bill?

Mr. Heald: Whether the veto is put into the Bill or introduced by changing the Standing Orders, which might be a better way, it should be a cast-iron measure. I am not happy about the definition of "controversial" or "highly controversial". Originally, the word used was "controversial". The Minister cranked up the language to "highly controversial", and when he was asked for examples, those he gave were of the highest level of importance—ultra-controversial. Our concern is that we do not really know what we are talking about.

I think that the traditional way of passing a Bill, although it is a laborious procedure, has some advantages. If, during the passage of Bill, one listens to debate and accepts that things need to be changed, one can do that. A super-affirmative procedure would be much more rigid than the procedure used for Bills. I should therefore like to retain the existing arrangements.

Mr. Heath: Matters that may not appear controversial to the Government and Conservative and Liberal Democrat spokesmen may be extremely controversial for Back-Bench Members. Those Back Benchers may not serve on the relevant Committee, so they lack the opportunity to express a strong point of view on behalf of their constituents about a matter that they regard as highly controversial. We need to bear in mind the views of Back-Bench Members as well as those of Front-Bench spokesmen.

Mr. Heald: I entirely agree. That applies to important issues, where conscience is often part of the equation, and could include the question of whether the rights that people have on the breakdown of a long-standing relationship should be the same as those that they have on the breakdown of a marriage. The Law Commission is looking at that issue, and it could easily fall within the ambit of clause 1.

We do not need more assurances—we need action in the Bill. We accept that the Bill could provide genuine benefits for business, but it requires amendment. Ministerial assurances, too, would be helpful, and we would like the main assurances to be incorporated into the Bill or into Standing Orders. It is particularly important that the fast-track procedure is not available for controversial measures. Things do not necessarily appear highly controversial. As the hon. Member for Somerton and Frome (Mr. Heath) said, Ministers may not think that something is controversial, but many hon. Members may think that it is. It should be possible for Committees to act effectively and second-guess Ministers on such issues. The Bill is a novel constitutional measure, so when it is enacted we will suggest that it should be subject to renewal or a sunset clause, perhaps after five years, which is an appropriate period in which to test it. However, we would not want to give such measures carte blanche at this stage.

Rob Marris: Hon. Members could use the Bill's own procedures to remove the sunset clause.

Mr. Heald: I hope that it is not the case that we could override the sunset clause by an order under part 1, but if it is, we will need to look at that. One thing is for sure, however, namely, that there is a great deal of work to do in Committee.

3.2 pm

Mr. Alan Williams (Swansea, West) (Lab): The Liaison Committee, like the hon. Member for North-East Hertfordshire (Mr. Heald), accepts that there is much that is of value in the Bill, and we support that. However, it is not the intent of the Bill that worries us, but its potential impact. I agree entirely with the Regulatory Reform Committee that it is of high constitutional significance. We live in new parliamentary times and every day brings another timetabled Bill. A Bill is not properly formed if it does not have a timetable motion attached, and every Bill is subject to the guillotine procedure. In other words, we have inadequately scrutinised legislation that may result in injustice for people who are at the receiving end. We have inadequately monitored legislation and, under the Bill, Ministers will have the ability to amend primary legislation with a truncated order-making procedure. Inadequate primary legislation will therefore be subject to an inadequate procedure. That fact alone means that the Bill deserves special consideration.

I was rather concerned by the Under-Secretary's response to pre-legislative scrutiny in the minutes of the Regulatory Reform Committee. I well remember our days in the Public Accounts Committee, when we happily harried accounting officers and individuals guilty of financial misdemeanour, and I know that he is in favour of the parliamentary scrutiny performed by that Committee. I was therefore surprised by his response in the minutes to the concept of parliamentary scrutiny. He said that it had been offered last time but had not produced what the Government wanted, so there would be no pre-legislative scrutiny this time. That is a mild paraphrase, but it conveys the impact of what was said. I worry about how Ministers might interpret the powers, once they have them.

The Regulatory Reform Committee asked that its remit should be widened. I hope that we can get a firm commitment from the Minister that that will be done. As was said by the Opposition spokesman, the new legislation does not even have to show that it will reduce burdens. The only burdens that are guaranteed to be reduced are the parliamentary burdens on Ministers, because they will choose the type of scrutiny that a measure gets. They can choose the negative procedure, and there is nothing that anyone can do about it. So the Bill is burden-relieving, but not quite in the way that most of us anticipated.

As has been pointed out, the safeguards in the Bill are less than are in the existing Act and, worryingly, less than those outlined in the consultative process. The Bill is remarkably devoid of safeguards and guarantees. I welcome assurances, but in parliamentary terms, there is no assurance as good as an assurance written into a Bill.

3.6 pm

Mr. David Heath (Somerton and Frome) (LD): The wise words of the Father of the House ought to have struck home, even if the words of the hon. Member for North-East Hertfordshire (Mr. Heald) and my own do not. We need careful scrutiny of part 1, and that should be on the Floor of the House to enable all Members to participate if they so wish.

I have already apologised to the Minister, to the hon. Member for North-East Hertfordshire and to the Chair, and I now apologise to the House for the fact that I will, unfortunately and exceptionally, have to miss the later speeches in this debate. I hope that hon. Members will recognise that that is not the way I usually do business in the House, and I regret that I will not be able to observe the normal courtesies of the House.

I commend the Minister for introducing the Bill in his usual way. I am almost beginning to forget that there ever was a Chancellor of the Duchy of Lancaster and to wonder what the Chancellor of the Duchy of Lancaster did, but we shall no doubt see a successor eventually, or perhaps not. Who knows? In any case, a Bill that declares itself to be a vehicle for regulatory reform is transparently a good thing. It is the parliamentary equivalent of motherhood and apple pie to say that we all want to reduce the burdens of regulation. However, successive Governments fail to do that and there have been incremental increases in the burden.

Any Bill, the prospectus of which is to reduce the regulatory burden, should be welcomed, but—and it is a big but—as the poet had it,

"timeo Danaos et dona ferentis"—

I fear a Greek bearing gifts or, to put it in modern form, if it sounds too good to be true, it probably is too good to be true. The Bill is a classic case of that.

We look for consolidation of regulation, and for reduction or extinction of regulation. That is an extraordinarily important part of the process. We are very good at creating regulation, but not at looking back to see whether it is still relevant to the purposes for which it was first introduced, or whether it is simply a relic that has become a burden without benefit. If the Bill were entirely about that, I would welcome it.

Parts of the Bill are useful—for example, I want to see an accelerated method for bringing Law Commission proposals into law. The proposals on translating European law into British law are not exceptional, apart from the fact that they have not been coupled to the fundamental reform of how we do the job in this House. If anything is desperately needed, it is a better way of examining European regulation and considering how it will apply, whether it has been added to and the effect that it will have on British businesses and British individuals.

Mr. Redwood: Does the hon. Gentleman agree that we need scrutiny before draft regulations are agreed in Brussels? Some years ago, I was Minister with responsibility for the single market, and I always brought matters to the House before undertaking negotiations, which often helps Ministers, because if the House is hostile to a regulation, it strengthens their hand. It is no use scrutinising a European regulation after it is a done deal.

Mr. Heath: I could not agree more. Most European legislatures conduct such matters much better than us. We need not only prior scrutiny, but a transparent process in Europe to enable us to know what Ministers are doing on our behalf, which is another deficiency.

The intent of the legislation on regulatory functions is welcome. However, hon. Members have made it clear that part 1 is unacceptable and that it must be amended before we can accept it. Even if one takes at face value the assurances from the Minister and from the Government as a whole and believes that they will be carried through, we are still legislating for a massive shift of power to the Executive and away from the legislature. The Executive may change in the future, so we, as parliamentarians, must ensure that we put in safeguards.

The Government recognise that the Regulatory Reform Act 2001 has not worked as well as it should have done. It has some benefits, but the mechanism is cumbersome and capable of improvement. All hon. Members want to see a reduction in the administrative burden on businesses. Businesses have welcomed the introduction of the Bill, although it would have been odd if they had not done so. As the right hon. Member for Wokingham (Mr. Redwood) has said, the weaknesses in the current legislation include not only the translation of regulation into law, but the initiation of the regulatory process. The evaluation of such legislation has also raised some issues.

The hon. Member for North-West Leicestershire (David Taylor) has made the key point that regulation has a wholly disproportionate effect on small businesses and micro-businesses. Hon. Members will have received information from the Institute of Chartered Accountants in England and Wales, which has estimated that 73 per cent. of the total £7 billion cost of regulation on business falls on the smallest businesses. A long time ago, I managed a small business on the high street—my practice—but even in those days, I noticed that the cost of regulation was rising. Small businesses do not have human resources departments to deal with regulation. They have a proprietor—the person who ends up as the dogsbody having to do everything, with a wholly disproportionate burden laid upon them. I hope that we will particularly recognise the position of small businesses.

That worries me in another way. I do not want to create a facility for deregulation which solely favours those who have the big battalions behind them. The trigger for reform will often be those who have the resources to mount the campaign—or, even worse, the ear of a suitable Cabinet Minister—and can create the circumstances for deregulation which favours the concerns of the largest businesses at the expense of those who work in the same market but do not have the same resources. We must be extremely cautious about that.

Mr. Heald: Does the hon. Gentleman envisage the possibility of an enlarged role for the Law Commission in looking at some deregulatory laws at a certain distance from the time at which they are passed—say, five years?

Mr. Heath: I am not sure that the Law Commission is the right vehicle. I have enormous respect for it, but this is not a role for which it would be best suited. However,

audit bodies of various kinds could provide an extremely useful function. I would very much like to see such retrospective evaluation.

Having been involved in countless Home Office Bills over recent years, I am conscious of the fact that we have often had to amend Bills before they have even come into effect—even the criminal justice Bill of whatever year that was going to be the end of crime as we know it. We need to get a grip on the cumulative effect of legislation, and the House needs to have the right advice to be able to do its job of post-legislative scrutiny much more effectively than it does now.

Dr. Tony Wright: The Law Commission has just completed a report on post-legislative scrutiny. The fact that people do not know about it is perhaps the most revealing thing of all.

Mr. Heath: I am aware of it. However, I also know that the hon. Gentleman's Committee has been talking about this for a very long time. It is a shame that the message has not got through to the Government, or to the plurality of Members.

The Minister remarked on the number of people who have welcomed the Bill. I would say that they are welcoming a Bill, but not necessarily this Bill, given the extraordinary powers that part 1 gives to Ministers. I do not expect some of our business interlocutors to have carefully scrutinised the powers of parliamentary scrutiny in part 1, as that is not their business. It is our business, however, and we should be alarmed by what we read. It is of course capable of improvement, but we must be very careful. Such provisions are often described as Henry VIII clauses. Poor old Henry VIII, alone among autocratic monarchs, seems to get the blame for most things. Nevertheless, we should worry about the autocracy involved in this case.

Clause 1 refers to the broad purpose of "reforming legislation". What does "reforming" mean? The only requirement is that one must have legislation to reform; one cannot make new law, but one can reform it. That undefined term appears right at the start of the Bill.

Mr. Heald: Does the hon. Gentleman accept that Henry VIII was relatively innocent when compared with our current Prime Minister? He appointed far fewer Lords and changed far fewer laws.

Mr. Heath: Our current Prime Minister has yet to abolish the monastic tradition and he has fewer wives. However, it is an interesting comparison. We no longer have the Lord Chancellor who liked to compare himself to Wolsey, but let us not pursue the analogy further.

Conditions are dotted around the Bill. Clause 12(3) provides a list of conditions but they do not apply to clause 1. There is therefore a disconnection that we need to tackle.

Clause 2 covers the law. The hon. Member for Wolverhampton, South-West (Rob Marris) was right to say that it grants a power to amend common law, even if the Law Commission has made no such proposal. I am sorry, but we cannot give a Minister such a power—it is not acceptable for a Minister to have that power without the House's agreement.

I also agree with the important point about increasing the penalty for criminal offences. I asked the Under-Secretary in what circumstances he envisaged the provision being appropriate. He did not reply but simply said that the power was limited to scale 5. Why should it exist at all? When would it be appropriate for a Minister to increase the penalty for criminal offences without primary legislation and recourse to the House? It is an inappropriate power.

As my hon. Friend the Member for Cambridge (David Howarth) said, clause 3 provides for a subjective test, and that is wrong because whatever slight protection the law affords is thus immediately eliminated. If a Minister determines subjectively what it is reasonable for him to do, we have a circular process that makes it difficult to show that the action was unreasonable and that a Minister was deluded in believing that he should take upon himself powers that properly belong to the House. I accept that it is almost impossible to challenge at law the legislative process. However, even the initial stages should at least allow the possibility of justiciability. My hon. Friend made a powerful point, which I hope he has the opportunity to pursue later.

Many references have been made to the conditions but they are substantially weaker than those in the Regulatory Reform Act 2001, even leaving aside the codicils and applicable references. The consultation paper said that the safeguards had worked well and remained essential. If that is the case, why does the Bill water them down?

We will have to rely on Standing Order No. 141. Perhaps we need a more direct read-across from Standing Orders to the Bill because Standing Orders have one meaning, statute law has another and the two should be reconciled as much as possible.

The hon. Member for North-East Hertfordshire mentioned the Government of Wales Bill. I hope that he does not suggest its recommittal. One can have too much of a good thing. However, it is clearly a matter that we can consider.

There are other causes of concern, for example, the possibility of legislation that is secondary to secondary legislation. We cannot allow that. Clause 2(2) provides for "any person" to have the power rather than a Minister. Am I alone in believing that the power is not capable of delegation and that it is a matter for a Minister of the Crown, who is answerable to the House rather than "any person"?

There is also the veto and the Regulatory Reform Committee's proposals. The Under-Secretary said that he was looking at the matter closely. From the transcript of the Committee's proceedings, it appears that he looked closely to find the bit that he thought was already covered but was not. So I hope that he will table amendments on this matter in Committee. He can be certain, however, that if he does not, others will, because we need to make this clear.

The Bill has the potential to be extremely important in constitutional terms. That is why the hon. Member for North-East Hertfordshire and I—and, I think, by implication, the Father of the House—have suggested that it should be discussed on the Floor of the House. I hope that the Minister will be able to bring us a message from his Whips that they do not intend to move the

[Mr. Heath]

programme motion this evening, that the Government will allow wiser counsel to prevail, and that they will bring the Bill back to the House next week.

I have taken a dim view of part 1. Does this mean that I will advise my right hon. and hon. Friends to vote against the Bill's Second Reading? No, because we need a Bill that does the things that this Bill claims to intend to do. I also believe that this Bill is capable of redemption, but if substantial changes are not made to part 1, either in Committee or on Report, there is no way that I could advise my right hon. and hon. Friends to support the Bill on Third Reading. Moreover, I am absolutely confident that it would be amended beyond recognition in another place if it remained in its present state. The Minister has given every indication that he is prepared to listen to the points that have been raised in this debate, so I hope that he will listen to our considerable concerns about part 1 and react appropriately.

3.26 pm

Dr. Tony Wright (Cannock Chase) (Lab): The Under-Secretary of State for the Cabinet Office, my hon. Friend the Member for East Renfrewshire (Mr. Murphy) teased me a little during our earlier exchanges about the extent of my interest in matters of parliamentary procedure. I shall now get my retaliation in. When I was discussing these matters with him the other day, I noticed that the pockets of his suit were still stitched up, just as they were when he took delivery of it a long time ago. He assured me that this was not because he was a Scotsman. He said that it was a measure of simplification, and part of his attack on the bloated, the bulging and the unnecessary, and that it was therefore entirely in the spirit of the Bill. I offer that to the House simply as an initial observation.

The Bill is about legislation, and it reminds us that we are a legislative sausage machine here. Governments come along, they give us stuff, and they stuff it into the machine. We process it—more or less—and it comes out the other end. It is then possible to claim that Parliament has decided on something or other. As we are just talking among ourselves this afternoon, however, I think that we can probably tell the story more truthfully. This Government and all Governments legislate too much. We legislate badly, we scrutinise legislation inadequately, and we do not revisit it when we have passed it—we simply go on to the next bit. We all suffer because of that.

I say that because I do not want us to be starry-eyed about our normal way of doing legislative business here. Even though we may be worried about other procedures that are being suggested to us, we should not suggest that the alternative to what is being proceeded with is some splendid mechanism of detailed scrutiny. We may like to tell the outside world, and we may like to see it written in the constitutional textbooks, that we engage in dispassionate, line by line scrutiny of legislative proposals here, but we know that that is not the case.

We should thank our lucky stars that most of the public never get inside Standing Committees. They never see the way in which legislation is routinely processed here: members of the Government side are required merely to be there and to say as little as possible in order to get the business through, and the Opposition, as far as they can, play a game of delay. Measures are taken through on whipped votes. We often vote for things that we do not think are very good. That is how we do it in all parties, at all times. Therefore we should not believe, in discussing alternative procedures, that the way that we deal with legislation here routinely is particularly admirable.

Mr. Heald: I accept that we often do not do as good a job as we should, but does not the hon. Gentleman think that he is going slightly over the top? I remember some very good Standing Committee discussions about particular provisions of particular Bills. We have had some good examples recently of excellent debates on the religious hatred provisions. Obviously, the outcome was not to everyone's taste but it was a high-quality debate.

Dr. Wright: Occasionally, that is so. I do not want to digress but my first experience here was to sit on a Committee considering a private Member's Bill. We had a splendid Standing Committee sitting. People took good points from across the Committee and came to sensible agreements. The Bill came back to the Floor of the House and was killed off by the Government of the day, as though the Committee never took place. I thought naively that Bills were going to be discussed in the way in which that private Member's Bill was discussed in that Committee. Of course, it was nothing of the kind.

I think everyone recognises that we have to scrutinise legislation much better. That is why we have been anxious to develop, for example, draft scrutiny of Bills. The Government are to be commended for developing that further but they are also to be slightly chastised, as the number of draft Bills is beginning to fall off again. That was a major innovation in our achieving better scrutiny of Bills.

Mr. Redwood: Does not the hon. Gentleman agree that the difference between what is proposed and what currently happens with a Bill is significant? Any Government Back Bencher who gets on to a Committee by accident, or any Opposition Back Bencher or Front-Bench spokesman, can table an amendment or new clause that may light a flame and get people talking about it. It may then produce exactly the debate that we want. That would be impossible if the measures before us today were enacted.

Dr. Wright: I accept that that can and sometimes does happen; I would dispute that that is routinely what happens. There are, in some respects, better ways of doing it. They have been captured to a degree by the way in which regulatory reform orders work, so I am not averse to exploring that procedure further.

The fantasy that I sometimes have is of a Government coming to the House with a Queen's Speech that says, "This year, my Government will introduce no new Bills. We are simply going to make sure that the existing legislation works well, that our administrative systems are working efficiently and that we do not return to new legislation until we are sure that our existing legislation is of a certain standard." Of course, that is a fantasy that will never be realised either from this Government or

any other, but it is a discipline. There is something about the machine that simply has to drive ever onwards. The virility test for Ministers and for Departments is how much they can get in the legislative programme this year, not whether what they got in last year is working well and doing the things that they said it was going to do. At some point, we shall have to get hold of that huge issue, which goes against the culture of every Government and of the whole Government machine.

John Hemming (Birmingham, Yardley) (LD): As someone who, perhaps by mistake, got on to the Regulatory Reform Committee, I have made an interesting observation that many of the regulatory reform orders increase the power of Government. Perhaps that is because they come from civil servants, who, like turkeys, do not vote for Christmas.

Dr. Wright: I am interested in that observation. I have not served on that Committee, but I am told by some who have that it has offered a way of scrutinising some of these orders that is quite different from the process that I caricatured, moving far more towards the sort of procedure that can be captured by a Special Standing Committee. We must move in all those kinds of directions, away from just treating pieces of legislation in terms of the normal party dogfight, and towards getting some intelligent scrutiny. We do that much better through Special Standing Committees. We do it better when we consider Bills in draft. We can also do it better, as I understand it, through the regulatory order scrutiny procedure. We should be cautious about setting our face against these developments, which have a lot to be said for them.

Having said all that, what is proposed in the Bill—as various Members have said—is unquestionably a major constitutional issue. As has been said, that is the case for considering it in the way in which we normally consider such measures. I know that the Government will think about that.

The whole area of deregulation and better regulation has a history. I enjoyed being reminded of the background to the deregulation measures of the Major Government. I was reminded of John Major's speech to the Conservative party conference in October 1992—*[Interruption.]* Indeed, some hon. Members were there. John Major anointed Michael Heseltine no less, then the President—as he liked to be called—of the Board of Trade, to take responsibility for attacking regulation and leading the deregulation agenda. He said to the conference:

"Who better for hacking back the jungle? Come on, Michael. Out with your club. On with your loin cloth. Swing into action!"

That was very good.

Within a short space of time of being given the job, however, Michael Heseltine discovered that it was not so straightforward. By that time, he had moved on to become the Government's general troubleshooter, and, my goodness, there was a lot of trouble at that time to shoot. He came before the Public Service Committee on 10 December 1996, to talk about how he was getting on with his deregulatory mission. He said:

"This is the dilemma of deregulation, that it is never simple, very rarely are you able just to say, 'Get rid of this', because you are dealing with health, safety, environment, vital aspects of a civilised society. Sometimes you can modify, but once you get into modification you get into complexity".

That was why I inserted into our exchanges with the hon. Member for North-East Hertfordshire (Mr. Heald) earlier the point that, in a sense, every burden carries a protection with it. That was Michael Heseltine's conclusion, which is why the process is trickier than we sometimes think.

The Government have been right to move from that narrow focus on deregulation to a better focus on better regulation—as the Organisation for Economic Co-operation and Development says, from red tape to smart tape—which gets the notion of the balance right. We should remind ourselves that sometimes we do get things right. The OECD country report on regulation in Britain stated in 2002:

"With twenty years of continuous effort behind it, the United Kingdom is one of the most experienced OECD countries in regulatory reform . . . A constant up-grading of instruments has occurred simultaneously with the establishment of an array of regulatory policies, institutions, and tools, many of them innovative and unprecedented. This has formed a set of broadly efficient, transparent and accountable regulatory systems of high quality."

Across parties over the past 15 years or so, we have developed a robust and sophisticated approach to the whole issue of regulation. The Bill, however, represents a radical departure. The Government have decided on the most radical of the options that they discussed: they are taking power to reform any legislation. That is an extraordinary development, which requires the most careful discussion and scrutiny.

We must retain the value of some of the scrutiny mechanisms that we have developed in existing regulatory reform orders, and build in safeguards. My approach is fairly straightforward: yes, there is a case for new powers, but they must be matched by new safeguards. That is the only way in which to make the proposals acceptable.

The three main safeguards are these. First, there must be some limit on the use of the powers. It cannot be right to allow Ministers to reform any legislation in any way that they choose. The Regulatory Reform Committee has suggested that there should be a list of off-limits subjects. Another approach would be to allow change that was compatible with and proportionate to the original legislation. Ministers would then be able to use their powers to simplify legislation and bring it up to date, but they would not be able to transform the law in a way that was entirely different from Parliament's original intention. That would preserve a clear distinction between proposals requiring primary legislation and proposals that could be dealt with through secondary legislation.

Secondly, an effective veto is needed. If the Government are to be given more flexibility, it is no longer satisfactory for the veto to rest on an undertaking alone. The Government's own consultation document claims:

"Parliament will always and should always remain the guardian of what is appropriate to be delivered by RRO."

It also makes it clear that there can be no straightforward principles such as size or even complexity. If that is the case, Parliament must be able to exercise its guardianship order by order, not simply by approving the procedure in the Bill.

Thirdly, any proposals to change primary legislation must be properly scrutinised. The Regulatory Reform Committee has called for a minimum scrutiny of

[Dr. Wright]

60 days. It is interesting to note that parliamentary scrutiny currently accounts for only a small part of the time taken to process regulatory reform orders. An interesting table in the Regulatory Reform Committee's report shows that on average, the parliamentary scrutiny stage takes only 16 per cent. of the total time taken from initial consultation to approval, so that is not where the delay is occurring. That does not mean, however, that scrutiny should not be proportionate. The Committee itself has suggested that if it is felt that certain proposals need no amendment, it could be possible to do without the second stage of the scrutiny process.

For me—and, I suspect, a good number of others—if the principle is to be followed that the advancement of ministerial powers must all the time be matched by advancement in safeguards on the use of those powers, the House should expect the three safeguards that I have outlined to be included in the Bill, in order to provide that security. While I welcome the thrust of the Government's aims, the danger is that ministerial powers could be extended in ways that Parliament did not want or intend, and perhaps was not even aware of.

3.46 pm

Mr. Christopher Chope (Christchurch) (Con): It is a pleasure to follow the hon. Member for Cannock Chase (Dr. Wright). I have been waiting to hear a speech in support of the Government's proposal, and he rightly drew attention to the challenges associated with regulation. That struck a chord with my own experience. In 1992, I was a member of Mr. Heseltine's deregulation taskforce and I also served on the Health and Safety Commission, which was tasked with trying to reduce the burden of regulation. In that era and the current one, Governments have always talked of proportionality and the introduction of regulation based on risk assessment. Sadly, however, the trend has continued toward more prescriptive regulation. We will discuss on Monday the latest stage of the Identity Cards Bill, which is an example of prescriptive regulation rather than regulation based on risk assessment.

I want to begin by quoting from the letter of the Chairman of the Constitution Committee of the House of Lords to the Lord Chancellor, dated 23 January. He says that

"we are concerned by the potential of the Bill's proposals, if enacted, markedly to alter the respective and long-established roles of Ministers and Parliament in the legislative process."

So he regards this as a serious constitutional issue, which indeed it is. That is why I hope that the Government will withdraw motion 2 on the Order Paper. My right hon. Friend the Member for East Yorkshire (Mr. Knight), who is Chairman of the Procedure Committee, very much wanted to join in this afternoon's debate but has had to travel north to visit a relative in hospital. It was he who wrote on the Procedure Committee's behalf to the Leader of the House, who today said that he was considering my right hon. Friend's letter. Well, the time for considering it will be much greater if he withdraws motion 2, rather than trying to force it through this evening.

I recently had the privilege of being reappointed to the Procedure Committee after a gap of some 20 years. When I first served on it, during the Parliament elected in 1983, its membership included Sir Robin Maxwell-Hyslop and the right hon. Enoch Powell. Enoch Powell would be proud of the contribution being made on these very important constitutional issues by the current Member of Parliament for his former constituency, the hon. Member for Wolverhampton, South-West (Rob Marris).

It was Enoch Powell who once succinctly described to me the importance of the procedures of the House—and that was not just because we were both members of the Procedure Committee. He said that in the absence of a written constitution, the procedures of Parliament and of the Commons in particular are, effectively, our constitution: our protection of the people and their liberties against the Executive. That is why today's debate and this Bill are of such importance.

The Minister said that the Bill had stringent safeguards that were more extensive than those in the 2001 Act, but the hon. Member for Cannock Chase and the right hon. Member for Swansea, West (Mr. Williams) pointed out that the safeguards were not as extensive as the Minister asserted. Indeed, the precondition that a burden on an individual or a business would have to be removed is no longer part of the Bill. That important safeguard was included in the consultation process but was then dropped by the Government.

The Minister gave evidence to the Procedure Committee on Tuesday and said that the 2001 Act defined "burden" too narrowly, because it had to be a legal burden that was being eased rather than an administrative one. I have no problem with extending the definition of burden, but the more logical solution would be to widen the definition rather than remove completely any requirement that burdens should be reduced, if the special procedure is to be used.

The House was very careful to ensure that the protections in the 2001 Act were extensive. On Tuesday, the Procedure Committee asked the Minister whether they would remain, and the Minister replied that "every single protection" in the 2001 Act would. In answer to question 6, he said that, ultimately, the Select Committee could

"kick the whole thing out and say, 'We do not believe that this fits the right of Parliament and protections of Parliament to legislate in a sensible way.'"

The Minister ascribed to the Regulatory Reform Committee the right of veto, saying that it was a real protection for Parliament. In answer to question 9, he said that the Committee had the ultimate power to say that an order should not go ahead at all. In answer to question 12, he said that

"indeed, they could just say, 'We don't think this is suitable at all for this committee' and we are back to the drawing board to seek an alternative way of implementing the order."

The Minister gave the Committee's Chairman an absolute undertaking that it would have an absolute veto if it felt the subject matter was too sensitive and politically controversial.

When the Minister winds up the debate, I hope he will confirm that those assurances given to the Committee will be included on the face of the Bill; nothing short of that will do. The Government have suggested that they might bring forward the appropriate amendments: until they do, I and many other hon. Members will wonder

what possible reason there could be for not including such provisions on the face of the Bill. The existing procedures have not been tested in the circumstances that would apply when the Government disagreed with the Regulatory Reform Committee. None of that Committee's recommendations have resulted in a debate on the Floor of the House, with the Government forcing through a measure using the procedures available under the 2001 Act.

It was implicit in the Minister's evidence to the Procedure Committee that he considered that the Government's powers to force a measure through against the will of the Committee would never be used by a responsible and reasonable Government. We have the opportunity to ensure that that is the case. If that happens, I shall not be as sceptical as I admit to being at present.

In its present form, the Bill is in danger of being the sort of subtle sleight of hand of which a member of the Magic Circle would be proud. It is calculated to give much more power to the Government and the Executive, at the expense of Parliament. One reading of the Bill leads one to the conclusion that its primary purpose is not to remove burdens from business or people, but to remove the burden of having to legislate from the Government.

The Bill is the ultimate guillotine for debate and discussion. What a bore it must be for Ministers to have to bring Bills before Parliament if they want to change the law, even the common law. It would be so much easier if they did not have to publish a Bill, wait a couple of weeks for Second Reading, and then sit for the best part of a day in the Chamber listening to Members going on about it. Then they have to go up to Committee and answer points made on amendments, and even respond to new clauses that the Government might find embarrassing or annoying. It would be so much easier if the Government could just do away with all that and put their legislative proposals through this new, streamlined procedure. A strong Government would always be prepared, in extremis, to use the powers available. This is our chance to ensure that we do not give such draconian powers to this or any subsequent Government. That is why the Bill will have to be amended to reflect the concerns that have been expressed by two Select Committees and many right hon. and hon. Members.

No Member is a greater enthusiast for deregulation and lifting burdens from business than I am. If the Bill were solely designed to facilitate genuine deregulation and remove burdens, I would be among its strongest supporters. However, I remain to be convinced that that is its primary purpose.

We are used to Government rhetoric and we do not need to rehearse the 45 minutes saga or the weapons of mass destruction when we have before us examples of where the Government have said one thing and done another on this specific subject of deregulation. In its 1997 election manifesto specifically for business, published in April 1997, the Labour party promised:

"We will not impose burdensome regulations on business because we understand that successful businesses must keep costs down."

In the 2001 election, having imposed many more burdens on business in the interim, Labour promised in its business manifesto:

"We will deregulate where desirable and regulate where necessary, with as light a touch as possible."

In 2005, the promise was repeated in the full manifesto:

"We will only regulate where necessary and will set exacting targets for reducing the costs of administering regulations."

However, as my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) said, the Government have increased the number of regulations, the burden of regulation and the cost to business and enterprise. The hon. Member for Cannock Chase questioned whether the £38.9 billion figure included the cost of the minimum wage. I have looked at the briefing from the BCC and it specifically excludes the cost of the minimum wage. If that was included, it would push the figure up to an even more astronomic level.

We know, from the Library, that in the six years from 1998 to 2003 there were 23,322 regulations, an average of 3,887 a year or 14.85 every working day. Matters were bad enough under the Conservative Government, but this Government have increased the number of regulations by 50 per cent. since the Conservative record was set.

When the Government say that they will not use the powers that they are taking in this Bill—they say, "Trust us, we're really on your side"—I think that it is incumbent on us on behalf of our constituents to look more closely at their record of delivering what they say they will do. They have manifestly failed to deliver in the area of deregulation and lifting burdens on business.

The only way that we can guarantee that the Government deliver what they say they intend is to get the Bill amended in the way that many right hon. and hon. Members and I have suggested. I hope that my scepticism will not be borne out and that, by the time that we debate the Bill on Third Reading, it will incorporate those much-needed amendments, and I live in hope.

4 pm

Alison Seabeck (Plymouth, Devonport) (Lab): First, I offer the House an explanation for the absence from the debate of the Chairman of the Select Committee on Regulatory Reform. My hon. Friend the Member for Ellesmere Port and Neston (Andrew Miller) is attending the funeral of an old friend and former leader of the local council. His contribution will be missed.

I broadly support the general thrust of the Bill, but like a number of other hon. Members, I will seek clarification from the Minister in several key areas. I suspect that, before he makes the offer, I ought to volunteer to serve on the Standing Committee, although I feel that a number of genuine concerns should be dealt with by a Committee of the whole House.

I shall focus the bulk of my remarks on part 1, which falls within the remit of the Regulatory Reform Committee, of which I am a member, and on which we have issued a special report to hon. Members. Many contributions have been based on that report. As we have heard, part 1 will allow Ministers to amend, repeal and replace primary and secondary legislation. Of course, that could include legislation that was enacted very recently.

What is the Bill trying to achieve? Clearly, Ministers are seeking to convince the House that the Bill is intended primarily to reduce burdens placed on business

[Alison Seabeck]

and other organisations. It is also intended to assist in speeding up the process by which changes are made to existing legislation. Again, I have no doubt that Ministers have that entirely laudable aim in mind, but, reading between the lines, this uncontroversial Bill could be very significant constitutionally.

The Bill is the end result of a fairly lengthy process, including a detailed review of the operation of the Regulatory Reform Act 2001. The review was completed in July 2005 and the process was informed throughout by Departments, as well as by the recommendations of the Better Regulation Task Force. The review flagged up some of the problems that appeared to be inhibiting the production of regulatory reform orders, as well as areas where it was felt the scope should be extended to enable the better delivery of non-controversial proposals.

Such things would include recommendations from the Law Commission, including changes to common law—again, something that is controversial. My hon. Friend the Member for Wolverhampton, South-West (Rob Marris) raised that issue very well earlier today. The structural reform of regulatory bodies could be considered, as well as the implementation of the Hampton proposals to merge private sector regulators. That is not mentioned directly in the Bill, but it would be possible because the law reform powers could embrace such change.

One of the Committee's concerns when looking at the detail of the review was that it failed to identify the main causes of the delays in introducing regulatory reform orders. The evidence that the Committee considered, to which hon. Members have referred, made it plain that Departments are slow in bringing such proposals to Parliament, as well as in making the orders once Parliament has responded and made recommendations. For example, our Committee reported no changes on the Regulatory Reform (Execution of Deeds and Documents) Order 2004, but it still took three and a half months before the order was made. The consultation-to-order-made process on the Regulatory Reform (Sugar Beet Research and Education) Order 2003 lasted 1,924 days, of which only 113 days were for parliamentary scrutiny. Clearly, Departments could and should be doing better.

The hon. Member for North-East Hertfordshire (Mr. Heald), who led for the Opposition, touched on an interesting point that related to the culture of taking a Bill through Parliament and how important that can be for civil servants and Ministers. It is clearly a lot sexier—if I can use that word in the House—than deregulating by order. I suspect that that will come up again in the Committee.

With regulation and deregulation, it is important to maintain the delicate balance of protecting standards and ensuring fairness and safety at work, while allowing organisations room to breathe, and we clearly do not always get it right. Similarly, we have to ensure that the Bill achieves the right balance between extending the power of Ministers and the desire to streamline and speed up decisions designed to lift burdens from businesses and other organisations, while ensuring that there is adequate scrutiny and protection to avoid abuse.

When the Under-Secretary appeared before the Regulatory Reform Committee, he made it clear that the Bill would deal only with uncontroversial measures. There is no doubt that some of the Law Commission recommendations should be straightforward to implement. My problem is with the definition of "uncontroversial", as the meaning of the word is not clear in the Bill. As Members on both sides of the House have pointed out, in the wrong hands, the legislation could be used to implement decisions that had not been thoroughly reviewed by the House.

The Bill gives Ministers power to bring forward primary legislation by ministerial order, which does not involve the process that we all understand—Second Reading, Committee and Report in both Houses. We need to understand, feel comfortable with and confident of the mechanisms for distinguishing controversial and uncontroversial proposals. How will the measure deal with the grey areas that will undoubtedly arise? Will there be an assumption that if something falls into that category it must be controversial? We need clarification of that element of the Bill.

Like the Regulatory Reform Act 2001, the Bill contains safeguards, but as colleagues on the Opposition Benches have argued today, its protection may be less robust than that offered by the 2001 Act. I should welcome reassurance from the Minister on that point.

Unlike the 2001 Act, the scope of the Bill will not be limited by a requirement that the Minister identify the burdens to be reduced or removed. Indeed, the word "burden", like the word "uncontroversial", is not mentioned in the Bill. I agree with the Minister that the concept of a burden as defined in the 2001 Act is narrow; in effect, it means a legal burden, including a restriction or a requirement. As my hon. Friend said in his opening remarks, in the past that definition has been difficult to apply, which is one reason why the implementation of regulatory reform orders has sometimes been slow or impossible.

The Bill offers Ministers a fast-track procedure, which is welcome in many ways. The reduction of red tape, as well as the ability to get rid of redundant regulation quickly, has support on both sides of the House. Labour Members and the Organisation for Economic Co-operation and Development have pointed out that the Government have one of the best records in the world on deregulation, making the UK one of the easiest places in which to establish a business.

Business is keen to see the proposed changes. The majority of submissions received by the Regulatory Reform Committee supported proposals to speed up change, enable lighter risk inspections and streamline the business inspectorate. The British Chambers of Commerce also supported that view, so I was surprised that evidence of their concerns about regulation was touted. Four of the measures in the document cited by the hon. Member for North-East Hertfordshire added up to 55 per cent. of his calculation: the Working Time Regulations 1998, the Vehicle Excise Duty (Reduced Pollution) Regulations 1998, the Control of Asbestos at Work Regulations 2002 and the Disability Discrimination (Providers of Services) (Adjustment of Premises) Regulations 2001. I should be interested to learn which of those the Opposition want to abolish to save money, time or effort.

I support the aim of the Bill, which is to challenge Departments to consider measures to reduce the overall burden on business. I want Departments to record in their annual report the progress they have made, not only with figures to show what they have achieved, but explanations of how they made those achievements and how long they took, rather than bland statements such as, "We are making good progress in this area", which are, unfortunately, all too common in Government annual reports.

Almost all the responses to the consultation and to the Committee expressed the view that lighter inspection was appropriate, as long as it was intelligence-risk-based. Business certainly welcomes that, due to its perceived impact on productivity. Concerns have been voiced that we must be confident that a lighter touch does not lead to corner-cutting. Trade unions have expressed the view that there would be health and safety implications for some employees, so I should welcome reassurance from the Minister on that point.

Business will be relieved to learn that the Bill proposes the streamlining of business inspectorates. The significant reduction in their number from 29 to seven should enable inspectors to co-ordinate their work better and prevent repetitive visits, which are onerous on those being inspected. There will be a comparable reduction in the number of public service inspectorates from 11 to four.

Although the Committee and I wholeheartedly support most of the proposals in the Bill, there is a need to put in place additional safeguards. We need a shift back towards paying heed to the views of Parliament. The way forward would be to identify in the Bill legislation that would be off limits for the new fast-track process. We need several no-go areas beyond those that the Minister described as being of the highest importance. It should be possible to put in place a veto so that during the preliminary period of procedural consideration, it would be possible for either House of Parliament by resolution, or the appropriate Committee in either House that was charged with reporting on the order by recommendation, not only to vary the Minister's recommendation for procedure on a given draft order, but to determine that the part 1 procedure should not apply at all. If such a determination were made, no further draft order to the same effect, albeit perhaps tweaked a little, should be laid within two years of the determination date. If we were to adopt such a procedure, we would need to examine the role and powers of the responsible Committee following a consideration of the Standing Orders. Has the Minister had any discussions with the Leader of the House about the implications of such a change?

The Regulatory Reform Committee also thought that serious consideration should be given in the House and Committee to the need to reinforce parliamentary procedures. Three proposals were put forward in the special report, but I shall not go through them now because they are comprehensively covered in the report. All I ask is that hon. Members consider them carefully and give their views to the Minister and members of the Standing Committee. It is the view of the Regulatory Reform Committee that none of the proposals would alter the Bill or extend the scrutiny period beyond that which the Cabinet Office states that it needs. I have no doubt that the hon. Members who are selected to serve on the Standing Committee—if the Bill is not considered by a Committee of the whole House—will want to consider carefully the Bill alongside the thoughts expressed in the Regulatory Reform Committee's special report. I look forward to not only the Minister's closing remarks, but his response to the report before the Bill is considered in Committee.

4.12 pm

Mr. John Redwood (Wokingham) (Con): The Under-Secretary showed great courtesy to the House. I got the impression that he, like many hon. Members, has deep reservations about two aspects of our proceedings. I thought that he acknowledged that the Bill had considerable constitutional implications and he might well share the view that it should be considered on the Floor of the House so that the implications of part 1 can be properly exposed. I got the impression, as did the Select Committee, that he believed that the House should have the right of veto on any measure going through the accelerated procedure if it, or its Committees, thought that the matter was of considerable significance or controversy and thus should be dealt with in a more lengthy and suitable manner.

The fact that an Under-Secretary is handling the Bill, rather than a Cabinet Minister, is sad. The Government, through speeches made by the Prime Minister and other means, have said that they regard deregulation as central to their mission. The Under-Secretary himself opened his speech by telling us that the setting for the legislation was the pressing need for deregulation because too much bureaucracy and regulation was eroding the competitiveness and success of British commerce and industry. Is it thus not curious that we do not have someone of Cabinet seniority handling a central measure that is part of the Government's economic and wider social strategy? Although I pay full compliments to the Under-Secretary for handling our proceedings as he is, is it not worrying that no one with Cabinet rank and clout is available to solve such difficult problems? It is much easier for a senior Cabinet Minister to go to the Chief Whip or business managers and say, "There's trouble in the House. What we're trying to do is a bit extreme. I must have time on the Floor of the House to deal with these sensitive matters." It is much easier for a Cabinet Minister in a debate such as this one to say, "Of course the House must have a veto on these procedures for controversial and difficult issues, and I am happy to make that compromise today." The Under-Secretary has done his best with gestures and kind words, but he does not have that authority or power because the Prime Minister has not backed him and given him the job of Chancellor of the Duchy of Lancaster. We need a Chancellor of the Duchy of Lancaster to deal with the issues and sort them out. Today, we have before us an unfortunate set of examples of the sort of issues whose treatment requires that degree of seniority.

I shall not rehearse all the arguments that have been elegantly and well rehearsed by right hon. and hon. Members on both sides of the House about the so-called Henry VIII clauses in the Bill. I will, however, agree with those who say that Henry VIII is getting a very unfair press. I think that calling them Stalin clauses would sum them up better, but then I regard Henry VIII as one of

[Mr. John Redwood]

England's first and leading Eurosceptics. After all, he brought back from Rome amazing powers to govern affairs in this country and proceeded in an entirely democratic way, with everything done through major legislation in the House of Commons, properly debated in the style of the day, and very good I am sure the debate was. I hold no brief for what he did to his wives and I do not hope to emulate him in that respect, but—

Madam Deputy Speaker (Sylvia Heal): Order. Perhaps the right hon. Gentleman will now address his remarks to the Second Reading of the Bill.

Mr. Redwood: I accept your reproof in good spirit, Madam Deputy Speaker. Yes, I will.

The issue I wish to raise is not the powers in the Bill, although we need to reach a conclusion on that, but whether the Bill—as suitably amended, perhaps—will tackle the Government's underlying problem. Will it help the Government to deregulate—will it help them to deal with the many clogs in the arteries of business and commerce that the Prime Minister himself has identified? Many months have passed since the Prime Minister made a brilliant speech on deregulation, full of admirable sentiments and analysis—a speech that I would have been proud to have made. The Prime Minister has a big advantage over me in that he is the Prime Minister and he can do more than make speeches; he can actually implement measures. He can make change happen in the Government that he leads—when he is leading it, that is. Since that speech was made, however, we have seen nothing to back up the fine words.

The Prime Minister has told us that, for every new regulation introduced, one would be removed—a crude device that would allow the Government to introduce a big and expensive regulation while removing a cheap and ineffective one, but it would be better than nothing. What has happened since the Prime Minister opined? About 4,000 new regulations have been introduced and almost none has been struck off. It is not working. Since the Prime Minister made his speech in support of better and more sensitive regulation, we have seen no such development—there has been no abolition of quangos, no reduction in the intrusiveness of the regulators and no measures have been brought to the House for repeal.

The wide powers in the Regulatory Reform Act 2001 that we were told would be used to achieve that aim have not been so used. A mere 27 measures have been subjected to them and even the Under-Secretary was hard pressed to remember any of them or to claim that anything good had happened as a result. People outside are not saying, "Oh, I'm so grateful for the 2001 Act—my life has been transformed and great swathes of regulation that I used to have to slave under have been removed." Nothing memorable has happened.

The Under-Secretary made a promising start to his speech. He honestly stated that he had inherited the 2001 Act, which clearly has not been working well—we might be less flattering and say that it has not worked at all—and his analysis suggested that the 2001 Act lacked sufficient teeth, so he was introducing today a Bill with more teeth. The House pointed out two problems with his argument: first, the Bill does not actually state that the powers will be used for deregulation—they could be used for extra regulation—and, secondly, there are some democratic affronts in the proposals. His defence was interesting. He said that there were more protections in the Bill than there were in the 2001 Act. If that is the case, how can the Under-Secretary claim that the Bill will solve the problem of the 2001 Act which, he established, lacked teeth, was too democratic, too cautiously worded and did not allow Ministers to operate without parliamentary control and oversight? We should repeat the big question for the Treasury Bench in the hope that the Under-Secretary can provide an answer. If these new large powers are given to Ministers how will they be used in the next couple of years, and what is their programme? What do Ministers want to strike off the statute book, and what do they wish to amend or refine, using the powers that could not be done under the 2001 Act or by introducing straightforward primary legislation in the House?

The Under-Secretary was wrong to suggest that I bind my Front-Bench spokesmen and speak for them. As chairman of the policy review, I am not a member of the Front-Bench team and I am not governed by collective responsibility, but I believe that I speak for my right hon. and hon. Friends when I say that, if the Under-Secretary has a good list of things that he would like to repeal, we would be happy to expedite their passage through the House using the usual procedures. If he wished to introduce a deregulation Bill or a repeals Bill—I can see that my hon. Friends are excited by that prospect, for which we have been waiting for eight years—I am sure that we would expedite the passage of such measures. It would be possible with the agreement of the usual channels to int[illegible]ce a Bill that would not need very much scrutiny at [illegible] we would be happy with the measures that [illegible]. Such a Bill could then proceed using the correct pro[illegible]dures.

Whenever I make the case for deregulation, Labour Back Benchers and sometimes Ministers intervene to ask what specifically I would do, hoping that that is the knockout question. They know that when I was shadow Secretary of State for deregulation in the previous shadow Cabinet, I drew up a list of 53 items that we wish to deregulate, in primary legislation where necessary, including some very significant items indeed. I have sent them on several occasions to ministerial and regulatory offices—they never seem to remember them—and whenever I am asked what exactly I would deregulate, those proposals remain on the table. The list will not be the same at the next general election, as my right hon. and hon. Friends in the Front-Bench team will compile a list suitable for the circumstances of 2009 or 2010. It will probably be much longer, as many more things will have been put on to the statute book in the meantime by the Government that we will consider unnecessary or undesirable.

It is useful, however, to consider whether one or two things could be achieved by using proposals in the Bill or by using more direct means. First, only in the United Kingdom have we managed money-laundering regulations in such a cack-handed and clumsy way that people who want to deposit a couple of hundred pounds in a building society or a bank have to take their gas bill, their passport, their driving licence, and testimonials from their neighbours to prove that the money was not

obtained illicitly. I cannot for the life of me understand how taking a gas bill to the bank proves that one's money was not obtained illicitly, but apparently it provides protection. I cannot understand how possession of a gas bill proves conclusively that someone lives at an address all the time or that they are an upright member of the community. I think that that should be established in different ways, and it would be better established by the appropriate authorities when there are grounds to suspect someone. That is a better method than making my constituents take all those ridiculous bits of paper to the bank. Often the bank manager or clerk knows exactly who the applicant is, but they still have to go through the rigmarole of asking for those bits of paper. Could that not be sorted out?

Why do we regulate venture capital at all? If we want a flourishing and dynamic economy, the venture capital industry is quite capable of carrying out its affairs business to business without any regulatory intervention. We should deregulate venture capital and take it out of the net.

Why do we need to regulate business to business transactions in financial services? We have a great City of London, but people tell me now that it is getting too regulated and quite a lot of the best innovation in the City of London now is available for markets outside Britain but not for the British marketplace, for the simple reason that there is too much regulatory hassle to go through to get the new idea agreed, and further elaborate restrictions on sale, offer and advertisement. Would it not be possible for Ministers to decide that we do not need to regulate business to business, professional to professional transactions in financial services, and exempt them from all the current regulatory hassle?

Why do we need regulation on data protection? This was not on the original list of 63 items that the official Opposition sponsored, but we have a clumsy system of data protection. It is one of the bigger burdens mentioned in the list referred to by my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) in his opening remarks—over £5.5 billion of compliance, and I do not see that it necessarily offers the protection that the Government have in mind.

When one looks at the impact of regulation, one often finds that it does not protect the data against abuse by criminals and potential criminals and it does not necessarily inform the public, but it represents a very large burden indeed. How many times have hon. Members tried to use data protection and freedom of information to find out legitimate things from the Government only to find that, under existing legislation, there are ways to block that legitimate inquiry and stifle one's appetite for information? Data protection certainly needs a haircut, even if the Government do not want to go as far as reducing it entirely. It seems a disproportionately expensive and complex machine for a rather limited goal.

If we look at EU regulations, we see marvellous examples of the legislative pen working overtime. It is one of the great pities of both the Brussels government machine and of the British government machine that they are so inefficient at doing all the things a Government ought to be doing, apart from legislating, where they seem to be highly productive and capable of churning out large amounts of regulation and law.

Built into the EU system is the idea of the presidency. The new country assuming the presidency of the Community for six months is always told by astute officials in Brussels that its presidency will be judged by how much new regulation it manages to get on the statute book. Each one is given a suitable challenge, sometimes pandering to its inclinations, so the British presidency would be told that some measure was market-opening and a French presidency would be told that a measure was market-closing, and they would be encouraged to go about the business of trying to get it through. Sometimes the Commission has an even better sense of humour, as in the case of the last British presidency, where it set them ridiculous things to do, like giving away the British rebate, and—surprise, surprise—the British Government fell for it. One could not make it up.

The idea of the presidency is used to make sure there is more regulation than we need. The British Government are always telling us they are leaders in Europe, so why can they not find a way of saying to colleague members of the European Union that maybe we have enough European law now, or that if we want a little more European law, perhaps we should take some off first, to make room for it?

Mr. Peter Bone (Wellingborough) (Con): Is my right hon. Friend aware that the Joint Committee on Statutory Instruments recently reviewed European legislation and found that many European directives were so badly drafted that, if it had been domestic legislation, it would have been rejected and sent back to the Department? The Government must impose penalties as required by EU legislation, but the instruments are often so badly drafted that business does not know whether it has complied.

Mr. Redwood: My hon. Friend has put his finger on an important problem. I remember when I was a Minister cursed with the task of transposing such directives into national law. On one occasion, I was so frustrated by what I thought was the over-regulatory nature of our draft—it was something like a 100-page draft to implement a 10-page directive—that I said, "Let's just implement the directive as it stands, because it is clearly less onerous than the civil service draft we have come up with. I then received extremely strong and pompous legal advice—I suppose that I am not meant to reveal this, so I shall call it non-legal advice—the burden of which was that it was wrong to make the directive the law in Britain, because it was so badly drafted that we could face infraction proceedings. It was apparently seen to be the task of British civil servants to try to make good law out of bad and to ensure that it fitted into our British legal codes.

Mr. Heald: Does my right hon. Friend agree that one problem is that, once European law is implemented in a member state, there is not a proper process for reporting back to Europe—the Commission and the Council of Ministers—that the regulation does not work on the ground, that it is appallingly badly thought through and that it needs reform? Does he have any thoughts on how the process might become more two way?

Mr. Redwood: That is where British leadership could come in. We should try to persuade like-minded

[Mr. Redwood]

member states and in due course the Commission that the European Union needs a way of death for bad legislation, just as surely as it has an effective way of birth for new legislation. It would be better if we paused for reflection and had a year with no new legislation in the EU, other than perhaps amendments to existing EU regulations where they are not working. A period of reflection would create more space and allow the removal of some of the unnecessary burdens.

The Under-Secretary began the debate by saying that the problem is not hugely serious, because Britain is still high up the competitiveness league. As my hon. Friend the Member for North-East Hertfordshire pointed out, we have slipped from fourth to 13th in less than a decade since this Government came to power. Ministers should be very worried about that—in some rankings, we are down at No. 22. I do not want my country to settle for being 13th or 22nd, because if one is 13th or 22nd, one does not even get on the list of locations when people decide where to put a new car plant or steelworks. There is a lot of chunky, footloose investment around the world, of which Britain used to get more than its fair share because it was more competitive than other countries. Over the coming months and years, Britain's share will fade, because we have slipped too far down the competitiveness league. The subject of today's debate—too many clumsily enforced regulations—is one reason why we have slipped down the competitiveness league, and we need legislation to tackle that important issue.

The Bill is silent on tax regulations. We need a method of reforming our tax codes and reducing the burden of some of our taxes, which would contribute to restoring competitiveness. The famous IR35 was an attack on self-employed people, particularly in the computer industry, and it did a lot of damage: some people gave up, while others were driven offshore. Why have the Government not done something about that decision, which should be reversed? If the Bill is not amended, it cannot be used to achieve that result, because it does not involve tax.

Why have the Government not done something about the deferment of national insurance? If my constituents have more than one employment and if their situation has not changed, they must go through an elaborate administrative ritual every year of tabling information in order to get so-called deferment, whereas in practice they do not have to pay any extra national insurance if their main employment involves paying the full amount under the law as it stands. Why do they have to go through that complicated administrative ritual? That is a little example, and there are hundreds more throughout our tax codes.

The Conservative party would like to see substantial deregulation of local government, because there has been too much centralisation and too many burdens have been placed on it. We would love to see the fair value and comprehensive performance assessment regimes scrapped in their entirety. We have taken outside advice on the matter, which has told us that that would save £1 billion. That money could either be returned to council tax payers at a time when they are not getting good value for money and are paying too much or—this would be a choice for elected councillors—it could be ploughed into front-line services to strengthen any areas in which they are deficient. The Government could use the Bill as a vehicle to change the rules affecting local government.

Regulations bear down much more heavily on small businesses than on large businesses—naturally, because large businesses can afford the extra cost of compliance workers and specialists who can lobby Government to try to move regulation in the direction that they wish, and then to employ specialists to avoid the worst of the impact of the regulation when it is in place. Small businesses do not have that luxury. In a small business employing five or 10 people, the one or two people at the top do not have time to lobby Governments to try to move things in their direction; they scarcely have time to implement regulations fully and often have to spend a lot of money on expensive outside consultants to tell them what they mean and what they have to do to get up to speed. We heard the estimate—it was a good guess—that regulations effectively cost a small business five times as much as a big business because of the impact on its fragile cost structures and stretched management resources.

We should institute a review of all the small business exemptions with a view to levelling them up so that more businesses can be taken out of the scope of many of these regulations. We will then have more small businesses and more jobs, with all the associated benefits.

The issues before the House are straightforward. I get the feeling that there is agreement across the parties, and on the Treasury Bench, that we need to deregulate because there are too many unnecessary regulations, and that while some may be desirable, the costs are not proportionate to the beneficial consequences. I would add that many regulations achieve precisely the opposite of what they set out to achieve. If we had a system of review, as many Members would like, more of that would become obvious, and the case for removing or amending the harmful regulations would, in turn, be more obvious.

We would welcome a Bill that made it easier to cut the burdens and to repeal regulations that are having unfortunate consequences. This Bill, however, allows the Government to re-regulate without reference to the House in a way that is the opposite of deregulation. Given that Ministers have failed to provide clear examples of how they are going to use these powers, I fear that they will find among Labour Members, as well as elsewhere, that it is difficult to make the case for the Bill as it stands.

I have given a few ideas out of my list of 63—I will not bore the House with the whole list, but Ministers have it—of regulations that could be stripped out to the benefit of this country's economy, leading to the creation of more jobs, an improvement of our competitive position, and a lightening of the burden on many individuals who are frustrated by heavy-handed and excessive regulation.

Will Ministers listen and come up with a practical programme? Will they understand that grandstanding with these rather crude bits of legislation is not the same as running a deregulation programme? Can we soon have a Cabinet Minister who means business and cuts through the jungle?

4.37 pm

Stephen Hammond (Wimbledon) (Con): I am honoured to follow my right hon. Friend the Member for Wokingham (Mr. Redwood), who has spoken about deregulation in some depth. The Bill has two significances—the regulatory significance and the parliamentary constitutional significance. The hon. Member for Cannock Chase (Dr. Wright) said he hoped for a Queen's Speech that contained no regulation. If he had looked at last year's speech, he would see something far from that—it committed the Government to promoting efficiency, productivity and value for money, but also said that legislation would be introduced to streamline regulatory structures. That phrase should concern us all.

When I made my maiden speech in this House, I mentioned the need for a bonfire of regulations, so it was with unbridled joy that I found myself put on to the Select Committee on Regulatory Reform, assuming it to be a Committee where we would discuss, among other things, deregulation. At my first meeting in July, Members can imagine my disappointment when I was told by the Chairman that we were allowed only to look at anything enacted by the Regulatory Reform Act 2001 and that deregulation was not part of our remit. My initial hopes were immediately dashed.

We must be pretty cautious about the confidence that we can have in this Bill. Can we have more confidence in the Bill than in the Regulatory Reform Act 2001, which clearly failed to stem the tide of regulation that has become a Government hallmark? The Bill's intention may be laudable, but it must be accompanied by a step change in the Administration's culture and attitude. We need a determined effort to shake off the Government's tendency to interfere, regulate and inspect every element of business activity. I acknowledge the need for protection, but it must be balanced by the need for deregulation.

The Government set up a Better Regulation Task Force, a Better Regulation Executive and a Better Regulation Commission. They have as gargantuan an appetite for creating quangos as for creating regulation, but do they have an appetite for deregulation? The Bill may or may not be a step in the right direction, but does it take that radical step away from the regulation culture and provide for the deregulation that British business needs?

Concerns about part 1 have already been expressed and I want to mention briefly my exchanges with the Under-Secretary in the Regulatory Reform Committee. Part 1 contains enabling powers for Ministers, by order, to reform legislation or implement the Law Commission's recommendations. No one would argue with the Bill's stated ambition to improve the current regulatory reform order system or to deliver non-controversial proposals for simplification. It is implicit that simplification might lead to substantive changes.

When the Under-Secretary gave evidence to the Select Committee, he used the example of data sharing between Departments. Although not specified, there is an implication of additional powers to amend primary legislation, not deregulation. In the past, Acts have included gateway provisions so that information and data sharing could be done in a way approved by Parliament. Why, therefore, should we should extend the regulatory reform orders procedure in the circumstances that we are considering? The answer lies in the point that the hon. Member for Plymouth, Devonport (Alison Seabeck) made—it revolves around the definition of "controversial".

When the Under-Secretary gave evidence to the Select Committee, he mentioned safeguards. Does the Bill include anything that allows us to distinguish between common sense and controversial? In the Select Committee, he discussed not only "controversial" but "highly controversial" as well as "common sense". I made the point that one man's definition of controversial or even highly controversial is another man's definition of common sense. I want to ensure that the distinction is capable of assessment, tightly drawn and in the Bill.

Clause 2 states that orders can amend, replace or repeal any legislation. The explanatory notes state:

> "'Replace' means that legislation may be repealed by an order made under clause 1 and may be replaced by free-standing provision in the order."

That is clear, if somewhat worrying. However, in evidence to the Select Committee, the Under-Secretary said something different. He stated:

> "This Bill would intend to create a relatively quick method of simplifying, restating or correcting errors."

"Restate" and "replace" are not the same. "Restate" implies powers to clarify legislation; it does not necessarily mean altering the substance. The explanatory notes imply one thing, but the evidence given elsewhere suggests that the Under-Secretary intended another.

We all understand the Government's wish to correct errors and omissions, but there is a worry that the Bill may lead to more poor quality legislation without proper scrutiny. There seems to be little in the Bill to protect us from that. Clause 2 will widen that scope and go a long way towards giving Ministers the general power to repeal and amend primary legislation. Like many other hon. Members, I want the Minister to reassure us that there will be a distinction between restatement and replacement, and that the tests that set out the confines of his ministerial power will in the Bill and will have substantial effect.

I questioned the Minister in some depth in the Select Committee about the effects of clauses 13, 14, 15 and 16, and particularly about whether the 60-days provision was really necessary. He said that the Government had consulted with business and that 60 days might not be proportionate for considering all regulatory reform orders—RROs. I take his point, but I hope that he takes the point made at that time that the reason for the 60-day examination period was to give the House the chance to undertake proper parliamentary scrutiny of the orders. Not all the proposed procedures will allow that length of parliamentary scrutiny or, indeed, enough scrutiny at all. Many of the delays involved with RROs have nothing to do with the Committee or the parliamentary scrutiny stages. They are often caused by Departments being unable to go through the consultation stage with stakeholders beforehand or to marshal the information that is needed to go into the legislation. Indeed, the bulk of the delay is a result of those factors, rather than of the parliamentary scrutiny.

[Stephen Hammond]

The Minister spoke earlier about the Hampton report. Part 1 of the Bill will allow the Government to push forward some of the recommendations in that report—including the subsuming of the 31 national regulators into about seven—where that is not already being done under separate legislation. I have some concerns about that. The reduction from 31 to seven will consolidate the bodies involved, but it might not necessarily involve deregulating or getting rid of regulation. I would like reassurance that that reduction will bring about a major sense of deregulation. Super-regulators are no better than small regulators—they can still mean more regulation and they certainly do not guarantee a light touch. The great danger is that they are less responsive and more unwieldy, and they certainly do not listen to the needs of an industry or a sector.

Mr. Henry Bellingham (North-West Norfolk) (Con): I hope that my hon. Friend will consider the case of the Financial Services Authority, which brought into it a number of different regulators. Far from offering a light touch and more efficiency, it grew into a massive empire that has caused many more problems for the vital financial services of this country.

Stephen Hammond: My hon. Friend's intervention is rather timely. As some hon. Members will know, the financial services were my trade before I came to the House. There were two amusing things about the Financial Services Authority: it instituted a huge amount of extra legislation across the City, including money laundering legislation, and it failed to produce any protection for people making the biggest transaction of their lives, namely, taking out a mortgage. It instigated huge amounts of regulation of, and interference in, the business-to-business sector, but none at all to protect people undertaking their biggest financial transaction.

Part 1 of the Bill gives me major concern, so I hope that the Minister will tell us what safeguards he intends to incorporate into it. More importantly, I hope that he will use the Bill—after it has been heavily amended—to deregulate rather than to regulate.

4.49 pm

David Howarth (Cambridge) (LD): I want to speak about part 1 and confine my remarks to the constitutional aspects of the Bill. This seems to me to be extraordinary legislation. It proposes changes to the legislative process that in any other country in Europe, and perhaps in the world, would require a constitutional amendment. That is one of the reasons that part 1 has to be taken on the Floor of the House.

Obviously, I welcome, as we all do, the Minister's assurances that his test of whether something is controversial or highly controversial, and the mechanism of the Committee veto, will offer extra safeguards, but the problems are clear with those two safeguards. There is at the moment no definition of "controversy" in the Bill and the Committee majority mechanism does not deal with the controversy point. It is possible for a matter to be highly controversial with only a minority of members. A Committee could easily decide in favour of taking the order through the procedure introduced by the Bill, even though the matter was highly controversial in other parts of the House. My hon. Friend the Member for Somerton and Frome (Mr. Heath) mentioned the fact that matters could be controversial for Back Benchers but not necessarily for the Front Benchers of the main parties. Therefore, as the hon. Member for Plymouth, Devonport (Alison Seabeck) said, there needs to be some extra safeguards, including subject matter safeguards.

May I suggest one other possible mechanism: the mechanism of call-in, whereby a certain number of Members—any Members, perhaps 50 or 70—could call in a decision so that it could not go through the procedure laid down in the Bill, but had to go through full legislative scrutiny? I make that suggestion for another reason. One aspect of the Bill that seems quite disturbing is that it allows not just the addition of new crimes, with up to two years imprisonment or a level 5 fine, but it allows the Government to use the procedure to undertake structural change. Often, legislation does not regulate or add crimes, but sets up bodies and gives them powers. Among those bodies are, of course, local authorities. It strikes me that under the Bill as presently drafted, structural and functional reform of local government could be achieved without proper legislative scrutiny. Therefore, simply through using that mechanism, the balance of the constitution itself between local and central Government could be changed.

The Government will say, "Would that not be controversial?" That comes back to the point about the weakness of that test. Even the structure of the courts could be changed because they are no longer a matter of common law; they are a matter of statute. Any creature of statute, which technically includes any company, could be changed by these provisions.

Rob Marris: Not the Hudson's Bay Company.

David Howarth: Not common law companies, but almost any other body could be.

The Minister has dealt with questions about changes to the Terrorism Bill, bringing back the 90 days detention without trial and the rights of defendants being changed. He says that, obviously, those are highly controversial, and they are, but the questions remain not just about fundamental rights, but about the structure of the constitution itself, which the Bill appears to allow to be changed.

My view and that of, I think, many hon. Members is that one makes constitutional change not on the basis of the powers that one would want for oneself, but on the basis of the powers that one would want one's political opponents, indeed one's political enemies, to have. I am sure that on that basis the Bill should not proceed. The safeguards are very weak. Those in clause 3 are weak legally because they are expressed in a subjective way—it is a matter of the Minister being satisfied as to whether the various conditions have been fulfilled. In the view of many constitutional experts, that is not enough.

I mentioned in an intervention that many Law Commission matters are controversial and political, not just technical. I agree with the Minister, however, that it is a shame that a large number of Law Commission Bills

and sensible and rational reform proposals still lie on the shelf. Perhaps the reason for that is that the Government have been overactive in bringing forward their own Bills. More importantly, recent Parliaments have not had many fifth years. Traditionally, Law Commission Bills were used to fill the fifth year of a Parliament when the Government had run out of things to pass laws about. I agree, however, that a better system is necessary to pass Law Commission Bills, but it is not necessary to combine that with a proposal in part 1 of the Bill that is a constitutional danger.

Many other Members have mentioned the fundamental objections, but I have one more point on the question of deliberation and discussion. My reaction against the Bill was mainly prompted by thinking about what the Government really believe about the value of discussion. The Bill achieves a reduction in discussion from that for full primary legislation to one of the procedures used for secondary legislation. As a new Member, it struck me that our function is more than just voting. One of our functions is to deliberate and discuss, and to influence the Government's thinking.

The hon. Member for Cannock Chase (Dr. Wright) was sceptical as to whether the way in which we do that now is the best way. That does not mean, however, that what we do now is lacking in value. I think that it has great value. I think that discussion is a fundamental part of democracy. The Government think so, too—I have sat through Report stages of Bills in which the Government have brought forward a great number of amendments, many of which refer back to discussion on Second Reading or in Committee. I have even witnessed my hon. Friend the Member for Somerton and Frome have an amendment accepted at Report stage of the Criminal Defence Service Bill. Therefore, discussion does matter, and it does work.

The procedure proposed in the Bill is one under which amendment is impossible. The proposals can be changed by the Government, but there is no procedure to amend a statutory instrument in the course of its discussion by Parliament. It therefore misses out on all the creative advantages of discussion—the Government do not always have all the answers or all the possible points of view; like we all do, they have a limited capacity to imagine what problems there might be.

Rob Marris: As someone who, I think, holds the all-comers record, with 45 Back-Bench amendments accepted to a Government Bill on one occasion, let me remind the hon. Gentleman that the Minister said in his opening remarks that draft regulations would be put before the House. The hon. Gentleman is right that, unfortunately, statutory instruments are not amendable under our current procedures, but draft regulations could be discussed. Would he like to see, as I would, a provision for draft regulations to be put before the House in advance of being included in the Bill?

David Howarth: Indeed, that would be an improvement. Of course, the disadvantage with draft regulations is that to amend them, we must start again. Under certain scenarios, following the procedure under the Bill would be slower than passing primary legislation. Nevertheless, the hon. Gentleman is correct that such a procedure would be an improvement.

The Minister, in his opening remarks, said that one of the safeguards would be that there would be a lot of "consultation with stakeholders"—to use that horrible phrase. I do not think that that is enough. The difference between consultation and discussion and deliberation in the Chamber is that consultation does not include any element of challenge, of "back and forth". Consultation means that someone receives information without having to talk back to those who are being consulted, and is not normally challenged by them. That is the main advantage of discussion—it is creative and produces new proposals. There is a more fundamental advantage, however. Discussion and deliberation in public is part of democracy itself. The more public discussion there is, the more the Government are held to account.

The Government need reasons for their proposals that they can discuss in public—reasons that go beyond their own narrow interest. Rather than giving reasons that apply only to members of the governing party, they must give reasons in the House that are intended to persuade, and to attract support across the political spectrum. In fact, that is precisely what the Minister tried to do this afternoon. It was a very good example of how discussion in Parliament is in itself an important part of the democratic process. The embarrassment that Ministers sometimes feel when they do not have good reasons for their proposals—reasons that they can explain to others—is a constraint that favours the democratic ideal. Academics sometimes call the process the "civilising force of hypocrisy".

Part 1 of the Bill is entirely unsatisfactory. Like many other Members, I hope that radical amendments will be tabled in Committee and on Report. I should like at least to feel that there is some vestigial sense of the separation of powers—that there is a difference between Parliament and Ministers. I have winced on a couple of occasions when Secretaries of State at the Dispatch Box have answered questions by saying, in effect, "I will legislate". No, they will not legislate; we will legislate. I hope that that will remain the case in future, and that on Third Reading those of us who object to the Bill in its current form will be able to support it.

5.2 pm

Mr. Douglas Carswell (Harwich) (Con): It is a privilege to follow the hon. Member for Cambridge (David Howarth) and, indeed, my hon. Friend the Member for Wimbledon (Stephen Hammond), whose eloquence was such that there is probably not a great deal for me to add.

Who could possibly oppose a Bill that is intended to reduce unnecessary regulation? Who could possibly oppose a Bill that is intended to cut red tape for business, the public sector and voluntary organisations? In my constituency, I see the impact of over-regulation on small businesses and charities all the time. When we look at Britain as a whole, it is possible to see the damage that over-regulation does to us as a country and an economy.

As others have pointed out, we have slipped down the international league of competitiveness, from fourth place in 1997 to 13th in 2005. Superficially the Bill makes a great deal of sense, but behind the headlines it is not all that it seems. If it did what it says on the tin, I would support it wholeheartedly, but it does not, so I will not.

[Mr. Douglas Carswell]

Part 1 enables Ministers to reform legislation or implement recommendations of the Law Commission by order. Law would, in effect, be made without reference to democratically elected parliamentarians. There would be a further extension of the power of a remote Executive and unaccountable national regulators. Merging regulators does not lead to less regulation. It was Max Weber who said as early as the 19th century that bureaucracy has an inherent tendency to expand. Bureaucracy tries to assume new powers, and to aggrandise itself. A merging of regulators could simply create new super-regulators, hungry for yet more power and more prone to regulate. I am concerned that part 1 will be a further step away from proper parliamentary scrutiny. It appears to empower the Executive, but in reality it will empower senior civil servants and those bureaucrats and regulators already beyond meaningful parliamentary accountability.

In the past 30 years, we have seen a steady erosion of representative parliamentary government. Behind the façade of a functioning parliamentary democracy is an increasingly post-representative system of government. In almost every sphere—financial service regulation, food standards, environmental protection—it is remote quangos, not parliamentarians, that increasingly call the shots. Remote elites make the decisions; local people take the rap, no one is accountable; no one gets sacked: this is how we are governed today. I fear that this Bill is not so much anti-regulation as anti-democratic.

Speaking as someone who could be characterised as slightly sceptical about the European project, part 3 of the Bill leaves me somewhat suspicious. Not for the first time, measures are being introduced in the name of streamlining, but I fear that they may turn out to be a power-grab. European law is currently introduced into this country through regulation. This Bill could enable Brussels diktats to be brought in through schemes and rules. What does that mean? Yesterday in this House, one Member spoke about the European Union achieving the so-called Lisbon agenda. Remember that? It was about deregulating in order to make Europe competitive. Reference was made at the time to making Europe the most competitive economy in the world. That may seem absurd now. Easing EU institutions' ability to make our laws for us will only exacerbate the Euro-sclerosis afflicting that tired old continent. Easing such ability will only tie us closer to those worn-out EU economies; it will only place us more firmly in Europe's economic sarcophagus.

I welcome the Regulatory Reform Committee's acknowledgement that, far from being about deregulation and tidying up, this Bill

"has the potential to be the most constitutionally significant Bill that has been brought before Parliament for some years."

I welcome the recognition that the driving force behind it is the Cabinet Office and, perhaps, senior civil servants. It could become a bureaucrats' charter: it could allow them to avoid the messy and unpredictable business of having their measures scrutinised by the people's elected representatives. Yes, Minister, this Bill could be Sir Humphrey's dream come true. The Minister would be able to amend, repeal and replace primary and secondary legislation without reference to this House.

It was Walter Bagehot who said in the 19th century that the Crown had ceased to be part of what he called the efficient part of the constitution and had become the dignified part. By that, he meant that it had the trappings of power, but not the reality. My fear is that although this democratically elected Parliament has the trappings of power here in our ornate Chamber, real power is increasingly moving elsewhere. This Bill will only exacerbate that process.

5.8 pm

Mr. Jonathan Djanogly (Huntingdon) (Con): This has been a very interesting debate and the value and weight of the contributions, from all parts of the House, has been significant. I hope that, as a result, the Minister has had a taste of where Members are coming from on this Bill. The ability to deliver more regulatory reforms quickly and efficiently should be good news for business. Given that more than 3,800 new regulations are created every year, British business needs some good news. According to the Cabinet Office, since 2001 27 regulatory reform orders have been made. As my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) and my right hon. Friend the Member for Wokingham (Mr. Redwood) said, this does not seem a particularly large number of RROs given their impact, nor given the thousands of regulations that have been created since then. Indeed, the Government anticipated that 60 RROs would be made when the original Bill was going through Parliament in 2001.

The Conservative party has argued consistently and strenuously for serious deregulatory policies, and we agree with the concerns expressed by the director general of the CBI, who said that British business had a £30-billion millstone around its neck. The burden of regulation was a subject expanded on strongly by my hon. Friends the Members for Christchurch (Mr. Chope) and for Harwich (Mr. Carswell). The hon. Member for Somerton and Frome (Mr. Heath), and even some Labour Back-Benchers, such as the hon. Member for North-West Leicestershire (David Taylor), also recognised the size of the problem.

Productivity underpins strong economic performance and sustained increases in living standards. According to the Federation of Small Businesses, the people who run small businesses are forced to spend 200 per cent. longer on managing regulation—or up to 10 hours extra a week—under Labour.

We over-regulate at our peril. The hon. Member for Cannock Chase (Dr. Wright) took that further, and said that too much legislation can, by itself, lead to bad law and weak scrutiny of law.

Mr. Redwood: Was my hon. Friend stunned, as I was, by the Minister's proposition that we could have 1 per cent. per annum more growth if we took deregulation seriously? That would amount to more than £10 billion extra being added to our national income, out of which an extra £4 billion could be devoted to public services. Would that not be good news?

Mr. Djanogly: It would be superb news for Great Britain plc. However, given that the Minister said that, one has to wonder why the Government have not taken the matter seriously up to now.

The Hampton review found that there are some 63 national regulators, which perform at least 600,000 inspections and send 2.5 million forms to businesses each year. We over-regulate when we do not understand or trust business. The Conservative party believes that businesses and markets have responsibilities to staff, customers and to wider society. However, we also believe that we must trust business and business people enough to allow them to flourish and provide the growth and prosperity that our society depends on to protect and enhance our way of life.

Rob Marris: I caution the hon. Gentleman about trusting business. By 2010, 10,000 people each year will die from asbestos-related diseases because some idiots—a lot of them members of the Conservative party—trusted business about the use of asbestos.

Mr. Djanogly: The intellectual paucity of that remark is such that I shall not even respond to it.

After much talk on deregulation, the Government must deliver, and companies must see that delivery and start to feel tangible benefits for their businesses and the economy. In his opening remarks, the Minister said that the Bill aims to deliver better regulation, but my right hon. Friend the Member for Wokingham was right to ask how it could do so when it contains nothing that relates directly to deregulation.

We remain concerned that the Bill does not do enough to reduce regulation or create the light-touch deregulatory culture in Whitehall that is so needed. In addition, we are worried about the constitutional problems that it raises. That concern was shared by many hon. Members, including the right hon. Member for Swansea, West (Mr. Alan Williams) and the hon. Members for Cannock Chase, for Plymouth, Devonport (Alison Seabeck), for Somerton and Frome and for Cambridge (David Howarth), as well as my hon. Friends the Members for Harwich and for Christchurch, and my right hon. Friend the Member for Wokingham. Indeed, the hon. Member for Cambridge went further and said that the importance of the constitutional issue was such that it should be reviewed and debated on the Floor of the House. We agree, and hope that the Government will make a positive response to that point.

Part 1 of the Bill supersedes the RRO provisions in the Regulatory Reform Act 2001, and gives the Government wide powers to reform legislation and implement recommendations from the Law Commissioners. According to the Regulatory Reform Committee's report published on 31 January—I congratulate the Committee on a thorough piece of work—part 1 is explicitly less focused on regulation than the 2001 Act. There is nothing in the Bill that requires orders to have a deregulatory element. Despite the assurance that the Committee says it needs fully to support the Bill, the so-called safeguards are—according to the report—dwarfed when set against the increased powers that the Bill will provide to Ministers. My hon. Friend the Member for Christchurch elaborated fluently on that theme. I also agree with the comments by the hon. Member for Somerton and Frome that if something looks too good to be true, it probably is. My hon. Friend the Member for Wimbledon (Stephen Hammond), a member of the Committee, made a similar point.

We should be aware of the recommendations of the Committee. In particular, it noted that as a matter of urgency the Cabinet Office should retrospectively assess the estimates, costs and benefits that have previously been submitted to the House for each regulatory reform order, with a view to establishing whether the estimated savings have been realised. Several hon. Members also noted that the breadth of powers granted could be used in areas that are politically sensitive, not least in relation to the use of criminal penalties. That is an issue that will have to be addressed carefully in Committee. The hon. Member for Somerton and Frome said that part 1 is unacceptable as it stands, and we agree.

Part 2 introduces statutory principles of good regulation which are to be used to inform a code of practice to which specified regulations must have regard. Although we welcome that, we have explained today the need to go much further to create the sort of light touch regulation business needs and to address the concerns that my hon. Friend the Member for Wimbledon expressed about super-regulators.

Part 3 relates to legislation emanating from the EU. We have said that we support the idea of making it easier for UK institutions to deal with EU legislation, but—as my right hon. Friend the Member for Wokingham and my hon. Friend the Member for Harwich asked—how will that actually work? As my hon. Friend the Member for North-East Hertfordshire asked, what are the rules and schemes for EU law referred to in the Bill? We need to know.

The Bill has a striking resemblance to parts of other Bills before this House and the other place. Those need to be looked at in context to highlight the growing constitutional trend away from primary legislation. The Company Law Reform Bill and the Government of Wales Bill both include a similar means of introducing orders through forms of delegated legislation. Part 31 of the Company Law Reform Bill is described in its explanatory notes as

"a new power to reform company law by means of a special form of secondary legislation."

It constitutes a significant change to legislation and was described by Lord Freeman on Second Reading in the other place as "a parliamentary outrage". He then quoted the recommendation of the Delegated Powers and Regulatory Reform Committee to strike out part 31. While those observations are in the context of the Company Law Reform Bill, they tackle many of the same questions of delegated legislation that arise in the Bill before us.

The procedure proposed in part 31 of the Company Law Reform Bill is similar, but not identical to that proposed for regulatory reform orders. The document to be laid before Parliament, for example, is broadly the equivalent of the statement that is to be laid under regulatory reform orders. Although there are procedural differences, part 31 orders are comparable to clause 16 super-affirmative resolution procedure regulatory reform orders. Is the Department for Trade and Industry not talking to the Cabinet Office? For instance, the Delegated Powers and Regulatory Reform Committee concluded that the existing regulatory reform order procedure is not suitable for large and controversial measures, such as those that may be the subject of part 31 orders. Will the Minister explain when

[Mr. Djanogly]

it will be acceptable to use one or the other order? It is bizarre that the Government should introduce three similar but varying super-statutory instrument regimes at the same time. That could cause confusion and conflicting procedures. How does the Minister reconcile that? I would be grateful if he could write to me explaining the rationale behind that very important issue.

Despite the undeniable crossover between the three sets of orders that come from such legislation, we need significantly to increase accountability in any event, as the right hon. Member for Swansea, West said, so that the Bill can be used to control a huge increase in Executive power. That could include limiting the orders to deregulation matters and then to genuinely minor and uncontroversial matters, with veto provisions either in the Bill or perhaps in Standing Orders—we have yet to debate that—while recognising the complexities that were noted by my hon. Friend the Member for Wimbledon. It could also include increasing the period allowed for parliamentary consideration, or reducing the subjective ministerial aspect of decision making.

As the hon. Member for Cannock Chase said, those powers could include determining whether an order or primary legislation is appropriate in the first place, or whether to use a mandatory majority or unanimous votes in the relevant Select Committees of either or both Houses, as my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) suggested. They could include inserting retrospective scrutiny, as mentioned by the hon. Member for Somerton and Frome. To answer the questions on delivery, quite rightly posed by my right hon. Friend the Member for Wokingham, they could even include creating a body similar to the proposed company law and reporting commission to review law and conduct independent consultation and propose changes likely to be implemented by order. So there will be much to consider in Committee.

Although we acknowledge the Minister's hope to reduce unnecessary red tape and burdens on business, the public sector and voluntary organisations, we want assurances from the Government that that will happen with the Bill. Proper protections are needed in determining whether regulations are necessary in the circumstances, and we remain concerned about the breadth of the order-making powers that the Bill confers. It is vital to review how the Bill will work in practice, which is why we shall request that a sunset clause be inserted. The Bill is of major constitutional significance in changing the way that legislation is processed, taking the onus away from Parliament and directing it to Ministers and Whitehall, so it will be fully reviewed by us in Committee and reconsidered as a whole during its later stages.

5.22 pm

Mr. Jim Murphy: With the leave of the House, Mr. Deputy Speaker, I shall respond to the debate and in doing so, it is quite proper to mention that we have had thoughtful contributions from a very large number of hon. Members, including my hon. Friend the Member for Plymouth, Devonport (Alison Seabeck), the hon. Member for Somerton and Frome (Mr. Heath), my right hon. Friend the Member for Swansea, West (Mr. Williams), my hon. Friend the Member for Cannock Chase (Dr. Wright), the hon. Members for Christchurch (Mr. Chope), for North-East Hertfordshire (Mr. Heald) and for Wimbledon (Stephen Hammond), the right hon. Member for Wokingham (Mr. Redwood), and the hon. Members for Cambridge (David Howarth), for Harwich (Mr. Carswell) and, of course, for Huntingdon (Mr. Djanogly).

In an interesting debate, we have heard about a captain from 1954, about a major, about Tarzan and repeatedly about Henry VIII, and we have heard from a Vulcan. I obviously apologise to the right hon. Member for Wokingham for referring to him as a Front Bencher, but I am surprised that the new Tory leader could not find a place in his Front-Bench team of 84 for him to serve. Understandably, we heard apologies on behalf of my hon. Friend the Member for Ellesmere Port and Neston (Andrew Miller), the Chairman of the Select Committee on Regulatory Reform, who has had to attend the funeral of Mr. Fred Venables—a local community activist and citizen. Of course, the hon. Member for Somerton and Frome, who speaks for the Liberals, had to catch a train.

The hon. Member for Huntingdon said that business needs some good news. Of course, he is right. Of course, we cannot be complacent, but business has already had a lot of good news. The UK is the No. 1 destination for inward investment in the EU. Employment in the UK is 2.1 million higher than in 1997. The UK's gross domestic product has grown for more than 50 successive quarters. We have the lowest corporation tax, and small businesses are zero rated. Of course, that is a far cry from the 10 per cent. interest rate for four years and the 15 per cent. interest rate for a year, 3 million unemployed and 1,000 businesses going bust every year.

Mr. Heald: Will the Minister give way?

Mr. Murphy: I hope that the hon. Gentleman will forgive me if I do not. I gave way for more than 20 minutes earlier, and I think that the House has almost heard enough from me this afternoon.

We have an ambitious agenda, because we cannot be complacent. We must continue to seek ways to boost UK competitiveness and free business and public services from unnecessary bureaucracy, and the simplification plans, the administrative burden reduction project and the Bill will go a long way towards doing so.

There are important protections in the Bill. I mentioned the six preconditions—more than in the 2001 Act—which are entirely right, because, as my hon. Friend the Member for Cannock Chase pointed out, there should be additional, more meaningful protection if we want to take more powers. The scrutiny process will be more exacting and there will be statutory consultation. A Minister will recommend the procedure, but it will be for the Committees of the House and another place to recommend alternative procedures or to exercise their right of veto.

Mr. Redwood: If the Bill passes into law, what big successes arising from it will the Government be able to point to in two years' time?

Mr. Murphy: We would expect delivery of the administrative burdens project. We have contacted and interviewed more than 200,000 businesses and voluntary organisations to determine how we can reduce their administrative burden. We would expect to have bolstered UK competitiveness and to have implemented simplification plans from all 21 Departments. That is how the Bill should be judged in the long term, if it receives a fair wind in this and the other place and is delivered to the statute book.

An additional protection when laying a draft order is that the Minister must submit an explanatory memorandum and the Regulatory Reform Committee and the Delegated Powers and Regulatory Reform Committee in the other place will make a case-by-case analysis of every proposed order.

I give the House clear undertakings, which I shall repeat in Committee, that the orders will not be used to implement highly controversial reforms. They will not be forced through in the face of opposition from the Committees, and the views of the Committees on what is appropriate for delivery by order will be final. Under the super-affirmative procedure, which, as I have said, Parliament has a right to require, the Committees will be able to recommend amendments to orders and the Minister will be able to lay a revised draft order reflecting those recommendations.

Rob Marris: I am grateful to my hon. Friend for those undertakings but I am mindful of the fact that at some distant point in the future there may be a change of Government. Will he incorporate in the Bill provisions on the veto and the role of Select Committees?

Mr. Murphy: We anticipate discussion of that issue in the Standing Committee, on which my hon. Friend may be inclined to serve.

Business, the public and the voluntary sector rightly say loudly that we shall be judged by our actions in this place. Tonight, we shall be judged on our support for the Second Reading of a Bill that meets the more ambitious better regulation agenda, extends more power to Parliament to scrutinise and veto Government proposals and will enhance UK competitiveness and further support British business.

I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

LEGISLATIVE AND REGULATORY REFORM BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6) (Programme motions),

That the following provisions shall apply to the Legislative and Regulatory Reform Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 9th March 2006.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration

of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Cawsey.]*

The House divided: Ayes 233, Noes 100.

Division No. 157] **[5.28 pm**

AYES

Abbott, Ms Diane	Corbyn, Jeremy
Ainsworth, rh Mr. Bob	Crausby, Mr. David
Alexander, rh Mr. Douglas	Creagh, Mary
Allen, Mr. Graham	Cummings, John
Anderson, Mr. David	Cunningham, Mr. Jim
Anderson, Janet	Cunningham, Tony
Armstrong, rh Hilary	David, Mr. Wayne
Atkins, Charlotte	Dean, Mrs. Janet
Austin, Mr. Ian	Denham, rh Mr. John
Austin, John	Dhanda, Mr. Parmjit
Bailey, Mr. Adrian	Dobbin, Jim
Baird, Vera	Donohoe, Mr. Brian H.
Balls, Ed	Dowd, Jim
Barlow, Ms Celia	Eagle, Angela
Barron, rh Mr. Kevin	Eagle, Maria
Benn, rh Hilary	Efford, Clive
Benton, Mr. Joe	Ellman, Mrs. Louise
Berry, Roger	Engel, Natascha
Betts, Mr. Clive	Etherington, Bill
Blackman, Liz	Farrelly, Paul
Blackman-Woods, Dr. Roberta	Fisher, Mark
Blears, rh Hazel	Fitzpatrick, Jim
Blizzard, Mr. Bob	Flello, Mr. Robert
Borrow, Mr. David S.	Flint, Caroline
Bradshaw, Mr. Ben	Flynn, Paul
Brennan, Kevin	Follett, Barbara
Brown, Lyn	Foster, Mr. Michael *(Worcester)*
Brown, rh Mr. Nicholas	Gapes, Mike
Browne, rh Mr. Des	Gardiner, Barry
Bryant, Chris	George, rh Mr. Bruce
Buck, Ms Karen	Gerrard, Mr. Neil
Burden, Richard	Gibson, Dr. Ian
Burgon, Colin	Goggins, Paul
Burnham, Andy	Goodman, Helen
Butler, Ms Dawn	Griffith, Nia
Byers, rh Mr. Stephen	Grogan, Mr. John
Byrne, Mr. Liam	Gwynne, Andrew
Cawsey, Mr. Ian	Hall, Mr. Mike
Challen, Colin	Hall, Patrick
Chaytor, Mr. David	Hamilton, Mr. Fabian
Clark, Paul	Healey, John
Clarke, rh Mr. Tom	Hendrick, Mr. Mark
Clelland, Mr. David	Hepburn, Mr. Stephen
Clwyd, rh Ann	Heppell, Mr. John
Coaker, Mr. Vernon	Hewitt, rh Ms Patricia
Coffey, Ann	Heyes, David
Cohen, Harry	Hill, rh Keith
Cook, Frank	Hillier, Meg
Cooper, Rosie	Hodge, rh Margaret
Cooper, Yvette	Hodgson, Mrs. Sharon

Hoey, Kate
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mann, John
Marsden, Mr. Gordon
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McIsaac, Shona
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morley, Mr. Elliot
Murphy, Mr. Jim
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Riordan, Mrs. Linda
Robinson, Mr. Geoffrey
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Timms, Mr. Stephen
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Twigg, Derek
Ussher, Kitty
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Ayes:
Mr. Alan Campbell and Gillian Merron

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Bacon, Mr. Richard
Barker, Gregory
Bellingham, Mr. Henry
Binley, Mr. Brian
Bone, Mr. Peter
Bottomley, Peter
Brake, Tom
Brokenshire, James
Brooke, Annette
Browning, Angela
Burns, Mr. Simon
Cable, Dr. Vincent
Carswell, Mr. Douglas
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Djanogly, Mr. Jonathan
Duddridge, James
Ellwood, Mr. Tobias
Evennett, Mr. David
Fallon, Mr. Michael
Foster, Mr. Don
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Grayling, Chris
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Heald, Mr. Oliver
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Horam, Mr. John
Howarth, David
Howarth, Mr. Gerald
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jones, Mr. David
Laing, Mrs. Eleanor
Lamb, Norman
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Loughton, Tim
Luff, Peter
Maples, Mr. John
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Paterson, Mr. Owen
Pelling, Mr. Andrew
Redwood, rh Mr. John
Robathan, Mr. Andrew
Robertson, Mr. Laurence
Rosindell, Andrew
Russell, Bob
Spicer, Sir Michael
Stanley, rh Sir John
Steen, Mr. Anthony
Stunell, Andrew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Winterton, Ann

Tellers for the Noes:
Angela Watkinson and Andrew Selous

Question accordingly agreed to.

LEGISLATIVE AND REGULATORY REFORM BILL [*MONEY*]

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Legislative and Regulatory Reform Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(a) any expenditure incurred by a Minister of the Crown or government department in consequence of orders under Part 1 of the Act; and

(b) any increase attributable to such orders in the sums which under any other Act are payable out of money so provided.—*[Mr. Cawsey.]*

Question agreed to.

Mr. Deputy Speaker (Sir Alan Haselhurst): With the leave of the House, I propose to put together motions 4, 5 and 6.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

NORTHERN IRELAND

That the draft Northern Ireland Arms Decommissioning Act 1997 (Amnesty Period) Order 2006, which was laid before this House on 17th January, be approved.

That the draft Budget (Northern Ireland) Order 2006, which was laid before this House on 26th January, be approved.

EDUCATION

That the draft School Finance (England) Regulations 2006, which were laid before this House on 19th January, be approved.—*[Mr. Cawsey.]*

Question agreed to.

REGULATORY REFORM

Motion made, and Question put forthwith, pursuant to Standing Order No. 18(1)(A) (Consideration of draft regulatory reform orders),

FORESTRY

That the draft Regulatory Reform (Forestry) Order 2006, which was laid before this House on 23rd January, be approved.—*[Mr. Cawsey.]*

Question agreed to.

DELEGATED LEGISLATION

Ordered,

That the Civil Proceedings Fees (Amendment) Order 2005 (S.I., 2005, No. 3445), dated 20th December 2005, be referred to a Standing Committee on Delegated Legislation.—*[Mr. Cawsey.]*

Public Libraries

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

5.41 pm

Mr. Michael Fallon (Sevenoaks) (Con): I am pleased to have the opportunity to introduce a short debate on public libraries. I should say at the outset that by "public libraries" I mean local libraries. It was three years ago, on the eve of war, that we last debated the importance of our national libraries, and we may need to revisit the funding of those libraries and, indeed, of school libraries. It is local libraries, however, for which I should like to claim attention today, because of the growing concern about their future.

In a similar debate seven years ago, the House was told that the situation was critical. I think that it has grown worse. In the past 10 years, the library service has been in decline. The stock of books in our libraries has reduced by more than 20 per cent. and the number of books issued has declined by 36 per cent. Book spending in libraries has been cut from £138 million 10 years ago to £93 million this year—a cut of about one third in real terms. We have learned that councils across whole swathes of the country are planning library closures. Twelve libraries are to close in Devon, nine in Lancashire and others in Buckinghamshire, Cumbria and Chester. It is alleged that at least 70 libraries may disappear altogether. Who knows? There may be plans to close others in the London area that will not be publicised until after the local elections.

It is not an entirely gloomy picture. A few more libraries are open longer. I understand that 78 libraries are open for more than 60 hours a week, but that is still fewer than 2 per cent. of the total. There is excellent practice in areas such as Hampshire and Westminster, where libraries are on the up, with more visits and more books being issued. In my own area of Kent, Swanley library has been rebuilt, and Sevenoaks library is being completely modernised. I certainly welcome the additional funding that has recently been provided, including £6 million over a three-year period and the successful implementation of the people's network, on which I congratulate the Government. I look forward to the commitment from the Big Lottery Fund to help community libraries. That is all good news, and I am certainly prepared to give credit where credit is due, but it is not enough. It is clear that the public library service has reached something of a tipping point. Councils are under severe budgetary pressure this year, as never before. Some councils are downgrading the priority that they give to library services at the expense of other services.

Mr. Peter Bone (Wellingborough) (Con): I am grateful to my hon. Friend for securing the debate and taking an intervention. In my constituency, it is proposed to close Finedon library because of lack of funding. I associate myself with the campaign to keep it open and hope the council will think again.

Mr. Fallon: I hope the authorities in Northamptonshire will listen carefully to what my hon. Friend said. I do not want any library closed, as I shall go on to say. Unless the Government act more decisively, we could see many more public libraries start to wither away much more rapidly than they have done.

[Mr. Fallon]

What have the Government been doing? They began with their five-year plan. We are familiar with that in various Departments. That is not a criticism; there should be a plan. They issued a document, "Framework for the Future", then they got going on the library service itself, with a series of Whitehall-driven initiatives. In 1998, we had annual library plans. In 2001, public library standards were issued. Then we had public library position statements and in 2004 public library service standards. Those have been superseded, I understand, by what is described as a new suite of best value performance indicators within the comprehensive performance assessment culture block. Next year, I understand, there will be public library impact measures.

A blizzard of paper, but while all that has been issued, the service has in general terms continued to decline. The Audit Commission reported that half of all library services were inadequate. In an excellent report last year, the Culture, Media and Sport Committee stated that it was

"dismayed by the chopping and changing that has taken place"

in Government policy. Most seriously of all, its report has been badly neglected. I have rarely seen—this is not a criticism of the present Minister; it was probably his predecessor—a more pathetic response than the Government's response to that Select Committee report in Cm 6648.

When asked to consider common processing, the Government responded:

"We would want to see common standards adopted".

On the recommendation on collective purchasing, they stated that they

"would wish to provoke a discussion about which model is most likely to succeed"—

not, I think, the smack of firm government. On the decline in borrowing, we have the platitude

"the fall in issues may be due to the service not keeping up with social trends".

That will not do. Public libraries are not a purely local service. Councils have a duty to provide it, but the Minister has a duty to ensure that it is provided. Under the Public Libraries and Museums Act 1964—

"An Act to place the public library service provided by local authorities . . . under the superintendence of the Secretary of State"—

it was clearly laid down in clause 1 that

"it shall be the duty of the Secretary of State to superintend, and promote the improvement of, the public library service provided by local authorities in England and Wales".

We are not discussing the maintenance of the drains or refuse collection. The service is provided locally and Parliament insisted that the Secretary of State has a national responsibility to superintend it in the 1964 Act. Under the 1964 Act, the Minister has powers to intervene, and, as we have heard, he also has funding streams at his disposal. The Government must examine the public libraries service and convince hon. Members that they are properly discharging their duty to superintend it. I have read the Minister's speeches and welcome his personal commitment to the library service, so I hope that he will not take it amiss when I say that warm words are not enough and that I want to see the Government act.

I want the Minister specifically to consider five things. First, will he stop the proposed closures in Northamptonshire, as my hon. Friend the Member for Wellingborough (Mr. Bone) mentioned and elsewhere? He has a duty under the 1964 Act to intervene where the service is not being properly provided. I understand that he has partly exercised that duty by writing to the library authorities, and I thank him for doing so. I hope that his letter made it clear that he is ready to exercise his power to intervene under the 1964 Act, if a programme of wholesale closures is introduced in the next few months.

Secondly, I hope that he will do more to protect book spending and reverse the decline in spending on books. If the Minister can find the money to provide new technologies such as the internet and support services that allow families to access libraries, surely it is not beyond the wit of the Government to do more to protect the core spend on books.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing the debate. Does he share my view that the Government should more closely link their bookstart initiative, which attempts to encourage very young children to start reading books, with the provision of local library services?

Mr. Fallon: Yes. That is a good example of how we need to keep joining up what the Government are doing and make sure that initiatives are tied together.

I am concerned about expenditure on books, because the £90 million a year figure that I quoted earlier is less than 9 per cent. of the total library budget. If the stock of books is not refreshed and restored, the attraction of the library inevitably diminishes and a vicious cycle by which fewer people want to visit libraries and borrow books begins. Will the Minister re-examine the matter to see what can be done through encouragement, exhortation, ministerial appeal and existing powers and funding streams better to protect spending on books by the library service?

Thirdly, I have given hon. Members examples of local authorities that have been commended to me—Hampshire is one and Westminster is another—because libraries are on the up. The Government could do more to promote good practice and find out what works in stemming the decline in the library service. They also need to establish what is stopping other councils from picking up that good practice and implementing it more universally.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the hon. Gentleman include Leicestershire in his list of local authorities that show exceptionally good practice? It has particularly strong links with larger schools in Leicestershire that have their own libraries. The authority and those schools feed off one another, and links have been built between schools and local libraries. There is great potential to stop the drift downwards, which the hon. Gentleman is describing so vividly.

Mr. Fallon: Indeed. I commend Leicestershire for that. We should examine the lack of linkage between

libraries, particularly in the big conurbations. Why, for example, are library cards not more usable across all the London boroughs? There are examples of good, indeed excellent, practice, and some library authorities have improved their services, but that should not blind us to the fact that overall the service is still in decline, despite the best efforts of librarians.

Fourthly, will the Minister champion the users of a library just as much as he has championed those who work so hard to provide the service? It is important to help to fight the fight for modernisation, to get libraries into attractive buildings, and above all to get them open at accessible hours. Only 2 per cent. of our larger libraries are open for more than 60 hours a week. They should open for much longer and, above all, should open in the evenings and at weekends, because the modern lifestyle demands such access.

I hope that the Minister will help the library service to get away from some of the more restrictive thinking of the past and inspire much more customer focus. Why can modern service organisations such as Tesco deal with the problem of finding a work force that can operate at antisocial times, during weekends and in the evenings, while we have so signally failed to persuade councils to do that in running library services?

Finally, there is the issue of marketing. We need to think about library membership. What more could be done with the card that one signs on for when one moves to a particular area? What could be linked to it? Could it apply more generally or be a passport to similar services offered by the council or the private sector?

Tim Loughton (East Worthing and Shoreham) (Con): Does my hon. Friend agree that the real strength of a library is not how shiny a building it is housed in but the service—primarily books and information—that it offers? The most alarming point that he made is that only 9 per cent. of library expenditure goes on books. That is true of libraries near me. The Jubilee library in Brighton recently opened at a cost of £14 million, but expenditure on books to put in it has not risen. Is not that a crazy balance? Even if we have to look at other ways of providing library services in other buildings, such as children's centres or family centres, that are having a lot spent on them, we need to put more into the resource that they offer than the fabric of the buildings.

Mr. Fallon: I certainly endorse that. There is a temptation, of course, for those who want to renew their library services to add additional facilities. The new technologies are important. Other information services linking up with Government information streams can successfully be provided in libraries. Nevertheless, the Select Committee came to the conclusion that my hon. Friend articulated so well—that books must be at the core of the library service. New technologies come and go—that is why they are new—but in the end books and access to books must lie at the heart of the service.

I have given the Minister four or five things that I would like him to consider and act upon. I hope that he will now apply the Government more actively to what can be done to improve the service. If we let local libraries continue to decline, we will be failing not only those of us in this House who love libraries, and people who choose to borrow from libraries all their lives, but people who need libraries: those who do not have the luxury of books at home, or quiet places to study them; those who need access to books after school or during the school holidays; those who are studying after work towards better qualifications; and those who are driven to explore the world of information and reference that is available to them. If libraries are service stations of the mind, it should not be left to council bureaucrats to restrict access to them.

Libraries are as much part of our education system and common culture as they are cherished parts of our local community. If they wither away, we lose part of our cultural capital and the local points of reference between the knowledge and literature of the past and our present generation, whom those stocks should enrich. Public libraries are not the council's to cut nor the Government's to neglect. They belong to us all.

It being Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

6 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): I am grateful to the hon. Member for Sevenoaks (Mr. Fallon) for raising a subject that has not been discussed on the Floor of the House for several years. It is an important issue for communities throughout the country. This is the second occasion on which I have followed the hon. Gentleman. The first was my maiden speech. He was gracious then and I am grateful for the gracious manner in which he presents his arguments.

When William Ewart introduced the Public Libraries Bill 157 years ago, there was some dispute in the House about the nature and merit of public libraries. It was argued that the ratepaying middle classes would subsidise a service that would be used by the working classes to better themselves. In the face of Tory opposition, and after a hard fight, the Public Libraries Act became law in 1850, but it applied only to boroughs with more than 10,000 people.

Even then, two thirds of local ratepayers had to agree to fund libraries with a limit of a halfpenny on the rate to pay for them. The money raised could not be used to purchase books. I am sure that the hon. Gentleman would not subscribe to the views of his political forebears and, like me, he is glad that common sense prevailed so that, by 1855, the libraries rate was raised to a penny and the boroughs were allowed to buy books.

Even so, we owe a massive debt to Victorian library philanthropists such as Henry Tate, John Passmore Edwards and, of course, Andrew Carnegie, whose generosity enabled the building of nearly 400 libraries throughout the country. The words "Carnegie library" still resonate today. The hon. Gentleman will surely join me in celebrating the work of those visionaries in establishing public libraries as the university of the street corner.

In an age of empire building, the undeserving poor and hard knocks, those people perceived libraries as a way to further education for the many, build closer and fairer communities and encourage a fairer society with opportunities for all. However, they were also hard-

[Mr. David Lammy]

headed men of commerce, not given to seeing the world through rose-tinted glasses. They saw the business case for public libraries, too. In 2006—157 years later—there is still a strong business case for libraries. When a quarter of our 11-year-olds have literacy or maths skills below an acceptable standard, we need libraries. When nearly 12 million adults have a reading age of 13 or younger, we need libraries. When 5 per cent. of our people are unemployed, we need libraries.

Public debates of the day—on interfaith dialogue, the respect agenda and civic renewal—require our libraries to continue to provide the sort of open, neutral spaces where people from all socio-economic backgrounds can come together, mix and learn from each other. If, like me, people think that those things are important, they will support our libraries' work to make things better.

Delivering the £9 million Government-funded Bookstart scheme that provides a gift of books to babies and young children three times before they reach school age is inextricably linked to the work of our libraries. We should all be proud of that initiative. We should also be proud of the homework clubs that 60 per cent. of library authorities run to help to ensure that out-of-hours school work gets done. The summer reading challenge that sustains the reading ability of 600,000 children while they are away from school during the long summer break is also a success story. Libraries also host formal and informal sessions for adult learners, giving second chances to people who feel that their school failed them and who would not want to return to a formal educational environment. Work is also being undertaken with high quality bodies such as the BBC and major publishers to get across the value of public libraries. In addition to all those things, there is a range of events to draw in all sections of local communities, including those who are sometimes hard to reach.

Providing mediated or self-help information facilities, either from the printed page or from digital sources, to turn the information poor into the information rich is also vital in the 21st century. Such activities go on in libraries all over our country almost every day of every week. That is why the Government think that libraries are important. We live in an information economy in which knowledge is key to not lagging behind.

Tim Loughton: I am glad to see that the Minister has moved on from blaming the Conservatives for trying to impede something that happened 157 years ago, to talking about what is happening under his Government—the dire literacy problems that our children have had for the past eight and a half years and more. Under his duties under the 1964 Act, what has he done to promote the local library service that we are debating today?

Mr. Lammy: The hon. Gentleman should go on to the DCMS website and read several of the speeches that I have read. He should contact his local authority leader and ask whether they have received a letter from me—the answer will be yes. He should also speak to the Museums, Libraries and Archives Council. He would then come to the conclusion that there is no Minister responsible for libraries on record as having done more than I have done in the seven months that I have been in the job. So, if I may, I shall proceed.

Here in Westminster we live in extremely privileged circumstances. Our slightest information need is met by our excellent Library, which contains the best resources that the House can afford. Those resources might not be capable of replication across our 4,500-plus libraries nationwide, but why should not our citizens expect—as near as can be managed—the kind of service that we take for granted?

David Taylor: Will my hon. Friend give way?

Mr. Lammy: I shall not give way; I want to proceed and conclude my speech.

A central part of the argument put forward by the hon. Member for Sevenoaks was the issue of books versus some of the modern uses of libraries. "The Concise Oxford Dictionary" describes a library as a

"collection of books for use by the public, or a similar collection of films, records, computer routines, etc".

I accept that that is a dry definition. Libraries are really about people, both as individuals and as members of communities, and libraries are there to serve a multiplicity of people's needs. I get tired of self-appointed, unelected, unrepresentative groups who dogmatically say that libraries are for this and not for that, or, more specifically, that they are solely for reading. I love reading, although I come from a household in which I could count the number of books on the fingers of one hand.

The central mission of libraries involves not only books but information—and information, in a computer age, must involve online services, especially in an environment in which some publishers now publish solely on CD-ROM. We have Bookstart, the summer reading challenge and adult reading groups. That is all wonderful, but libraries have never been just about books. The digital resources at our disposal today have broadened immeasurably the kind of public services that libraries can provide.

Let us look at the House in this context. The last time we wanted to check a reference in *Hansard*, none of us waded through a 6 in pile of paper copies. We searched the database and relied on information technology to obtain the information that we needed in a particular debate. In the same way, libraries are moving on and people across the country want those services.

In the past nine months, I have seen some fantastic new library buildings in places as far apart as Peckham, Brighton, Weston-super-Mare and rural Leicestershire. I was delighted to hear about the refurbishment of New Ash Green library in the constituency of the hon. Member for Sevenoaks. Similarly, the Sevenoaks kaleidoscope project will bring the town's museums, library and archive resources together. It is one of the most exciting examples of that in the country.

As the hon. Gentleman said, and as members of the Select Committee on Culture, Media and Sport pointed out in their report last year, not all our libraries are new and gleaming and many need some serious tender loving care, so I find it hard to understand why the Big Lottery Fund announcement of an £80 million community library programme strand is being criticised because none of the money—this was the implication of what he said—is being spent on books. The money is being spent on fabric, shelving and on making our libraries

attractive so that people want to go into them, thereby freeing local authorities to invest in the book stock. We are constantly being told how bad our libraries book stocks are, yet the hon. Gentleman's own authority of Kent has increased its book fund by 60 per cent. in recent years, and in 2004–05 the libraries authorities in England combined increased lending stock by nearly 1 million compared with 2001–02.

I do not want libraries to be populist, but I do want them to be popular. There were nearly 340 million visits to our libraries last year, over 21 million more than three years ago. Nearly 50 per cent. of all adults make at least one visit to a public library each year. Most of those people visit more often and the proportion of people who visit from our ethnic minority communities has also increased.

It is important to make the point that there has been a 20 per cent. increase across the country in book ownership since 1997. Because of the net book agreement, book prices have come down. We can all nip out to local supermarkets and purchase books, which was not possible five or 10 years ago. It must be a good thing that people have books in their own homes. More working-class and underprivileged families, whom we care about across, I hope, the House, have books. For those reasons, it is significant that library visits are up. However, the use of that material will differ across the board. I have taken seriously the issue of library closures. I have written to every local authority and I have taken an interest in particular local authorities. The necessity to provide a comprehensive and efficient library service is key against a backdrop in which the Government have been committed to ensuring that local authorities can deliver an effective local service. The local government settlement for the next two years provides an overall increase in Government grant of 4.5 per cent. in 2006–07 and 5 per cent. in 2007–08. For 10 successive years, we have been able to provide councils overall with above-inflation increases in grant.

Libraries must remain a local service for local authorities and local people to determine. The Government take seriously the responsibilities to provide a comprehensive and efficient system. We take seriously issues relating to adult literacy and young people's literacy. Many children in our most deprived communities need the library as a place in which to work. Libraries play an important role for the elderly in particular, as the local or village librarian can be one of the few faces they see during the week.

I welcome the debate that the hon. Gentleman secured. This is an important issue, and I agree that it is as important as education. That is why I have taken the steps that I have. It is also why initiatives are going on across the library world. I hope that leaders of our local authorities will think carefully as they make their budget plans in the months ahead. I encourage him, however, to join me in singing the praises of many libraries across the country. There are forces that seem solely to want to talk down the position of libraries in Britain. That is not helpful. Much that is good is also going on.

Question put and agreed to.

Adjourned accordingly at seventeen minutes past Six o'clock.

House of Commons

Monday 13 February 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HOME

The Secretary of State was asked—

Identity Cards

1. **Martin Linton** (Battersea) (Lab): What his most recent estimate is of the annual cost to public funds of a stand-alone identity card. [50390]

The Secretary of State for the Home Department (Mr. Charles Clarke): Our estimate of the average annual operating costs of issuing passports and ID cards to British citizens was published last year and at present is unchanged at £584 million. As is the case with passports, those costs will be met in the main by fees rather than by a call on public funds. I have said that within our current estimates it will be affordable to set a charge of £30 for a stand-alone identity card issued to British citizens.

Martin Linton: If the cost is £30 for 10 years—in other words, £3 per person per year—and the benefits, according to figures agreed by the Home Office and the banks, are more than £20 per person per year, can my right hon. Friend see any rational reason why the House of Lords would have voted against the proposal on cost and benefit grounds?

Mr. Clarke: I always hesitate to ascribe rationality to the House of Lords in its decisions, but it is legitimate to address the costs issues, as Members of both Houses have concerns about them. We have worked them through carefully. My hon. Friend is right to say that for a stand-alone card £3 a year is the figure that we have in mind, and the benefits of the reform would be massive for the whole country.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): For the 38 million people who are likely to have to register for an ID card—those over 16 and those who have been here for more than three months—can the Home Secretary tell us what the cost will be of the combined passport and ID card? If the estimate of £5 billion over 10 years is correct, it is on my calculation likely to be in excess of £120.

Mr. Clarke: The hon. Gentleman is wrong. As I have indicated before, the average annual cost of passports and ID cards is unchanged at about £584 million a year. We estimate that the cost per joint passport and card would be some £93. The fees have not yet been set: they can be set only if the legislation is passed by a vote of Parliament on the precise fee regime, but £93 is our combined estimate.

Paul Flynn (Newport, West) (Lab): Can we define the difference between Bill Gates's suggestion for the near future and what the Government suggest? Bill Gates's suggestion is for a link between the biometric information and one single card, which is a relatively simple matter. However, the Government suggest that there should be a differentiation between the information on one biometric identifier and many millions of others. The process that has been suggested by the Government is many millions of times more complicated and more expensive than what Bill Gates suggests. Can my right hon. Friend give us some information on that?

Mr. Clarke: My hon. Friend makes an interesting comparison. I have not studied Bill Gates's proposal in detail, but I understand that he argues that the national identity register, which we are introducing, with its 13 biometric identifiers, would give the assurance that at some point in the future the biometric identifier itself, rather than the card, could provide the identity security that is required. Obviously, my hon. Friend is right to say that it would be simpler if we had one identity system for the whole country for every time that identity needs to be checked, but many arguments have been made in this House and elsewhere about the disadvantages of having one database for everything. Instead, we have one narrow database that enables everybody to secure their own identity, which we think is a major step forward.

Mr. Peter Bone (Wellingborough) (Con): The Home Secretary has told us that his estimate is £584 million per year, which is a lot of money. However, some hon. Members will be a little sceptical of Government estimates, because in the past they have been woefully out. Would the Home Secretary stake any money on the £584 million being reasonably accurate, or does he think that the figure might go up?

Mr. Clarke: Actually, I think that it is accurate and likely to go down, rather than up. The nearest major IT project in the area was for the passports agency, which was widely criticised five or six years ago. Its IT programme now handles some 40 million to 44 million database files and had the most efficient public service in the country, beating major private sector providers from the consumer point of view, such as Amazon, eBay and Virgin, as the result of a major effective public sector IT investment, changing the quality of life for everyone.

Lynne Jones (Birmingham, Selly Oak) (Lab): According to parliamentary answers I have received, the cost of operating and maintaining the verification services is not included in the £93 charge to applicants. What is the Government's estimate of that particular cost? How much will be met by the public sector, how much is to be met by charges and what are my right hon. Friend's assumptions about the number of people who

will want to use the verification services and the charge that they will be asked to bear? I understand that when potential users were offered a charge of 57p, not many were keen.

Mr. Clarke: I have just published overall figures for verification and all the other services, but three sources of income will deal with the charges. The first is the fees themselves, which is why I said that fees would make up the giant's share, rather than a call on public funds. The second is a small contribution from public funds, which is the only amount that could be spent on other things—as is widely alleged—and the third is income that could be derived from contracts with organisations that use the database. Those are important factors, which is why I was able to tell the hon. Member for Wellingborough (Mr. Bone) a moment ago that I think the figure will end up being less than £584 million, although I think that is a firm and strong estimate.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Why does not the Home Secretary demonstrate the courage of his convictions by allowing the Lords amendments on costs to stand? Surely, if his scheme is costed and affordable he should have no problem in demonstrating that before bringing it to the House for implementation?

Mr. Clarke: We have no problem in demonstrating that and have done so, but the amendment tabled by my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson) is of a rather more profound nature. It states that there should be a regular report to the House setting out the full cost situation so that the House can debate and consider it as it wishes. That is a rather superior way of doing what the House of Lords was edging towards. The amendment also reflects concerns expressed, fairly, on both sides of the House about whether the cost system is under control. A system of six-monthly reports is a good way of dealing with that.

David Davis (Haltemprice and Howden) (Con): The Liberal Democrat spokesman made a good point: few people really believe the Home Office numbers and the House of Lords is trying to find a way of establishing a reliable figure. Let us take things out of arcana such as the billions and House of Commons procedure. If the Home Secretary was trying to pay for a capital project, such as a house extension, and the contractor came to him and said, "I know I've overrun before on money and time. I'm not going to give an estimate because that upsets my subcontractors, but I'll let you know every six months how much I've overrun", would the right hon. Gentleman accept that contract? The answer of course is no, so why should the House of Commons accept that from him?

Mr. Clarke: I must say that I think that the right hon. Gentleman has put it completely the wrong way round. If I indeed wanted work done on my house, as he suggests, I should first make a clear estimate of what I was ready to spend and on what; secondly, I would not tell the bidders how much money was available for them and, thirdly, I would establish a contract to be tendered for on a competitive basis. That is precisely the right way to give us value for money.

David Davis: Let us test the process against some real figures. The right hon. Gentleman cited the passport agency, which nobody in their right mind would hold up as a serious project, so let us try some others. In the green book, his right hon. Friend the Chancellor pointed out that 54 per cent. of Government IT projects fail. Since 2001, four major projects in four Departments have gone seriously wrong; their collective budget was about £9 billion and they overran by £33.9 billion—nearly £34 billion. Can the Home Secretary name one IT project costing more than £1 billion that was on time and on cost and delivered what it was supposed to?

Mr. Clarke: The right hon. Gentleman mentioned the passport agency, which has done precisely that. It is a ridiculous state of affairs for the right hon. Gentleman to assert that no Government can ever organise an IT project in the interests of the country. I am perfectly well aware that there are major issues in both the public and private sectors about major IT projects. As somebody originally from the private sector, the right hon. Gentleman will know that that is the case and he is right to say, in terms of his first question, that we should have a proper contractually based tendering process, which is precisely what we have.

International Arrest Warrants

2. **Dr. Phyllis Starkey** (Milton Keynes, South-West) (Lab): Whether his Department is planning to amend the law on international arrest warrants. [50391]

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): The Government are currently considering a range of issues relating to the issuing of arrest warrants in international cases, but have not yet concluded what changes, if any, are required to current legislation. Any proposals for amending the current legislation would be a matter for Parliament.

Dr. Starkey: The Minister will be aware of press reports that the Government are considering removing the right of an individual victim to apply to the magistrates court for an arrest warrant against the alleged perpetrator of war crimes. If that right were removed, does he agree that it would leave it open for the UK Government to decide not to proceed against certain alleged war criminals simply because to do so might embarrass a foreign Government? Does he agree that that does not square with the Government's duty, under the Geneva convention, of universal jurisdiction?

Andy Burnham: Let me begin by assuring my hon. Friend that the Government stand firm behind the principle of the international arrest warrant system and are clear that the UK will never provide safe haven to those guilty of atrocities, but she refers to the process by which international arrest warrants are secured. They can be applied for and granted to private individuals by a district judge, the effect of which is that someone can be arrested and detained with no immediate prospect of any charge being brought. The balance must be right, and the question is whether the prosecuting authority that is required to bring the case should have a role in whether the person is arrested, but I have heard what my

hon. Friend has said, as has the Home Secretary, and we will, of course, take her views on board in taking the matter forward.

Mr. Philip Hollobone (Kettering) (Con): What discussions has the Home Office had recently with the Israeli Government about General Almog? Is the Home Office in discussion with other countries about the enforcement of international arrest warrants on their citizens?

Andy Burnham: The Home Office has had discussions with the Israeli authorities, following the case that the hon. Gentleman mentions, and has held discussions with a range of parties who have had an interest in that case. As I mentioned in my reply to my hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey), the issue is whether there is an inconsistency and whether the authorities that would be responsible for bringing a prosecution should have a role in the arrest. It is important to point out that we may be talking about individuals who are not normally resident in the UK and are not under investigation by the British police, and there could be very real practical difficulties in bringing evidence to this country about whether a prosecution should happen here. My point is simply about whether it is right that the prosecuting authorities have a role in deciding whether an arrest should take place in the first place, given that that would deprive an individual of their liberty for a serious amount of time.

Emily Thornberry (Islington, South and Finsbury) (Lab): Does my hon. Friend agree that, if someone from another country comes here and it is found through the great good sense of a district judge that the person may be guilty of war crimes, it is our duty as a nation to prosecute them properly and that, in considering whether the law should be changed, we should weigh in the balance very heavily the great good sense and experience of district judges?

Andy Burnham: I can say to my hon. Friend that of course the Government remain absolutely committed to the principle that those guilty of atrocities should not find a safe haven in this country. I would also say to her, though, that the duty to prosecute those accused of atrocities falls quite rightly to the public authorities of this country. In hearing what she says and in agreeing with her that the onus needs to be on ensuring that those responsible face up to their actions, we need to consider whether the public authorities that would be responsible for mounting any prosecution should have a role in deciding whether that person should be arrested at the beginning of the process.

Police Restructuring

3. **Mr. Alan Beith** (Berwick-upon-Tweed) (LD): What discussions his Department has had with police authorities in the north-east of England about the start-up and running costs of the proposed amalgamated police force. [50392]

The Minister for Policing, Security and Community Safety (Hazel Blears): We have been working closely with the police authorities in the north-east and the Association of Police Authorities nationally. We have received business cases from the north-east region, which include both start-up and ongoing costs. We have been working with experts on the financial detail of those business cases to assess the costs of merger. The Home Secretary and myself met with chief constables and chairs from the north-east on 6 February to discuss the way forward.

Mr. Beith: Given that Northumbria council tax payers currently have a police force that meets Government criteria in both size and performance, what indication can the right hon. Lady give of the amount by which council tax will rise in the Northumbria area, first, so that it equalises the precepts of the other forces and, secondly, to meet the start-up costs of reorganisation? What figure does she suggest?

Hazel Blears: First, as the right hon. Gentleman will recognise, the protective services assessment from Her Majesty's inspector of constabulary says that the one viable option to go forward is a regional strategic force. I also emphasise that the Northumbria police force's case said:

"There are clear operational benefits of moving to a regional strategic force in particular in relation to the ability to invest in level 2 protective services."

Although the right hon. Gentleman raises an important issue about financing and the equalisation of precepts, I remind him that this is about trying to get improved services for the people of Northumbria, as well as those across the region. We have a working group that is looking at start-up and precept costs, as well as ongoing costs, and we are looking at a number of different models, but this is about not simply having a larger force, but being able to release resources to invest in better policing for the people in the right hon. Gentleman's constituency and the rest of the region.

Nick Herbert (Arundel and South Downs) (Con): The cost of the four regional mergers that the Home Secretary announced last week has been estimated at over £177 million. Once again, the Government are proceeding with restructuring without any idea of the cost, which will fall largely on local taxpayers. When asked about mergers on 25 January, the Prime Minister said:

"It is not a question of forcing them through".—[*Official Report*, 25 January 2006; Vol. 441, c. 1426.]

If any of the police authorities in the affected regions object to being amalgamated, will the Minister therefore give an undertaking, in accordance with the Prime Minister's pledge, not to force those mergers through compulsorily? Or is it, once again, a question of the Prime Minister's words counting for nothing?

Hazel Blears: The hon. Gentleman is entirely wrong when he asserts that we do not have regard to the costs. In many cases, the costs that are coming in look as though they will achieve payback over a period of two or three years, not the 10 or 20 years that was first assessed. As long ago as 1993, his party said:

"A large number of separate forces inevitably means that they duplicate facilities and headquarters structures. It is questionable whether 43 separate organisations are now needed to run police operations."

That was his party then, and the leader of his party has recently said—

Several hon. Members *rose—*

Mr. Speaker: Order. That is it.

Emergency Services Personnel

4. **Jeremy Wright** (Rugby and Kenilworth) (Con): How many of those convicted of a criminal offence in the last year for which figures are available were employed within the emergency services at the time of their offence. [50393]

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): Statistics are not maintained centrally on the occupation of persons convicted of criminal offences. Figures collated by the Independent Police Complaints Commission indicate that in the last year for which figures are available—2003–04—177 police officers were convicted of criminal offences, 122 of which were traffic offences.

Jeremy Wright: I thank the Minister for that answer, but may I invite him to look at the issue from a slightly different angle? He will know that post-traumatic stress disorder is increasingly being recognised in the emergency services generally and in the police force particularly and that, in some cases, it can lead to domestic violence, alcoholism and, through that, to other offences. Will he look into what his Department is doing to ensure that those who have post-traumatic stress disorder, particularly in the police force, are looked after and supported to ensure that the consequences of that condition are minimised wherever possible?

Paul Goggins: I thank the hon. Gentleman for a very constructive suggestion, which I will consider carefully. I am very happy to discuss the matter with him in greater detail. I am pleased that the thrust of his question is one of support for people in our emergency services. They face some very difficult situations and they need good occupational health and the kind of support that he described. I very much welcome his proposal.

Terrorism Bill

5. **Dr. Ashok Kumar** (Middlesbrough, South and East Cleveland) (Lab): What consultations he has undertaken with ethnic minority communities on the Terrorism Bill. [50394]

The Minister for Immigration, Citizenship and Nationality (Mr. Tony McNulty): The Government did not undertake consultation specifically with ethnic minority communities on the provisions in the Terrorism Bill partly because the timetable for bringing the legislation forward was accelerated in the wake of the July bombs and partly because the Bill goes to the entire community rather than specific communities. However, in order to provide ethnic minority and other communities with an opportunity to express their views on the Bill other than through their representatives in Parliament, the Government have asked the independent reviewer of terrorism legislation, Lord Carlile, to consider the impact of the Bill specifically on community and race equality issues.

Dr. Kumar: I thank the Minister for that reply and praise the Government for making immense efforts to talk to ethnic minority communities and to build up an excellent dialogue with them. I recently met members of the Hindu community who expressed their concerns that they have not been involved in consultation and their concerns about the legislation. May I urge the Minister to talk to the Hindu community and make them feel part and parcel of the integral discussions that he has been having?

Mr. McNulty: I thank my hon. Friend for his kind words. The point that he raises is entirely fair. There has been some concern expressed among some non-Muslim ethnic minority communities that perhaps attention has been focused too much on the Muslim community. However, we do not accept that. Clearly we have done much with the Muslim community, but if we have to do more with other communities, we will. My hon. Friend will know that we regularly meet the Hindu Council, the Hindu Forum of Britain, the National Council of Hindu Temples and the Swaminarayan temple at Neasden to discuss matters of terrorism and other matters not least, as he will know, in terms of immigration rules and ministers of religion. However, I take his point seriously. We need to consult all minority communities and, indeed, all communities as fairly and profoundly as possible.

Mr. James Clappison (Hertsmere) (Con): Does the Minister agree that the vast majority of mosques are dedicated to peace and enlightenment, as are the worshippers who attend them? They are precisely the people who suffer the most from the negative perceptions created by extremists. Last summer, the Prime Minister saw a need for the Government to establish powers to close down mosques that fomented extremism. Is that still Government policy?

Mr. McNulty: I totally agree with the hon. Gentleman's opening statement, as, I am sure, does the whole House. Everyone will know, not least because of the disparity between the last two sets of demonstrations, that in any community, frankly, it is the extremists who do down the moderates far more than anyone else. The hon. Gentleman said it was suggested that we should consider, in extremis, closing down specific facilities. I understand that we have examined that, but found that it would not be terribly practical, or, as he suggests, fair on the remaining members of the community around a mosque. Working with a community to eradicate extremists would be far more fruitful than simply closing a mosque.

Richard Burden (Birmingham, Northfield) (Lab): One of the things about which members of all communities are concerned is that the Bill's provisions should be applied even-handedly and it should be clear against whom they are targeted. When the matter was debated in the House, I thought the Government accepted that there had to be a clear link between allegations regarding the glorification of terrorism and incitement—direct and indirect—or reckless

disregard of the effect that glorification could have on someone about to commit a terrorist act. Is the Minister aware that several statements that Ministers have made recently to put distance between the view of this House and the amendments of the other place indicate that the Government might not still be thinking that way? Would he like to give some reassurance on that point?

Mr. McNulty: If my hon. Friend wants reassurance that we think that our proposals on glorification are preferable to the Lords amendments, I can certainly give that reassurance, but I suspect that that is not what he is after. On his first point, it is important not only that we focus our terrorism legislation on terrorists and extremists in all communities, but that we are seen to do so. If there is disquiet in any community because it is thought that that is not the case, we need to hear about it and allay fears, not least in the context of the question asked by the hon. Member for Hertsmere (Mr. Clappison).

Mr. David Heathcoat-Amory (Wells) (Con): Does not the Abu Hamza case show a failure to enforce the existing law over many months, rather than a gap in the law, or a need for yet more offences? Will the Government and the Home Office thus stop using recent events as an excuse to pass yet more legislation and invent new offences, and instead enforce the existing law with more determination and dispatch?

Mr. McNulty: In the first instance, I should say in passing that the gentleman concerned has appealed, so it would be inappropriate for me to say much more. However, in the broadest sense, we do not legislate just for the sake of it—we legislate because there are real and present dangers. The right hon. Gentleman shows in his question a simplistic approach that is, like the comments of the shadow Home Secretary over the weekend, profoundly and utterly irresponsible.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Will my hon. Friend give me an absolute assurance that the Government will be tough on incitement, even if they judge that such action might be unpopular in some small, localised communities?

Mr. McNulty: I think that I can give such an assurance. If the point behind my hon. Friend's question is to ask whether we should in any way shackle the police in their interpretation of operational matters on the ground at any given time, whether during a demonstration or otherwise, my right hon. Friend the Home Secretary has made it clear that that should not be the case. However, watch this space on subsequent prosecutions.

Damian Green (Ashford) (Con): The Minister is right to draw a distinction between the large and peaceful demonstration that we saw recently and the deplorable, less peaceful, smaller demonstration the week before. He must know that keeping minority communities united against terrorism is a vital weapon in the fight against terror, so how does he respond to Muslim leaders who support democratic values, such as Ajamal Masroor, of the Islamic Society of Britain, who says:

"We have been trying . . . to win a war of ideas with a small number of our young people, and this legislation blows all of that hard work away"?

Why will the Government not listen to moderate Muslim leaders, give up their ineffective anti-authoritarianism, and accept that bad anti-terrorism laws will simply bring the law into disrepute and not make British citizens any safer?

Mr. McNulty: I do not think that the hon. Gentleman meant to describe our approach as anti-authoritarian, but I understand the gist of his remarks.

There are myriad views and opinions throughout the community. First and foremost, we must shape and tailor our anti-terrorism legislation according to what is most effective and the advice that we get from security and police authorities. If, after that, there are messages to send to any community, we must do that to prevent misinterpretation—sometimes malevolent misinterpretation—of laws that go to the heart of the difficulties facing our society.

Mr. David Winnick (Walsall, North) (Lab): Whatever differences there may be between the two sides in respect of new laws, is it not encouraging that time and again in the past week we have seen Muslims make it perfectly clear that the hate merchants and agitators do not speak for the overwhelming majority of Muslims living in our country, who appreciate the freedoms and democracy that we have? Is it not important to deal with the small number of hate merchants that we know exist among the clerics?

Mr. McNulty: I agree with my hon. Friend, and I am sure that the entire House does, too. Just this morning, I received a message from representatives of the main mosque in my constituency, voicing precisely the same concerns. They started by saying that, like many others, the community was offended by the representations of the Prophet in the cartoons in the Danish magazine, but they went on to make precisely the same points as my hon. Friend makes. We cannot and should not tailor our response to terror or extremists out of fear of the response from the very terrorists and extremists with whom we are trying to deal.

Prisons

6. **Dr. Vincent Cable** (Twickenham) (LD): What estimate he has made of the incidence of mental illness in prison. [50395]

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): The most comprehensive national assessment was published in the Office for National Statistics survey of mental ill health in the prison population in England and Wales in 1997. It indicated that 90 per cent. of prisoners have at least one mental health disorder. Our five-year strategy for reducing reoffending includes a commitment to do more to make sure that people with mental disorders who offend get the treatment that they need.

Dr. Cable: Further to that answer and to last Thursday's statement, what action do the Government propose to take in respect of the 5,000 prisoners who are regarded as profoundly mentally ill to ensure that, when

they are released, they are not turfed out on to the streets, seriously ill and homeless, so that they then live rough and almost certainly reoffend?

Fiona Mactaggart: We have two main approaches. We work through mental health in-reach teams in prisons, which work with community teams on a care plan. On an offender's release, they work together to pass that individual into the care of a community mental health team in a negotiated transfer. That did not happen before.

Mr. Brian Jenkins (Tamworth) (Lab): My hon. Friend is aware of the national disgrace whereby individuals were freed from mental institutions under the National Health Service and Community Care Act 1990, but found that the only safe and secure place for them was prison and they offended to get back into a secure environment. Can she tell the House how many people who had spent time in a mental institution and who were released under the care in the community programme are in a normal prison today? If she cannot do that today, will she send me a note?

Fiona Mactaggart: As my hon. Friend predicts, I cannot give him those precise figures without prior notice. However, I can ensure that they are made available to the House. I can also assure him that we have put in place a series of steps to reduce the revolving door of offending and mental ill health. Proposals to amend mental health legislation will enable us to put more robust procedures in place to do that.

Justine Greening (Putney) (Con): Will the Minister also agree to consider the disgraceful situation in which many ex-servicemen find themselves when they suffer from post-traumatic stress disorder which exhibits itself as alcoholism and, again, domestic violence, and they end up in prison? Will she consider those people alongside the emergency service people mentioned earlier?

Fiona Mactaggart: In terms of responsibilities for former servicemen, the hon. Lady's question is probably best directed to the Ministry of Defence. I will ensure that my colleagues in that Department are made aware of it. Offending as a result of people's previous experiences is a critical consideration in everything that we are trying to do to reduce reoffending. She will have seen in the reducing reoffending action plan, which we published last week, that one of our ambitions is to bear down on all the features, including mental ill health, that lead to reoffending, and to have a much more comprehensive programme to achieve that. I can give her the assurance that she seeks when someone has offended and will draw her question to the attention of my colleagues so that we prevent the offending that concerns her.

Helen Jones (Warrington, North) (Lab): My hon. Friend will be aware that one difficulty in dealing with prisoners with mental illness is the shortage of psychiatrists working in the prison medical service and the problem of getting transfers to psychiatric hospitals. What progress is being made on recruiting more people with psychiatric qualifications into the prison medical service? Has there been any progress on shortening the time for the transfer of prisoners to psychiatric hospitals?

Fiona Mactaggart: My hon. Friend is right; that is a substantial challenge. There has been an increase in the number of transfers in recent years. In 2003, 721 prisoners were transferred. In the most recent year, that had increased to 892. Our ambition of ensuring that we have mental health services in prisons that are the equivalent of those in the community is critical to ensure that they work on all fours.

To achieve that, we have done a couple of things that assist in that regard. The first is to reduce the difficulties, through an agreement between the Department of Health and the prisons department, by identifying the primary care trust responsible for mentally ill offenders. That has been communicated in a Prison Service instruction and a letter by the Department of Health. Secondly, we are consulting the Royal College of Psychiatrists about ensuring that—

Mr. Speaker: Order. I expect briefer responses to questions. It is unfair to Back Benchers.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): There is no doubt that among the mentally ill in prison are a considerable number of low-level criminals who are repeat offenders. Is it time to review the sentencing guidelines, because many of those people should not be in prison?

Fiona Mactaggart: The hon. Gentleman will be aware that we have a Sentencing Guidelines Council that can take such things into account. He will also be aware that, in our recent reducing reoffending action plan, we ensured that greater emphasis was put on community sentences. If those sentences include the proper support, the end that he mentions should be achieved.

Binge Drinking

7. **Ms Sally Keeble** (Northampton, North) (Lab): What progress is being made in tackling binge drinking. [50396]

The Minister for Policing, Security and Community Safety (Hazel Blears): The Licensing Act 2003, which came into effect in November 2005, and a series of alcohol misuse enforcement campaigns have been central to the Government's wider strategy to reduce the harms caused through the misuse of alcohol. The results of the recent enforcement campaign show that, in participating basic command unit areas, all violent crime decreased by 11 per cent.

Ms Keeble: I congratulate my right hon. Friend and all the local police forces, particularly my own force in Northamptonshire, on the excellent results of their Christmas campaign. When the police receive extra powers to tackle binge drinking under the Violent Crime Reduction Bill, will she ensure that there is an equally proactive campaign so that they can use those powers to crack down further on binge drinking?

Hazel Blears: My hon. Friend makes an important point and I congratulate her on her tenacity and determination in taking a lead in her constituency to make sure that those powers are used. I am delighted that, in the latest enforcement campaign, the police used new powers to issue more than 8,000 penalty notices for disorder and I will certainly make sure that alcohol disorder zones, drinking banning orders and the closure powers in the Violent Crime Reduction Bill are used in a similarly proactive way.

Mr. Andrew Turner (Isle of Wight) (Con): As the Minister knows, the consequences of binge drinking are not confined to vomit in the gutters and fighting in the streets. Some individuals go home quietly and beat up their wives and girlfriends. On 19 January, I was told that it was too early to assess the impact of the new licensing hours on domestic violence. When will we be able see genuine, unspun comparisons, and what steps will the Minister take, not just to deal with the effects but to prevent alcohol-fuelled domestic violence?

Hazel Blears: The figures showing that violence has been reduced by 11 per cent., and serious violence by 14 per cent. following the latest campaign are not spun. They are absolutely accurate figures based on a comparison between October and December last year. Moreover, the Government have an extremely proud record of massive decreases in domestic violence and other crimes. An advertising campaign will start tomorrow and we are conducting a thorough evaluation of the impact of the licensing changes in five different areas that will look at a range of issues. The hon. Gentleman should acknowledge the Government's genuine achievements in tackling domestic violence.

Mr. Lindsay Hoyle (Chorley) (Lab): My right hon. Friend is well aware of the problems of binge drinking, but under-age binge drinking, too, causes violence, antisocial behaviour, vandalism and so on. What powers can be given to the police, not only to tackle people who sell alcohol to minors but to ensure that the culprits clean up the mess that they leave behind?

Hazel Blears: A few months ago, 50 per cent. of supermarkets sold alcohol to under-age youngsters but, following the latest enforcement campaign, the figure has gone down to 17 per cent., which is a dramatic achievement. I am grateful to the supermarkets for the pressure that they have brought to bear on the problem, but there is more that we can do. I am concerned about people urinating and vomiting in the street, which is why I am delighted that several hundred fixed penalty notices have been issued. My hon. Friend raised the important issue of reparation, which is certainly something that we could look at.

Adam Afriyie (Windsor) (Con): In Windsor, a wonderful thing has happened. More policemen were put on the beat in crime and binge-drinking hot spots, and violent crime went down. Is the Minister saying that it is the 24-hour licensing laws that have brought about that change, or is it more policemen on the beat?

Hazel Blears: I think that it is a combination of things. There are more policemen are on the beat as a result of Government policy—there are an extra 13,000 officers since we came to government, and we will have an extra 24,000 community support officers up and down the country as well. However, the change has also taken place because thousands of young people are no longer thrown out on to the street at the same time, leading to fights for a taxi and to fighting in the kebab shop. The licensing changes are sensible and there has been a reduction in violence. I hope that that continues in the long term and we will certainly monitor the impact to make sure that that is the case.

Internet (Child Pornography)

8. **Judy Mallaber** (Amber Valley) (Lab): What further steps he plans to take to restrict the ability of individuals to download pornographic images of children from the internet. [50397]

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): The UK internet industry and the Internet Watch Foundation continue to lead the world in limiting access to illegal images. In April, this work will be further strengthened by the establishment of the new Child Exploitation and Online Protection Centre.

Judy Mallaber: I welcome the work being undertaken by Government and the industry, but a BT survey showed that last week 35,000 attempts were made daily by its internet customers to download child porn websites—a three-fold increase, all blocked by BT's clean feed technology. However, one in five British households still have unrestricted, unfettered access to such illegal images of children being abused. That is outrageous. Will my hon. Friend put the industry on notice that those of its members who refuse to sort out their act had better do so before we introduce regulation to force them to introduce that technology?

Paul Goggins: I welcome my hon. Friend's contribution not just this afternoon, but throughout the years that she has been in the House, where she has constantly raised the issue, which is of key concern to so many. I also welcome the work that BT has done with its clean feed operation. Eighteen months ago, no sites were blocked because the technology did not exist. BT has introduced the technology and now 80 per cent. of internet service providers use it. The question is how we achieve the 100 per cent. that my hon. Friend and I want to see. I engage in regular discussions with the industry and I am determined that we will hit that 100 per cent., albeit through the voluntary route.

Mr. James Gray (North Wiltshire) (Con): The industry has a role to play, but so do the Government. When I was engaged in discussions with the Government on behalf of constituents recently about analogous sites that promote suicide, the Government responded that they could not do much about it because many of the sites came from overseas. Does the Minister agree that there is a role for the Government to play, leading the way internationally by bringing in a law banning such sites within the United Kingdom, even if we still receive the smut and filth from overseas?

Paul Goggins: The hon. Gentleman is right that many of the sites are based overseas and it is essential that we work with our international partners to bear down on the problem. May I give him one example? Within the G8, we led the way in pioneering a new international database of child abuse. We have handed the database over to Interpol. It will be possible to put any child abuse image anywhere in the world on the database, which means that we can find the victims and the perpetrators and, working together with our international colleagues, we can bear down on this dreadful problem.

Asylum Seekers

9. **Jim Sheridan** (Paisley and Renfrewshire, North) (Lab): What steps he is taking to tackle illegal working by asylum seekers. [50398]

The Minister for Immigration, Citizenship and Nationality (Mr. Tony McNulty): The Government are firmly committed to preventing illegal migrant working and the misuse of our asylum system by those seeking financial advantage, rather than protection. We have significantly reduced the number of unfounded asylum claims since 2002 and increased removals of refused applicants. We have also strengthened legislation relating to employment by reforming section 8 of the Asylum and Immigration Act 1996 and by supporting my hon. Friend's initiative on gangmaster licensing. We are introducing new measures for a civil penalty regime and a tougher criminal offence for employers in the Immigration, Asylum and Nationality Bill.

Jim Sheridan: My hon. Friend is aware that, when asylum seekers are caught working illegally in this country, they are dealt with accordingly. What sentences are in place to deal with unscrupulous employers who lure asylum seeker workers into the country on the false pretence of improving their quality of life?

Mr. McNulty: My hon. Friend raises a fair point. If we are being honest, section 8 of the Asylum and Immigration Act 1996 has not dealt with the issue from the employer point of view as successfully as was anticipated. Where it has been successful, that has often been in areas other than under section 8, which is why we considering strengthening the legislation. Last year, when I launched a migrant workers strategy and a statement with the TUC and CBI, both sides were in agreement that it was in nobody's interest to facilitate the arrival or employment of migrants illegally—asylum seekers or otherwise—and that we all need to work to secure a transparent managed migration system, and bear down as heavily as we can on those who employ people illegally, as well as on people who are in the country illegally.

Philip Davies (Shipley) (Con): The Minister concentrates his fire on employers, but does he agree that, if asylum seekers were detained while their applications were being processed rather than dispersed around the country, and if more failed asylum seekers were kicked out of the country, there would be fewer asylum seekers working?

Mr. McNulty: In the context of the question and everything else that I have read and heard of the hon. Gentleman, no, I do not agree with him.

Sir Peter Soulsby (Leicester, South) (Lab): Does my hon. Friend agree that, whether working or not, it is vital that vulnerable asylum seekers receive high-quality advice to prevent exploitation and will he therefore agree to examine the plight of the Leicester refugee and asylum advice project, which faces closure despite providing an invaluable specialist service to vulnerable and often desperate clients?

Mr. McNulty: I do not know the details of the specific case in Leicester to which my hon. Friend refers, but I agree with his general point. We are working closely with the Legal Services Commission as we implement our new asylum model to try to ensure that there is input from legal advisers at the pre-decision level. The greater the integrity of the initial decision on an asylum application, the better will that ripple through the system. I agree with the broad point, but cannot comment on the specifics.

David T.C. Davies (Monmouth) (Con): Does the Minister agree that genuine asylum seekers coming here from their country of origin in fear of their lives would not jeopardise their status by deliberately breaking the rules set for them and does he therefore agree that those who are found to be working in this country should have their asylum status cancelled and treated accordingly?

Mr. McNulty: I do not agree with what I think was the broad thrust of that question. Suffice it to say that the hon. Gentleman speaks only mildly better gibberish than his namesake.

Neighbourhood Policing

10. **Huw Irranca-Davies** (Ogmore) (Lab): If he will make a statement on the roll-out of the neighbourhood policing model. [50399]

The Secretary of State for the Home Department (Mr. Charles Clarke): I am glad that it is warming up, Mr. Speaker.

We will ensure that, by 2008, every part of the country will have a dedicated, visible, accessible and responsive neighbourhood policing team. There will be a neighbourhood policing team in every area, covering, typically, one or two council wards, in which every resident will know the name of their local police officer, see them on the street and have their phone number and e-mail address.

Huw Irranca-Davies: I apologise to the House for my slightly hoarse voice, the result of cheering on the Welsh team in a fantastic match at the weekend. Even though the Scottish team was one man down, it was a brilliant match. On the subject of being one man down, does my right hon. Friend acknowledge that one of the greatest disadvantages to community policing is when police are pulled away from their duties in the community and that

neighbourhood policing models will ensure that those police are embedded much more firmly in the communities that they serve?

Mr. Clarke: My hon. Friend is correct, except perhaps in the rugby team that he supports. It is critical to deal with so-called abstractions from neighbourhood police teams, whether for operations, as he describes, or for some training functions, and one reason why we are reorganising the strategic level of policing is to strengthen neighbourhood policing.

Derek Conway (Old Bexley and Sidcup) (Con): Will the Home Secretary accept that these schemes in the borough of Bexley are so far working well, although we would like them in Blackfen and Lamorbey as well? Will he take on board the fact that there is a serious problem with the existing teams when the officers are taken away for other duties? When the scheme was introduced, we were assured that that would not happen, but certainly in the Metropolitan police area it is happening.

Mr. Clarke: I am grateful for the hon. Gentleman's support for the policy and glad to pay tribute to the Metropolitan police, who have led the development of the policy throughout the country, with its ambition of securing neighbourhood policing in every part of London by spring next year. I am sure that the House will understand that, over the past months, there have been serious public order issues in London that have led to what the hon. Gentleman described, but the Metropolitan police are trying to address those issues.

Crime Prevention

11. **Kerry McCarthy** (Bristol, East) (Lab): What steps he is taking to reduce offending; and if he will make a statement. [50400]

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): My right hon. Friend the Home Secretary published a five-year strategy for protecting the public and reducing reoffending on 9 February. That will be delivered through strong partnerships. Its key aspects are a named offender manager for every offender, expansion of community sentences, full use of a range of rehabilitations and a genuine aspiration to going straight for every individual with a contract based on strong future prospects of employment, housing and social and family relations.

Kerry McCarthy: I recently visited HMP Ashfield near my constituency. I was concerned when I met some 17-year-old lads there to discover that they were due for release in a couple of weeks and that, as yet, the prison authorities have not arranged any accommodation for them to go to on their release. I was even more concerned to hear that there is an 82 per cent. reoffending rate at the institution. Does my hon. Friend agree that there is a direct correlation between those two points and can she assure me that the Government's new plans will address that?

Fiona Mactaggart: My hon. Friend is right about the direct correlation, which is a point that the strategy that we published last week clearly emphasises. She is also right to highlight the current difficulties, but she will be reassured by the fact that, in the first half of this financial year, the number of prisoners with accommodation on release rose by 11 per cent., and we are taking action to ensure that that rise continues.

John Hemming (Birmingham, Yardley) (LD): Does the Minister agree that a problem has arisen because of the lack of research on offending and recidivism in relation to cautions? Reports in Birmingham indicating that somebody is allowed to shop lift once a year without fear of prosecution should create concern.

Fiona Mactaggart: Any reports suggesting than an offender can get away with it with impunity will create concern on both sides of the House.

Antisocial Behaviour Orders

12. **Chris Bryant** (Rhondda) (Lab): How many antisocial behaviour orders have been issued in Wales. [50401]

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): The latest figures, as reported to the Home Office by the Courts Service, show that 270 ASBOs have been issued in Wales up to 30 June 2005.

Chris Bryant: It is good to know that some ASBOs have been issued in Wales. May I convey to my hon. Friend the frustration felt by many of my constituents when either an individual or a family is clearly ruining the peaceful nature of a village, yet, out of some kind of misguided liberalism, sometimes the police and often social workers and others, refuse to engage with the ASBO process?

Andy Burnham: ASBOs have been a great success and of the 270 ASBOs issued in Wales, 15 have been issued in Rhondda. I understand my hon. Friend's frustration, but the powers are being used in his constituency, and I am sure that his constituents appreciate that. He is right that those powers can have a great effect on the ground and the onus is on local authorities everywhere to see how they can make greater use of them. I am sure that there are grounds in Wales for the greater use of the powers that we have introduced.

Prisons

13. **James Duddridge** (Rochford and Southend, East) (Con): What assessment he has made of the standard of segregation units in prisons. [50402]

The Parliamentary Under-Secretary of State for the Home Department (Fiona Mactaggart): Segregation units in both private and public sector prisons are subject to external inspections by Her Majesty's chief inspector of prisons and audits by the Prison Service standards audit unit on a three-year rolling programme. Prisons are also expected to carry out their own regular internal self-audit procedures. In addition, the independent monitoring board at each establishment undertakes weekly visits.

James Duddridge: My constituent, Pauline Day, has raised a number of questions about the death of her son, Paul Day, in a segregation unit. Paul's suicide led to perhaps the longest inquiry into a death in custody, and with your permission, Mr. Speaker, I shall seek to secure an Adjournment debate on that issue. I have given the Minister notice that I should like her to name the individual who authorised, as opposed to organised, the transfer of Paul Day from Wandsworth prison to Frankland prison.

Fiona Mactaggart: The transfer of Paul Day was brokered by the prison and authorised by the directorate of high security prisons operations unit. Since that date, there have been substantial changes to the way in which such transfers are arranged. A Prison Service order issued in July 2005 that sets out the principles for maintaining order in prisons makes it clear that disruptive individuals must be individually case managed and that, where transfer to another establishment is appropriate, the reasons must be properly documented and accompany the prisoner. All transfers are to be on a permanent basis, and they must be approved at management level.

Gateway Protection Programme

14. **Ms Diana R. Johnson** (Kingston upon Hull, North) (Lab): What progress has been made on the gateway protection programme; and if he will make a statement. [50403]

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): The gateway protection programme is a humanitarian programme that has been set up in partnership with the United Nations to re-house some of the world's most vulnerable refugees in the United Kingdom. So far, we have resettled 285 refugees to the UK and our target is to settle 500 refugees a year under the programme. I want to put on record my thanks to Hull for becoming the sixth local authority to take part in the programme.

Ms Johnson: I welcome the gateway protection programme. Will the Minister say something about how it will fit in with local community cohesion strategies in areas such as Hull?

Andy Burnham: It can play an important part in local community cohesion. The early evidence from areas in which authorities have participated in the programme shows that it has been successful in challenging some of the attacks on the notion of political asylum that we have heard in recent years. In Bolton and Sheffield in particular, the towns have rallied around the individuals who have come to them. The programme has been a positive experience for the receiving community and, of course, for the vulnerable individuals who have benefited from the protection that those towns have offered. I expect that the same will be true when refugees come to Hull under the programme.

Police Restructuring

16. **Mr. Philip Dunne** (Ludlow) (Con): To whom basic command unit commanders will be accountable under the plans for police force restructuring. [50405]

The Minister for Policing, Security and Community Safety (Hazel Blears): BCU commanders will continue to be directly accountable to their chief constables within the new force structures. They will also, as now, be publicly answerable to the communities that they serve. The roll-out of neighbourhood policing teams by 2008 and the steps that we are taking to improve the effectiveness of crime and disorder reduction partnerships will significantly enhance the responsiveness of the police and their partners in addressing local priorities for tackling crime and antisocial behaviour.

Mr. Dunne: In deciding to coerce West Mercia police into a regional force for the west midlands, against the wishes of local public bodies, members of the public and police professionals, what consideration has the Minister given to the practical implications for local policing of the chief constable having to manage 30 BCU commanders instead of six?

Hazel Blears: The hon. Gentleman and his colleagues will know that the purpose of moving towards larger, more strategic forces is to improve the quality of policing. The Government made a manifesto commitment to provide a neighbourhood policing team in every community in England and Wales. That means that local people will be able to set priorities and have a real influence on the standards of local policing in their communities. West Mercia, like a range of other forces, will continue to have extremely high-quality neighbourhood policing in which local police officers reflect the priorities of local people.

NEW MEMBER

The following Member took and subscribed the Oath:

Willie Rennie, for Dunfermline and West Fife

Points of Order

3.34 pm

Mr. Eric Forth (Bromley and Chislehurst) (Con): On a point of order, Mr. Speaker. If, like me, you are an avid reader of *The Mail on Sunday*, you will have been as shocked as me to read the revelation yesterday by a Labour party apparatchik, who mentioned

"the parliamentary postage allowance, which meant the taxpayer picked up the bill."

He was referring to routine mass mailings by the Labour party at the taxpayer's expense through the parliamentary allowance. He continued:

"It was naughty, since this allowance was intended only for Parliamentary rather than party political business, but we did it all the time."

I seek your guidance, Mr. Speaker. You know that we can refer individual cases of abuse of the parliamentary postage allowance to the Parliamentary Commissioner for Standards, but what can we do about systematic abuse of that allowance by the Labour party and its officials? It is a disgrace, which must be tackled immediately.

Mr. Speaker: I am interested in the fact that the right hon. Gentleman raised the matter because I asked the Administration Committee to look into it so that it could come back to the House of Commons Commission. The right hon. Gentleman is a member of that Committee and I understand that it is an item on the agenda for tomorrow. He has my permission to say to the Administration Committee that the Speaker is waiting patiently for the report.

International Development (Reporting and Transparency) Bill [*Money*]

Queen's recommendation having been signified—

3.35 pm

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): I beg to move,

That, for the purposes of any Act resulting from the International Development (Reporting and Transparency) Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(1) any expenditure incurred by the Secretary of State in consequence of the Act;

and

(2) any increase attributable to the Act in the sums payable out of money so provided under any other Act.

I was delighted that the measure, which was promoted as a private Member's Bill by my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) was granted an unopposed Second Reading by the House on 20 January. The money resolution was tabled on 23 January. It is likely to have some expenditure implications for the public purse, which relate to Department for International Development staff and non-staff costs that are needed to complete new policy work on implementing the new work that the Bill requires, and to prepare an annual report to Parliament. No provision is included for the costs of implementation by other Departments as they are considered minimal.

The Bill aims to increase transparency in the provision, reporting and use of aid and to promote coherence in Government policies on international development. To that end, it requires my right hon. Friend the Secretary of State to make an annual report to Parliament containing a series of quantitative and qualitative assessments.

The Bill requires extensive reporting on UK development assistance provided both directly to developing country partners and indirectly through multilateral agencies. Data on bilateral aid will be broken down by region and by sector, and data on multilateral aid will be broken down according to the groups of multilateral agencies through which the UK contributes. The report will specify the proportions of aid that go to low-income countries. It will also include data on the debt relief that the United Kingdom provides to developing countries.

The Bill specifically deals with tracking the UK's progress towards the United Nations target for expenditure on official development assistance—ODA—to constitute 0.7 per cent. of gross national income. Much of the financial information that the Bill requires is already reported voluntarily. However, to fulfil the Bill's detailed requirements, the Department would need to develop new financial and management information systems that are capable of producing data, disaggregated to the level of detail that the measure requires. That would require respecification of the management information systems that are currently under design in the Department and incur additional costs.

[Mr. Gareth Thomas]

The Bill as drafted would require the Department to prepare regulations prescribing definitions for the terms contained in it. In terms of qualitative assessments, the Bill will, in the first instance, require my right hon. Friend the Secretary of State to assess the coherence of UK Government policies on poverty reduction and sustainable development.

The Bill also requires an assessment of the UK contribution towards achieving the UN millennium development goals.

David T.C. Davies (Monmouth) (Con): Will the Bill explain why some Department officials can travel first class rather than business class, at great expense? Why have they managed to ratchet up £9 million of travel expenses? Why can they travel in great luxury, in a way that not even Members of Parliament can do?

Mr. Speaker: Order. We are going a little wide of the motion.

Mr. Thomas: I invite the hon. Member for Monmouth (David T.C. Davies) to take part in our consideration of the Bill on Report. I do not remember him taking part in the debate on Second Reading—more is the pity.

The Bill will require assessments of the effectiveness of British aid, and that, when necessary, revisions should be made to information included in previous annual reports. This will require an additional validation exercise to be carried out each year on the information in the previous year's reports.

Mr. William Cash (Stone) (Con): Will the Minister bear in mind my past remarks about the necessity for external audit if the internal public accounts committees of the member states in question are not prepared to do the job properly?

Mr. Thomas: I will of course bear in mind the comments that the hon. Gentleman has made, both in relation to his own 10-minute Bill on the subject and in exchanges that he and I have had in the House on other occasions. I hope that, in turn, he will bear in mind my responses, in which I highlighted the full range of auditing opportunities that exist for British development assistance and for improvements in the Government systems that benefit from the aid that we give. I shall turn now to the part of the Bill in which I know that the hon. Gentleman takes a particular interest.

The last part of the Bill requires an assessment of the UK's contribution to promoting transparency in the provision and use of aid. As I mentioned on Second Reading, the Government agree with the thrust of the clause on transparency, but we believe that, as drafted, it is over-prescriptive. As drafted, the Bill requires the Department to undertake new work negotiating formal bilateral agreements with all countries to which the UK provides aid—some 130 in 2004–05—and to commission and publish independent monitoring and evaluation reports recording the development objectives achieved by those countries.

David Taylor (North-West Leicestershire) (Lab/Co-op): Significant concerns have been raised recently about the delays in distribution associated with some of DFID's activities following the tsunami disaster and the Pakistan earthquake. Will the Minister tell us whether the proposed reporting structure will be sufficiently flexible to deal with these massive and wholly unpredictable one-off events, so that we can judge DFID's effectiveness in responding to them?

Mr. Thomas: The issue of reporting on the effectiveness of humanitarian assistance was raised on Second Reading, and I am sure that we shall return to it in Committee as well as on Report and Third Reading. I do not accept my hon. Friend's recollection of delays in the delivery of assistance of relief or reconstruction, in response to either the tsunami or the Pakistan earthquake. Indeed, we have been praised for the speed of the delivery of our assistance in both cases.

I recognise the importance of the Bill, and, with the expectation that amendments made to it in Committee will hold the costs to Parliament of its implementation to a minimum, I commend the motion to the House.

3.42 pm

Mark Simmonds (Boston and Skegness) (Con): As the Minister has said, this is the money resolution for the International Development (Reporting and Transparency) Bill promoted by the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke). The resolution and the Bill would, if passed, require the Department for International Development to report annually, directly to Parliament and in a transparent and accountable way, on its progress towards achieving 0.7 per cent. of gross domestic product—with which we agree—and on the effectiveness of its aid programmes in alleviating poverty.

The money resolution is concerned with authorising expenditure for those aims, and I acknowledge that this debate should not extend to the related Bill. However, I would like to place on record that the Conservatives support the general principles of the Bill, and were pleased that it was given an unopposed Second Reading. As I am sure the House is aware, the resolution lays down the maximum charge—which amendments may reduce in scope, but not extend—either of the amount of expenditure or of the area of its operation.

We understand and hope that the Government intend substantially to amend the Bill to widen its scope and extent to include many of the provisions raised on Second Reading by Members on both sides of the House. I am pleased that this may be the case, but, as things stand, we have yet to see any Government amendments, so it is extremely difficult to know how extensive the changes might be. I am worried that the Government's delay in tabling their amendments—required by the rise of the House today in time for the Committee on Wednesday—makes it difficult not only for there to be proper scrutiny of the money resolution, but for us to table our amendments, as we expect the Bill to be greatly altered.

Mr. Eric Forth (Bromley and Chislehurst) (Con): I understand my hon. Friend's concern, but does it reassure him that, on Report at least, there will be a more than adequate opportunity to table further

amendments should Members who were not on the Standing Committee wish to do so? He should not be unduly concerned about the Committee stage.

Mark Simmonds: I am grateful to my right hon. Friend. He took part in the Second Reading debate, and he takes an extreme and consistent interest in these matters. I look forward to his contributions on Report.

This debate is vital. The Government are considering extending the Bill to include a provision allowing the effectiveness of British bilateral aid spending to be assessed in more than just the 10 largest recipient countries as specified in the Bill, and possibly doubling the number. As I am sure all Members will agree, the money resolution would greatly strengthen the assessment of aid effectiveness. It would ensure accountability for more than just 44.2 per cent. of bilateral aid spending and would include countries such as Mozambique and Kenya—which are currently excluded—as recent allegations demonstrate the necessity for increased accountability and transparency. Such an amendment may involve a corresponding increase in costs, which may or may not be covered by the resolution. Similarly, a proposal to increase the Bill's scope to include humanitarian aid—to which reference has already been made—could have a varying impact on its financial implications, particularly as the number and extent of humanitarian aid programmes are unpredictable.

I hope and trust that the resolution will authorise general expenditure resulting from the Bill, probably covering issues that I and others have raised, such as independent monitoring and assessment criteria relating to the millennium development goals. However, I think it is still important to consider how such expenditure may arise, and the nature of any proposed amendments is therefore of great importance.

While I understand the generic nature of the money resolution, the Minister said that he had an idea of the maximum charge that must not be extended. Can he also tell us whether he expects the estimate for future financial years to be the same as the first-year estimates? Are the costs front-loaded, or will they increase over time as the aid budget grows exponentially towards 0.7 per cent. of gross domestic product? The Minister spoke of plans for expenditure covering only three years. Why should that be the case, given that the 0.7 per cent. will not be reached until 2013, seven years from now? Can the Minister assure us that the cost of the Bill will be financed by the reduction in leakage that its implementation will facilitate, and will not have a negative impact on poverty alleviation?

As it stands, the motion will not prevent any amendments tabled after Second Reading from being discussed in Committee. However, it would have been useful if the Minister had tabled Government amendments earlier, so that their possible implications could have been discussed during this debate.

Neither the Minister nor any other Member may amend the motion. That preserves its generic nature, and the guarantee that it covers all eventualities. If it has to be altered, the original version must be withdrawn and resubmitted with its scope extended. Such action would hinder the Bill's progress, and Conservative Members do not want that. I trust that the Minister will confirm that there are no circumstances in which such an eventuality would arise.

Conservative Members support the Bill's general principles and therefore, along with the Minister, commend the motion to the House.

3.48 pm

Mr. Philip Hollobone (Kettering) (Con): Given the importance that the Government attach to the Bill's passage, what consideration have they given to speeding up the process by providing Government time rather than private Members' time on Fridays?

3.49 pm

Mr. Eric Forth (Bromley and Chislehurst) (Con): This motion illustrates all too well the weaknesses of the money resolution process, as both the Minister and my hon. Friend the Member for Boston and Skegness (Mark Simmonds) have illustrated rather well. As is so often the case, the House is being asked to endorse what amounts to a blank cheque. That would be bad enough in the best of circumstances, but in the case of this Bill it is particularly egregious.

The money resolution states that

"it is expedient to authorise the payment out of money provided by Parliament of . . . any expenditure incurred by the Secretary of State in consequence of the Act; and . . . any increase attributable to the Act in the sums payable out of money so provided".

If that is not a blank cheque, I do not know what is. Because we normally know from a given Bill's Second Reading its parameters and detailed provisions, we can make a rough estimate of such expenditure; indeed, I seem to recall that on certain very rare occasions, Ministers have been kind enough to give the House some idea of the expenditure involved. However, this is a different case altogether.

As has already been reflected in the contributions made so far, this Bill, unusually—if I may quote myself, which I am usually very pleased to do—does at the same time

"too much and too little."—[*Official Report*, 20 January 2006; Vol. 441, c. 1114.]

At one and the same time, it contains too many provisions—a point commented on by the Minister and criticised by my hon. Friend the Member for Boston and Skegness—and too few. Indeed, many contributions on Second Reading suggested, very positively and helpfully, provisions that could be included in it.

All these issues will have financial ramifications. We are in the absurd position of being asked by the Government to approve a money resolution for a Bill that we know will be amended, both in Committee and on Report, by Ministers and, I hope, by other Members of the House when we are given an opportunity to do so. How can we possibly, on behalf of our taxpayers, sign up to the incurring of "any expenditure" by the Secretary of State in respect of a Bill whose provisions we know will be radically altered by both the Government and the House at large?

This surely is an absurdity and we should not be prepared to accept it. I shall therefore be very reluctant to give my support to such a money resolution, but I should point out that I am looking forward enormously to considering the Bill on Report. It is substantial, containing many clauses, and we know from Second Reading that the House will want to debate many

[Mr. Eric Forth]

aspects of it, probably at length, and to vote on it, probably repeatedly, in order to ensure that it is absolutely right and achieves the objectives set out for it. So although the money resolution is unfortunate, misdirected, mistimed and wrong, I hope that we can correct all that in Committee and on Report.

3.52 pm

Mr. Thomas: With your leave, Mr. Speaker, I shall reply briefly to one or two of the points that have been made. The hon. Member for Boston and Skegness (Mark Simmonds) may now be aware that Government amendments and amendments from my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) are being tabled as we speak. I recognise that Members like to have early sight of Government amendments; nevertheless, all will want the Government to take time to get them right. I hope that Opposition Members—and, indeed, Government Members—will appreciate the amendments that are being tabled.

The hon. Member for Boston and Skegness asked about the distribution of expenditure and whether some will be front-loaded. Some investment in new systems will indeed be required, so some front-loading will be necessary. He also asked why a three-year period is specified, given that it will take seven years to reach the 0.7 per cent. target. The three-year period relates to the comprehensive spending review period. We will not necessarily be able to speed up progress toward the 0.7 per cent. target; it would take the international finance facility to do that. If the hon. Gentleman is aware of any leakage, I hope that he will inform us of it, so that we can take action to correct it. I can reassure him that I foresee no scenario in which we will have to withdraw the money resolution.

The hon. Member for Kettering (Mr. Hollobone) asked whether Government time and other assistance might be needed to speed up the Bill's passage. Given that it has the support of Front Benchers in all parts of the House, there should be no circumstances in which Government time is needed to progress the Bill. Perhaps the hon. Gentleman could seek reassurance from the right hon. Member for Bromley and Chislehurst (Mr. Forth) that he agrees with that assessment.

The right hon. Member for Bromley and Chislehurst asked for more information on the distribution of costs. The regulatory impact assessment was, I believe, made available in the Library last week, and it provides some clarity on how the costs are set out.

Question put and agreed to.

Identity Cards Bill (Programme) (No. 4)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6) (Programme motions),

That the following provisions shall apply to the Identity Cards Bill for the purpose of supplementing the Orders of 28th June, 12th July and 18th October 2005 (Identity Cards Bill (Programme), Identity Cards Bill (Programme) (No. 2) and Identity Cards Bill (Programme) (No. 3)).

Consideration of Lords Amendments

1. Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption at this day's sitting.

2. The proceedings shall be taken in the order shown in the first column of the following Table.

3. Each part of those proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the table.

TABLE

Lords Amendments	*Time for conclusion of proceedings*
Nos. 19 to 21 and 23	One and a half hours after the commencement of proceedings on consideration of Lords Amendments.
Nos. 16 and 22	One and a half hours after the commencement of the proceedings on consideration of Lords Amendments Nos. 16 and 22 or at the moment of interruption, whichever is the earlier.
Nos. 1, 68 to 70, 4, 47, 48, 50, 51, 3, 2, 5 to 15, 17, 18, 24 to 46, 49, 52 to 67, 71 and 72	The moment of interruption.

Subsequent stages

4. Any further Message from the Lords may be considered forthwith without any Question being put.

5. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement—*[Joan Ryan.]*

Question agreed to.

Orders of the Day

Identity Cards Bill

Lords amendments considered.

Clause 6

POWER OF THE SECRETARY OF STATE TO REQUIRE REGISTRATION

Lords amendment: No. 19, leave out clause 6.

3.55 pm

The Minister for Immigration, Citizenship and Nationality (Mr. Tony McNulty): I beg to move, That this House agrees with the Lords in the said amendment.

Mr. Speaker: With this it will be convenient to take Lords amendment No. 20, Lords amendment No. 21, Government motion to disagree thereto, Government amendment (a) in lieu thereof and Lords amendment No. 23.

Mr. McNulty: The Government have decided not to seek to reverse Lords amendments Nos. 19 and 20, which removed clauses 6 and 7 on the procedure for introducing compulsory registration. The clauses dealt with the requirement to register and be issued with an identity card in the second stage of the identity card scheme and for compulsion to be brought into effect by way of secondary legislation made under this Bill and subject to the super-affirmative procedure. We agree that those provisions should be dropped.

It is worth dwelling on the background to the issues. The Home Affairs Committee, in its fourth report of 2003–04, said:

"The move to compulsion is a step of such importance that it should only be taken after the scrutiny afforded by primary legislation: the proposed 'super-affirmative procedure' is not adequate."

We decided from the beginning that there is substance to the Committee's point: it is a sufficiently important step from the first stage to the second stage and compulsion to require a vote in both Houses. In the early stages, we decided that the super-affirmative procedure should apply, but many—not least the House of Lords—disagreed, and that is the territory covered by the amendments.

Simon Hughes (North Southwark and Bermondsey) (LD): The Minister knows that my colleagues and I oppose compulsory identity cards. Is it now the Government's view that a voluntary scheme would be acceptable and justified if there was no later agreement for a compulsory scheme? Is it still the Government's view that a scheme with a card that people do not have to carry will ever work?

Mr. McNulty: On the first point, no. We have made it clear from the beginning that the ultimate aim for the programme was compulsory registration. The answer to his second question is also no. We have always said that the most important element of the programme was the database that stands behind the card. In that context, the scheme that we have devised, which does not involve compulsory carrying of the card, is entirely right and proper.

Mr. Edward Garnier (Harborough) (Con): My intervention might be a little premature, because the Minister has hardly had the chance to get to the end of the first paragraph of his remarks. I am grateful to the Government for not seeking to reverse the Lords amendments on the deletion of clauses 6 and 7, but I need to be sure of the limit to their agreement. The Government accept that primary legislation will be required to introduce compulsion, but there will be compulsion through the back door under clauses 4 and 5 and designated documents. Can the Minister state explicitly that it will still be a compulsory requirement to provide information to the national identity register in relation to designated documents—a concept that has so far been undefined, save in relation to passports and immigration or travel documents?

4 pm

Mr. McNulty: I can certainly give the hon. and learned Gentleman that explicit assurance, but it would tempt the House's patience if I travelled too far down the road he suggests, as it forms the substance of the next group of amendments. In a moment, I shall clarify what we have done to agree with their lordships.

David Howarth (Cambridge) (LD): Does the phrase in the Government's amendment,

"an obligation imposed by an Act of Parliament passed after the passing of this Act",

include an order made under the Legislative and Regulatory Reform Bill, should it become law? It will be enacted after the Identity Cards Bill, so if that phrase is included the Minister's assurance will be worthless.

Mr. McNulty: I shall return to that point when I get to the second and third paragraphs of my comments.

Mr. Jim Cunningham (Coventry, South) (Lab): I have two questions. First, we are saying at this stage that the scheme will not be compulsory, but as people are being asked for some form of identification at airports, could airport authorities insist on the production of an ID card? Secondly, will my hon. Friend comment on suggestions in the press at the weekend that motorists will need an ID card when they reapply for their driving licence?

Mr. McNulty: The Sunday press always affects Ministers' blood pressure, but I have never read such an absurd and inaccurate story as the one about driving licences. When I was part of the Department for Transport, we made it clear long before, and during, proceedings on the Road Safety Bill—which I thoroughly enjoyed—that all paper licences, which are the most inappropriate and insecure form of such an important document, would need to be replaced by small plastic photocard licences. I can say without fear of contradiction that that is entirely separate from—indeed, nothing to do with—what we want to do in the ID cards programme.

When we implement the ID card scheme on a voluntary basis, it will in the first instance—except for provisions made in the Bill—be for individual private

[Mr. McNulty]

operators to determine what they need for the fulfilment of a transaction involving their services. It is not for the Government to set parameters at each and every turn for private transactions.

Stewart Hosie (Dundee, East) (SNP): If the Minister is correct and an ID card will not be required to obtain a driving licence, why does the Government's figure of £1.7 billion of identity fraud include the costs of such crime for the Driver and Vehicle Licensing Agency? If ID cards are meant to solve such fraud, surely the hon. Member for Coventry, South (Mr. Cunningham) is right and an ID card would be required to obtain a driving licence.

Mr. McNulty: No, with respect to the hon. Gentleman, my hon. Friend's comments related to a fatuous piece in one of the Sunday papers, which referred to a clause in the Road Safety Bill about the recall of paper licences and the issue of more secure and substantial licences. We have made it clear that we shall look only at passports and immigration documents in the implementation of the first phase of ID cards. We have never excluded from subsequent consideration documents such as driving licences, but the hon. Gentleman's point relates neither to the story to which my hon. Friend referred nor to reality.

Simon Hughes: My question is germane to both this and the next group of amendments. International obligations for biometric tests in the reading of passports will be imposed on Britain, but does the Minister accept that it would be entirely possible for us to comply with those obligations without requiring additional information to be held on a passport or other document? Our international obligations are thus not a reason for the Government's policy on identity cards.

Mr. McNulty: I accept that, but I would qualify it in part by saying that that is the initial position and the start of a trend in international obligations. In strict terms, on whether we are going beyond the minimum standards that are required at this stage and that are likely to be needed in the very near future, the hon. Gentleman is entirely right, but why should we go for something substandard or second rate, or that is likely to be second rate within five or 10 years? In essence, he is, of course, entirely right.

Mr. William Cash (Stone) (Con): Will the Minister enlighten the House about whether he has discussed these clauses and amendments with the Information Commissioner, who pretty well condemned the procedures that were outlined on Second Reading, as I stated at the time? Will he explain why the reference to "compulsory registration" has not been removed from clause 9?

Mr. McNulty: I am grateful to the hon. Gentleman for those questions, which lead me neatly into the second paragraph of my opening speech, in which I want to go into the substance of the choreography or jigsaw, which also refers to the point made by the hon. Member for Cambridge (David Howarth). It is very clear from the debate in the other place that their lordships would prefer us to go down the primary legislation route, rather than the super-affirmative route. That is what they seek to achieve in the amendments that they have offered to the House. The removal of clauses 6 and 7 goes part way to achieving that, but to go all the way to achieving that we need to include our proposal in lieu of Lords amendment No. 21.

The hon. Member for Stone (Mr. Cash) is entirely right: what their lordships chose not to do and what we are not doing in response to them is to eradicate every element or reference to compulsion in the Bill. In essence, all the building blocks for compulsion in the Bill remain. He will know from the debate on Second Reading and the other Commons stages that a number of elements in the Bill refer to the compulsion stage, rather than to the run up to that stage. Given the wording of our proposal in lieu of the Lords amendment, none of the buildings blocks for compulsion that remain can be enacted until the subsequent primary legislation has been passed. That more neatly achieves precisely what their lordships required in respect of the balance between super-affirmative and primary legislation, as is shown in the reports of their debates.

An order under the Legislative and Regulatory Reform Bill, however, will not be an Act of Parliament, so the hon. Gentleman is wrong to suggest that anything other than primary legislation could be used as the vehicle, given the wording that we offer. *[Interruption.]* The hon. Member for Cambridge keeps chuntering. I shall, of course, give way to him, but in my own time and on my own terms.

Mr. Cash: The Minister refers to building blocks in respect of the inner parts of the Bill. He might recall that, in addressing my remarks to the Home Secretary on Second Reading, I demonstrated the relationship between the Bill, what the Information Commissioner had to say and what I thought George Orwell would have made of the provisions on the building blocks of compulsion. I do not see any change in substance or principle. Does the Minister accept that the building blocks are those of George Orwell's Ministry of Truth?

Mr. McNulty: I certainly do not accept the latter point, although George Orwell—also known as Mr. Blair—is one of my favourite authors, so I am with the hon. Gentleman at that level. *[Interruption.]* Eric Blair, I think hon. Members will find. However, the hon. Gentleman's general point that the key elements of the secondary phase—that is, compulsion—remain in the Bill is entirely fair. The point that he makes within the confines of the debate and these Lords amendments is entirely right: none of them goes to the substance or principle of voluntary, compulsory or any other form of ID card scheme. The debate is only on the narrow ground of whether there should be a super-affirmative procedure in both Houses or primary legislation. I think that everyone at both ends of this place accepts the premise that the step-up to compulsion is of sufficient seriousness to demand a vote in both Houses. We are discussing the technique and process rather than the substance.

David Howarth: I hear what the Minister says but the problem is that amendment (a) in lieu of amendment No. 21 refers to

"an obligation imposed by an Act of Parliament passed after the passing of this Act."

The Legislative and Regulatory Reform Bill will be such an Act of Parliament and it will be passed after this Act. The Legislative and Regulatory Reform Bill will give Ministers the power to amend any Act by order, so I cannot see any way in which an order under that Act can be excluded under this drafting of the amendment.

Mr. McNulty: I assure the hon. Gentleman that his interpretation is not accurate. If I need to discuss that with him in greater detail over a cup of tea, I will be happy to do so, albeit probably not today—let us say about Thursday.

I emphasise that the substance of the debate is on the narrow terms of whether super-affirmative is the appropriate procedure for there to be, as we all agree, a vote in both Houses as a prelude to compulsion or whether we should go back to primary legislation. I referred to the Home Affairs Committee and its report that said that it would prefer primary legislation and that the super-affirmative procedure was not adequate. The House of Lords Constitution Committee, in paragraph 9 of its third report in 2005–06, equally concluded that

"it would be preferable to separate the two phases in order that the compulsory phase would have to be introduced by primary legislation. This would enable Parliament to ensure that the legislation fully reflected experience gained, especially about safeguards, during the voluntary phase."

We have said on a number of occasions that this is not just about flicking the switch. There has to be a substantive view prior to flicking that switch.

Mr. Ben Wallace (Lancaster and Wyre) (Con): The Minister has clearly attached a new-found importance to an Act of Parliament to make compulsory the requirement for registration. Why did he not consider extending that importance to designated documents, which he currently proposes to do through an order? Perhaps that could also be done through the new Act of Parliament.

Mr. McNulty: I am tempted to go to our next debate, but I shall resist that temptation before you, Mr. Speaker, exhort me to shut up, move on and stay with the specifics.

The hon. Gentleman, who was on the Standing Committee considering the Bill, is aware of two points. First, as we shall see when we come to the next debate, it is inconceivable that people who have concerns about cost-effectiveness should say to the House that we should ignore the data needed for biometric passports and instead separately introduce additional but identical paraphernalia for ID cards.

The hon. Gentleman will also know that I am not a recent convert. I referred to the super-affirmative procedure in Standing Committee—I am sure he was there; he attended assiduously—and said:

"As people will know, the genesis of the provisions is the fact that we regard compulsion to register as the end goal. We regard the step from voluntary to compulsory as a serious one. That is why we sought to put in the Bill a scrutiny process that would allow the House proper time to scrutinise these matters carefully, with due diligence."

In response to the hon. Member for Orkney and Shetland (Mr. Carmichael), I added:

"One interpretation . . . is that the super-affirmative procedure could be seen as a rather crude algorithmic loop, in which something starts here, goes there, and modified or otherwise, comes back."

We end up in a lock from which there is no escape route.

"If it does not get to where it was headed, it starts again, with no apparent escape from that scrutiny loop. That is an entirely fair point."

I was feeling in a generous mood even then. I continued:

"We put that down the last time the Bill was determined to be helpful to the House in terms of scrutiny. I assure the Committee that we shall take back and consider those comments, albeit with the clause intact"—

that is, passed by the Committee—

"because that is how these things work."—[*Official Report, Standing Committee D*, 12 July 2005; c. 219.]

We decided, in our wisdom, that we were reasonably comfortable with the super-affirmative procedure. Many hon. Members and, indeed, Members of the other place, advanced substantive arguments for the alternative of primary legislation, and we have now succumbed to that will.

4.15 pm

Clare Short (Birmingham, Ladywood) (Lab): I was not a member of the Committee, so I ask this question for genuine clarification. What is wrong with the scheme is the register, because if we had biometrics and voluntary identity cards, it would be acceptable. If we accept the Government amendment, will some people still be compelled to be on the register because they have applied for a passport?

Mr. McNulty: I say in all candour that the answer is yes. Nothing in the provisions would change the way in which the first part of the process would unfold regarding its implementation for passports.

Mr. Neil Gerrard (Walthamstow) (Lab): Will the Minister clarify a matter—we need to get this absolutely straight—about clause 15, which will allow public services to be conditional on identity checks? The measure would apply if an individual was subject to compulsory registration. If the Government amendment is accepted, will that measure not come into effect until after the subsequent primary legislation has been passed?

Mr. McNulty: I can give my hon. Friend an absolute assurance about that. The measure is one of the building blocks in the Bill to which the hon. Member for Stone referred. I assure my hon. Friend that it will not be switched on or enacted until the second piece of primary legislation has been passed to bring in compulsion.

We said several times that although the super-affirmative procedure applies to the new procedure, before a move to compulsion takes place we and the House will want to be satisfied that implementation of the initial phase of the identity card scheme has achieved significant coverage of the population so that

[Mr. McNulty]

compulsion would have an impact on only the relatively small number of people who had yet to register for and obtain an identity card. We would also want to be satisfied that there continued to be clear support for identity cards, that no vulnerable group would be disadvantaged, that the scheme had contributed to meeting the aims outlined in clause 1, and that the technology supporting the identity card scheme was working and trusted. All those matters will be reviewed before the introduction of primary legislation to flick on the switch for compulsion. If we go down the road suggested on costs, which we will address later, the six-monthly report to the House that accompanies the review will take us to a point at which we will have all the information that we require when we consider primary legislation on compulsion.

Simon Hughes: The Minister clearly gave us a list to indicate how the conditions for moving to compulsion would be met. What is his estimate of the approximate percentage of the adult public with identity cards that would be sufficient to justify moving towards compulsion?

Mr. McNulty: The hon. Gentleman makes an entirely fair point that we will have to consider seriously as we move towards flicking the switch for compulsion through primary legislation. I suggest that there will be plenty of time to discuss that, but I said quite deliberately that compulsion would have an impact on only the relatively small number of people who had not registered for and obtained a card. I suggest that the proportion would be considerably more than half the eligible population, but the House will have plenty of time to discuss such detailed matters as we get closer to that time.

Mr. Jim Cunningham: There has been a lot of speculation about charges for ID cards. Can my hon. Friend give us any idea of the likely cost of a card to an ordinary member of the public who wants one?

Mr. McNulty: I repeat the assurances that we have already given on several occasions. The stand-alone ID card will cost about £30 and the joint package with the biometric passport will cost about £93. My hon. Friend will know, too, that specific secondary legislation will remain in the Bill relating to the fees regime and any concessionary regime, which the House will have an opportunity to discuss.

We accept in spirit the direction in which the Lords want us to travel, but we cannot in substance and detail accept exactly the form of words proposed, for the reasons that I have outlined. I therefore commend the amendment in lieu to the House.

Mr. Michael Mates (East Hampshire) (Con): On costs, if identity cards are eventually to become compulsory, what is the argument for making them so for a citizen who does not need to travel abroad and does not want a passport? Why should he have to pay for what the Government are going to make him do?

Mr. McNulty: First, we are not making the cards themselves compulsory—it is the registration that will be compulsory. Secondly, we are not developing ID cards in lieu of passports, as a separate travel document. We think that the benefits of ID cards go far beyond simply travel and that, in the terms that we have outlined, £30 for a 10-year document is not terribly unreasonable.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Will the Minister give way?

Mr. McNulty: I fear not—we only have an hour and a half on this.

With those comments I commend to the House the motion to disagree and the Government amendment in lieu.

Mr. Speaker: I must draw the House's attention to the fact that privilege is involved in Lords amendments Nos. 1, 68, 69 and 70. If the House agrees to those amendments, I shall ensure that the appropriate entry is made in the *Journal*.

Mr. Garnier: May I draw the House's attention to the fact that humble pie is also evident in this group of amendments? I was delighted to see the Minister eating it, although it is pity that he did not eat it in the summer, when we had our interesting discussions during the Committee stage.

We had a lengthy debate about this very issue and at that stage the Government decided that they were prepared to introduce compulsion through secondary legislation. I see my hon. Friends the Members for Bournemouth, East (Mr. Ellwood) and for Lancaster and Wyre (Mr. Wallace), who were on the Committee with me, in their places today. We drew the issue to the Committee's attention but the Government, in their wisdom, decided that they knew best and that if they wanted to bring in compulsion—which was clearly their end intention—they would do it through secondary legislation.

The problem facing the Government is that they have, as usual, misused the English language. When they say "voluntary", they mean "compulsory", and that is why they have got stuck. When they say "may", they mean "must" and when they say "possibly", they mean "definitely". That is why they were given a thorough ticking-off in the other place, where Members of the House of Lords—not only from the Opposition parties, but from the Government party—turned up in numbers to persuade them that their original thinking was wrong.

I am delighted that the Minister and the Home Secretary have changed their mind. They were sensible to do so and here we are, dealing with something of a concession. However, before we get overexcited, we need to be clear about the value of the concession—how limited or extensive it is. We shall come on to designated documents in the next group of amendments, but we have already discovered from my intervention that a compulsory procedure will still be required when they are applied for. That is to say that when people apply for their passport, a residential status document or an immigration document they will still be compelled, whether they like it or not, under this Christmas tree of a Bill—which allows the Secretary of State to take unto himself 61 powers to make further law—to do things

that he requires them to do. It is only in the discrete area of clauses 6 and 7 that the requirement for primary legislation bites. We are grateful for that—let me not give the Home Secretary and the Minister of State any other impression—but the problem remains that compulsion is still a big part of the Bill, which is still no more than a Christmas tree, providing various little places for this Secretary of State or his successors to add on secondary legislation giving them powers to tell us what to do.

Mr. Wallace: Does my hon. and learned Friend agree that the number of people in the United Kingdom who do not have a passport, driver's licence, pension book, national insurance number, work permit or any need to access public provision is tiny? It would be compulsion by the back door.

Mr. Garnier: It is my view and that of the official Opposition that it is compulsion by stealth. Only about 20 per cent. of the population do not have a passport. If the measure is implemented in 2008, only 20 per cent. of a population of broadly 60 million will be relieved of compulsion except by primary legislation. We have not seen the legislation—for goodness' sake, we have not even seen the secondary legislation that the Home Secretary wishes to apply.

Numerically, 20 per cent. is a large number—

Mr. Tobias Ellwood (Bournemouth, East) (Con): It is 12 million.

Mr. Garnier: But it is a tiny number compared with the 48 million or so who will be required through compulsion, in designated documents, to enter on to the national identity register material that is private to them.

Mr. John Redwood (Wokingham) (Con): Is not the problem with the proposed system that the Government cannot control the current passport system? There are lots of forged passports and a good trade in them. They recently told me that they have no idea how many people are eligible to have a national insurance number, let alone what the correlation is between those who have them and those who should have them. Why should we believe that they will be any better at controlling the system if they do not have proper control of the borders and a proper policy on who is eligible to be here?

Mr. Garnier: My right hon. Friend properly raises all sorts of issues, and I trust that the Government will condescend to answer them in due course. I agree with the thrust behind his question. The Government's conduct on such matters is incredible and unconvincing. One only has to look at how they handle the Home Office accounts. Not even the Comptroller and Auditor General was prepared to sign those off. Why should we give them the trust that they desire and is required if the system is to command public confidence? I agree that the Government have a long way to go.

Mr. Cash: I do not know whether my hon. and learned Friend heard the remarks by Commissioner Frattini on "The World at One" today—*[Interruption.]* I am sad to hear that he did not. Commissioner Frattini implied that he was concerned that there should be one border—namely, the European Union border. In the light of the remarks by my right hon. Friend the Member for Wokingham (Mr. Redwood), perhaps my hon. and learned Friend will accept that at the heart of the problem is a view that we should have a border of Europe as a whole, as compared with those matters in respect of which passports are given—namely, access to the United Kingdom?

Mr. Garnier: I am always grateful for my hon. Friend's interpretations of what Commissioner Frattini has to say. He has a slightly better link to him than I do. My hon. Friend's general point is good. Here we are, getting freedom from compulsion until the next Bill—the next piece of primary legislation—

Frank Cook (Stockton, North) (Lab): On a point of order, Mr. Speaker. In view of the fact that I am partially deaf—I have impaired hearing—would you kindly advise the hon. and learned Member for Harborough (Mr. Garnier) to speak into the microphone, rather than to the wall?

Mr. Speaker: I have heard the hon. Gentleman's request. Perhaps the hon. and learned Member for Harborough (Mr. Garnier) can assist.

4.30 pm

Mr. Garnier: I sympathise with the complaint of the hon. Member for Stockton, North (Frank Cook), and I shall endeavour to make sure not only that he hears what I have to say but in due course that he can hear the grinding of his Government's reverse gears.

To return briefly to the intervention of my hon. Friend the Member for Stone (Mr. Cash), who was listening with great care to Mr. Frattini at lunchtime, that issue will be wrapped up in the next debate when we discuss designated documents. The passport is a designated document, and immigration documents will be designated documents under the secondary legislation that will be introduced under clauses 4 and 5. The European travel document, which is what the identity card will eventually become, is another designated document. Mr. Frattini's point would therefore be more properly addressed in later debates. None the less, I do not wish to inhibit my hon. Friend from pursuing that argument.

I would like to know the width and weight of the Government concession. When will we know the detail of the next piece of primary legislation? Will it be written in English, and will it be yet another piece of legislation on to which the Secretary of State, whoever he then is, can hang further secondary legislation? It is one thing to say that there will be another Bill, but it is quite another thing to introduce a Bill that says precisely what it means. The Identity Cards Bill is nearly 45 pages long, and gives the Secretary of State 61 separate powers, but we cannot divine how the Secretary of State will use the powers that he gives himself and how he will define the documents and the other instruments on which he wishes to introduce secondary legislation.

Mr. David Winnick (Walsall, North) (Lab): Obviously, I do not resent the hon. and learned Gentleman making points on behalf of the

[Mr. David Winnick]

Opposition—that is what he is here for—but a moment ago he referred rather sarcastically to a reverse gear. As someone who opposed identity cards—I remain opposed to them—and who voted accordingly, I welcome the fact that the Government have accepted the Lords amendments so that primary legislation will be required before the cards become compulsory. I accept that the Opposition have the right to make their argument, but those of us who are critics of the proposal should bear in mind the fact that the Government have made a substantial concession which I, for one, very much welcome.

Mr. Garnier: I agree, and I have welcomed the concession—I am not sure whether the hon. Gentleman was in the Chamber when I intervened on the Minister in the early part of his speech. However, it is a 20 per cent. or partial concession. As I have said, there are still plenty of provisions in the Bill that give the Secretary of State power to compel the citizen to do something. It is right to welcome the limited concession, but we need to be very careful indeed about a Bill that essentially sets up a national identity register, which is a large Government computer into which all sorts of private information will go, and to which various Government agencies will have access. We the citizens will have no knowledge of when that information goes in, what is taken out, and to whom it is passed. Under the Bill's final provisions, we will not be allowed to see an audit trail of the information that has been accessed.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): My hon. and learned Friend's reservations about breadth and depth and what the measure amounts to are formidable ones. At this late stage in proceedings, when we are considering Lords amendments, is he suggesting that he is prepared to accept the Government motion and amendment, or are we going to oppose them as vigorously as they deserve?

Mr. Garnier: I shall invite my right hon. and hon. Friends to accept the Government's word. There will come a time later this afternoon when many of the problems that my hon. Friend and I still have with the Bill can be discussed—when we come to discuss compulsion and "must" or "may" in relation to designated documents. The narrowness of the present debate permits me to accept the Government's concession, to welcome their decision to agree to what their lordships say, and, as I said to the hon. Member for Walsall, North (Mr. Winnick), to welcome the sound of the grinding of the Government gears.

I do not want to be unpleasant to the Government, but they should have made the concession last summer. As I am sure the Chairman of the Select Committee, the right hon. Member for Southampton, Itchen (Mr. Denham), will appreciate, the concession would never have needed to be made had the Government written the Bill in English in the first place and, when they meant compulsory, written "compulsory" in the Bill. But they did not think it was in their political or other interest to do that, so they have arrived at that decision after some delay. It is a pity that they wasted our time, but they got partly to the right answer in the end.

The Bill is essentially about the national identity register, and I mentioned some of my concerns about that. Anything to do with identity cards is but a fig leaf. We need to concern ourselves with the practicalities of the national identity register and its implications for civil liberties, rather than allowing ourselves to be bamboozled into thinking that the Bill is simply about whether we should voluntarily or compulsorily carry an identity card. It is not just about that.

When we are talking, as we are, about fundamentally altering the relationship between the citizen and the state, it behoves every Member of the House, Front-Bench or Back-Bench, Government or Opposition, to look carefully at the detail of the Bill and not to buy everything that the Government put wrapped up on the shop front. We need to unwrap it and see what is inside the gift the Government claim to be giving us. When we unwrap it, we will find that there is not much to attract us.

Lynne Jones (Birmingham, Selly Oak) (Lab): Is the hon. and learned Gentleman concerned not just about the relationship with the state, but about the potential for third parties to gain access to our identity, which is deeply worrying? The contactless chips proposed will, in effect, give out a signal that can be read by anyone with access to an antenna. In Holland, biometric identity documents have already been read. Apparently, it took two hours to decrypt the documents. We all need to worry deeply that we are being forced to carry documents and to send messages from those documents to a database with enormous potential for the theft of our identity. If somebody steals my credit card—

Madam Deputy Speaker (Sylvia Heal): Order. The hon. Lady knows that interventions must be brief.

Mr. Garnier: I think I understand the point that the hon. Member for Birmingham, Selly Oak (Lynne Jones) was making, and she is entirely right to make it. According to the Government's commercial case, a possible 44,000 private operators will have access to the national identity register. *[Interruption.]* I note that the Minister disagrees. I cannot imagine why that figure is in a Government document. Perhaps he has not read it.

Stephen Pound (Ealing, North) (Lab): He wrote it.

Mr. Garnier: Even worse. May I assure the hon. Member for Birmingham, Selly Oak that the point that she has made needs making constantly. The Government will not listen to it unless it is made constantly. It has taken us nine months to get the Government to change from compulsion by stealth to compulsion by direct legislation for 20 per cent. of the population, but we should not forget that there are plenty of other opportunities for the Government to mine in—perhaps I should say to eat into it like a weevil. *[Interruption.]* Indeed—I see a bag of weevils sitting on the Government Front Bench.

Stewart Hosie: Will the hon. and learned Gentleman give way?

Mr. Garnier: I was in full weevil mode, but I will of course give way to the hon. Gentleman.

Stewart Hosie: If the Government argue that there is £1.7 billion-worth of identity fraud to be cured through

identity cards, and on their own analysis they argue that so many millions are from insurance companies and the British Bankers Association, and so many billions from the Building Societies Association, how can it not be that those private concerns would have access to the data on the identity register?

Mr. Garnier: That is a perfectly good question, but I doubt that the hon. Gentleman will get an answer from this Government. The sum that the Government pluck out of the sky as being lost to the economy as a result of identity fraud, which has gone up from £50 million to £1.5 billion, is misleading because it does not separate out money laundering and all sorts of other criminal activities that come under that aspect of identity fraud.

I end where I began. I welcome the concession. It does not go far enough, but I welcome the little way that it does go. A huge tranche of this country's population will still be compelled without primary legislation to give up to the national identity register information that is private to them, and we will perhaps have further battles on that later, but meanwhile, despite the perfectly understandable concerns of my hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd), I urge my right hon. and hon. Friends to welcome and accede to this Government concession. Government concessions do not come very often. It usually takes the Labour party to defeat the Government to get a concession, but today the Government have put their hands up first, and that is to be welcomed.

Mr. John Denham (Southampton, Itchen) (Lab): I shall endeavour to restrict myself to the particular topics under discussion, although the temptation to enter into another Second Reading debate is rather large. This is a debate dominated by a high degree of irrationality, as the exchanges in the past five minutes have shown. The inability to distinguish between a system in which a private company can check the validity of an individual's identity card and access to the register, with all that that implies about access to the data, has bedevilled this really important project.

I want both the ID card scheme and the register to succeed, because if we do not start to tackle the problems now, whether they be identity fraud for commercial reasons, how to protect the employment rights of low-paid people whose jobs are being undercut by illegal labour or the use of identity fraud for terrorism—all of them issues that make the case for ID cards—they will be greater in 10 years' time. Therefore, we need to make a success of the project now.

I welcome what the Government have done. As my hon. Friend the Minister made clear, the change was proposed originally by the Select Committee nearly two years ago, and I would not be a Select Committee Chair if I did not point out that sometimes it would be nice if our reports were acted on when they were first written, not a couple of years later when it becomes convenient to do so.

We were right to talk about new parliamentary legislation for two reasons. The term "compulsory", which I hope I will come back to on the next set of amendments, is being used in different ways in this debate. It is perfectly clear that, in the first phase of establishing the national identity register, those who wish to have a passport, for example, if it is a designated document, will have to go on to the national identity register. However, leaving aside the issues of principle, at least in that process the individual is making use of a service that is of benefit to them, namely, getting hold of a passport. It is reasonable to assume that there will be a powerful driver for any Government to ensure that that process is convenient, effective and works quickly. We saw a few years ago how quickly the public respond if something goes wrong in an agency such as the Passport and Records Agency.

The second phase of the process is entirely different, because that will require individuals to register and go through a process of registering their biometrics, and so forth, for which they get nothing back immediately—for example, in the form of a passport. Getting that phase right and being sure that the system is designed to make the process as user-friendly as possible is critical. When we considered the Bill two years ago, we could not look eight years into the future and know the design of the process. It is right for Parliament to say that it wants not only a yes-no super-affirmative vote, but fresh legislation and an explanation from the Government of the day of how that part of the process, which is frankly much more difficult, will be handled.

David Davis (Haltemprice and Howden) (Con): Demand for a good service does not always deliver a good service—the right hon. Gentleman has previously mentioned the UK Passport Service, the Child Support Agency and pensions. A series of large Government IT projects have gone seriously wrong, despite the fact that serious political embarrassment follows such events.

Mr. Denham: We know that all public or private sector IT projects are not successful. The UK Passport Service and the Criminal Records Bureau are good examples of projects that ran into difficulty early on and that were turned around rapidly because it was unacceptable not to solve the problems. I suspect that the first phase of national identity registration will be similar—I doubt whether the process will start without any problems at all, but I am sure that such problems will be put right quickly.

4.45 pm

Parliament must be concerned whether the system works effectively for those who do not drive and who do not have a passport, which will require new legislation.

David Davis: I thank the right hon. Gentleman for giving way and apologise for making a second intervention. The size and complexity of the task is one factor affecting the speed with which such issues can be put right. The CSA is a good example of a problem that is intractable because it is too complex. Is there not a risk that this particular project will fall into the same category?

Mr. Denham: No; the process is a good deal less complex than that of the CSA, which faces intrinsic problems such as income assessment and deduction of earnings—I am sure that hon. Members do not want us to get into a detailed debate about that topic. Although the process must be repeated for millions of people, the inherent issues in national identity registration are simpler than those in the projects that have gone wrong.

[Mr. Denham]

The Select Committee was right to press for separate legislation from the outset, because however well the Bill is scrutinised by us and the House of Lords, it is doubtful whether it will be perfect in six or seven years' time. Even if this were not a Home Office Bill, it would inevitably require a certain amount of amendment, clarification and adjustment in due course. It would be ridiculous to update this Bill and have a separate super-affirmative resolution on the question of extending it to the final 20 to 25 per cent. of the population.

The change is sensible, because it means that on the crucial step of extending the provision to the group of people who are more difficult to reach, Parliament will be able to take an entirely fresh look at the project's strengths and weaknesses.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Surely we know what any Government would say at that point. They would not say, "This is a question of principle: should we or should we not hold all this information about our people, who have committed no crime and who are not in themselves criminals?" They would say, as Governments always say, "We don't know why you are arguing about this now. You gave up that principle when you accepted the primary legislation."

Mr. Denham: The point of principle is that this House and this country should take steps towards a compulsory national identity register, which is necessary in the broadest sense for the security and well-being of the people of this country. The question how the register will be extended in six or seven years' time to those people who are not on it through passports or other designated documents must be addressed properly by Parliament at that particular point.

John Bercow (Buckingham) (Con): One of the most significant indicators of the Government's continuing commitment to compulsion is that the UK Passport Service, at the behest or with the connivance of the Government, is planning no fewer than 70 new prime high street sites, from which Crown post offices will be excluded from competing on an equal basis for first-time passport applicants. How does the right hon. Gentleman reconcile his claim that computer projects are improving with the fact that the proposal will add greatly to the Government's costs?

Mr. Denham: Clearly, the project to be implemented will involve the Passport and Records Agency and other bodies making appropriate arrangements for people to register. I am not in a position to debate the detail of the proposals that the hon. Gentleman raises, but I see no problem in the Government ensuring, within the rules, that the necessary infrastructure is in place so that when we are invited to join the national identity register, which we will have to do for the purpose of renewing our passports, that process is as convenient for the individual as possible. I would expect no less of the Passport and Records Agency or of any other part of Government.

Several hon. Members *rose—*

Mr. Denham: I give way to the hon. and learned Member for Harborough (Mr. Garnier)

Mr. Garnier: I am grateful to the Chairman of the Home Affairs Committee. On passports, does he agree that we must consider carefully the arguments about convenience that he touched on a moment ago? The Government claim that international obligations require us to have on our passports biometric information that will be sucked into, or will be available to be stored on, the national identity register. However, our international obligation is merely for our passports to have digitised biometrics that are readable by the passport officer using a machine at the port of entry—those biometrics would not be accessible by a national identity register. The Government keep trying to smooth over that distinction.

Mr. Denham: The hon. and learned Gentleman and I start this debate from different points of view: he is against having a national ID register and ID cards, and I am in favour of them. My hon. Friend the Minister conceded earlier that the proposals go somewhat beyond the strict minimum required by the International Civil Aviation Organisation and other regulations; however, that is not entirely the point. The ICAO requires this sort of development in the passport and that an infrastructure should be set up to collect biometrics.

If we are to go through the process of collecting biometrics because our citizens need that to be done to travel abroad, let us do the job properly and do the other thing that we need to do, namely, establish a decent ID card system and a national identity register. We need that development to enable us to tackle the whole range of identity fraud and to deal with illegal migration problems over the next 10 years, particularly as the EU expands and borders become more difficult to secure nationally. That is a gain worth having. The fact that we need to collect biometric data for passport use does not mean that all we should do is the absolute minimum required by those international requirements, given that the gains of having a decent identity register system are significant. That is where the hon. and learned Gentleman and I have different approaches to these issues.

Mr. Winnick: My right hon. Friend and I disagree profoundly in the Home Affairs Committee, so we have a minority report of one. I know that he is even more strongly in favour of identity cards than the Government. He talked about and gave examples of the ways in which identity cards will resolve various problems, but many of us believe that they are being held up as some sort of panacea on terrorism and identity fraud, whereby if we name a problem, the identity card will resolve it. We simply do not believe that identity cards will be the solution any more than they have been in countries such as Spain, where there has been terrorism.

Mr. Denham: I am in danger, which I said I would avoid, of being drawn into a Second Reading debate. My hon. Friend played an active role in our inquiries. As he said earlier, we agreed entirely with what the Government are now doing on the point that we are discussing. My view—and that of the majority of the Select Committee—is that identity cards will make a significant contribution to each problem that we are trying to tackle. They will absolutely solve few if any problems, but without an identity card system we will be far less well equipped to tackle them.

Anybody who suggests that identity cards or the national identity register are a panacea for all problems is wrong and would be misleading people, but those who say that they have no useful role in tackling identity fraud are also wrong.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I pay tribute to the exceptionally deft and dexterous manner in which the Minister for Immigration, Citizenship and Nationality and the Home Secretary handled compulsion. It takes special skill to present to the House an unworkable scheme, suffer a defeat on it in the other place and subsequently present an acceptance of a defeat on an unworkable scheme as a remarkable triumph and concession. Ministers should be given due credit for that.

I listened to some of the remarks of the hon. and learned Member for Harborough (Mr. Garnier) with wry amusement. He said that the Government were going into reverse gear. Some of us remember that when the Identity Cards Bill was introduced in the previous Parliament, the Conservative party began in reverse gear. It managed to coast in neutral for a while and it has now managed to find a forward gear, albeit a low one.

Mr. Garnier: I do not know how low my gears can go, but the hon. Gentleman would not have found me in a Lobby in favour of the Bill in this Parliament or the previous one.

Madam Deputy Speaker: Order. I remind hon. Members that we are not debating Second Reading; we are debating Lords amendment No. 19.

Mr. Carmichael: Indeed, Madam Deputy Speaker. Even without that intervention, I should not have tried to highlight the divisions in the Conservative party on the Bill at different stages.

As the Minister has already said, I have been critical of the little-lamented super-affirmative procedure, which was unworkable. However, as one who deeply opposes the identity cards scheme and the identity register and does not want the introduction of any element of compulsion, I almost mourn its passing. The super-affirmative procedure was a secondary legislative procedure and the Parliament Act could not be applied to it. It would therefore have been possible, especially given the requirement to agree a report in both Houses, to block the implementation of a compulsory scheme indefinitely. However, it is not the job of the House to implement law that we know to be bad, even if it sometimes appears convenient to do that. The Lords amendments improve the opportunity for scrutiny through a second primary measure and Liberal Democrat Members welcome that.

The hon. and learned Member for Harborough has already made the point that the compulsion that the amendments would exclude is merely express compulsion. The possibility of compulsion by stealth, which we shall discuss shortly, through the designated documents remains. The Government oversell their position when Ministers claim, as they did today, that they have made some great concession that requires the House to revisit compulsion at a later date in primary legislation.

My hon. Friend the Member for Cambridge (David Howarth) made a good point, which the Minister and his officials should consider at their leisure, about the Legislative and Regulatory Reform Bill, which is beginning its passage through the House. Hon. Members know that, if enacted in its current form, it would allow the Government to amend primary legislation through using statutory instruments. It therefore remains open to the Government to use secondary legislation to amend the Identity Cards Bill or to introduce compulsion. That worries me.

There are two possible routes that could be taken here. The first is that the Minister could stand up today and state expressly that that is not the Government's intention. The alternative route—which I believe would be open to the House on another occasion, and I commend it to hon. Members in the light of that—would be to amend the Legislative and Regulatory Reform Bill when we have the opportunity to do so. To give the Government the power to amend primary legislation in the sweeping way that is proposed by that Bill seems very wrong.

5 pm

Ms Celia Barlow (Hove) (Lab): I shall endeavour to keep to the subject of the amendment, although other issues are involved. I believe that even hon. Members who are against ID cards would agree that they would be effective only if it became compulsory to own one at some time in the future. I welcome the Government's intention to have a separate vote on compulsion in some years' time. In the meantime, providing ID cards only to people who specifically ask for them would only reap certain advantages. A secure form of proving who we are would be beneficial for everyone who wished to have an ID card, but for them to provide their full benefit, we must not only encourage people to take them up initially but make them compulsory later.

Mr. Peter Bone (Wellingborough) (Con): Does the hon. Lady agree that if 80 per cent. of the population had already been forced to have an ID card because they required one for this or that reason, the vote on compulsion would be irrelevant anyway?

Ms Barlow: I do not agree with the hon. Gentleman. All the investigations carried out by newspapers, for example, have shown that the majority of people are in favour of ID cards.

People renewing their passport will have to provide their biometric data. Why should we not encourage the take-up of ID cards and ensure that they become compulsory by issuing them along with passports? The two should be issued simultaneously. The Lords amendment would create uncertainty about when and how the second compulsory stage would be brought in, thereby losing that window of opportunity.

Much has been said about the cost of the scheme, although I appreciate that that is not the issue before us at the moment. However, many of my constituents in Hove and Portslade are extremely worried about that aspect of the scheme. It would be even more costly if we allowed several schemes—such as ID cards, driving licences and passports—to exist side by side. The Bill obviously merges the UK Passport Service with the new

[Ms Barlow]

agency responsible for ID cards, which would also work closely with UKvisas and the immigration and nationality directorate. It would therefore be far cheaper to support the Government's proposal to issue an ID card automatically to people who apply for a passport or a driving licence. The biometric technology is there, so we should use it to issue ID cards.

Mrs. Dunwoody: Why does my hon. Friend say that the biometric technology is there? In fact, there is a great deal of evidence to show that the biometrics are very iffy indeed, and that they work only under certain conditions. I did a lot of detailed work with my hon. Friend the Member for Stockton, North (Frank Cook) on a Bill that dealt with eyes in this regard.

Ms Barlow: I take the hon. Member's point—

Mrs. Dunwoody: Hon. Friend.

Ms Barlow: I take my hon. Friend's point. However, I must say that biometric technology has been tried and tested in this country. It is certainly being used at the moment with asylum seekers in my constituency, although perhaps not to the full extent that will be necessary when it appears on ID cards.

Mr. Garnier: The Government had a pilot scheme in Leicester, the closest city to my constituency, in which they tested the biometric technology for fingerprints and eyes. Among the Asian population, 20 per cent. of the biometric tests failed. Is the hon. Lady content with that?

Ms Barlow: Obviously, I am not. This is why there would be several different forms of biometric identification data on each ID card.

Stewart Hosie: Will the hon. Lady give way?

Ms Barlow: I would like to make some progress.

As my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) said, it will be necessary to move towards compulsion in the broader interests of national and personal security. ID cards will be a vital tool in fighting organised crime. At the moment, the Home Office identity fraud steering committee says that the cost to the UK economy of identity fraud is £1.7 billion. Given the greater ease of foreign travel—in which Members on both sides of the House are interested—identity fraud is not only becoming more prevalent; it is allowing fraud crimes of increased enormity to take place.

Mr. Ellwood: Will the hon. Lady give way?

Ms Barlow: I want to make some progress. Many other Members are eager to speak.

I know from my constituency surgeries of the incredible pain and difficulty that identity fraud can create.

Lynne Jones: Is my hon. Friend aware that £62.8 million of the cost of identity theft is estimated to be the cost to the UK Passport Service of measures to counter such fraud? Obviously, that is much less than the cost of implementing this scheme. Moreover, the estimate of credit card payment fraud submitted by the Association for Payment Clearing Services is about a tenth of the Government's figure. A growing problem is "customer not present" fraud, which identity cards will not deal with at all

Madam Deputy Speaker: Order. May I again remind Members of the amendment that we are discussing?

Ms Barlow: Without such a secure compulsory system, the £1.7 billion figure, which is expected to grow, will be set to rise every year. That is why figures such as those given by my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones), which I have no reason to question, are irrelevant in the longer term.

Stewart Hosie: How can a compulsory identity card—given that biometric information is held centrally and locked in the card, and in a person's face, eyes and fingerprint—possibly deal with fraud involving a card transaction when the person is not present and neither he nor the card can be checked by a scanner?

Madam Deputy Speaker: Order. I remind Members once again of the amendment that is under discussion.

Ms Barlow: The hon. Gentleman obviously was not present for the Second Reading debate, when all that was explained.

While we all value our civil liberties, protection from criminals should be seen as a right—a compulsory right that our Government should be expected to protect. When identities are stolen, our privacy is stolen. When identities are stolen, our financial safety and security are under threat. ID cards—and compulsory ID cards—will protect our ability to live as free individuals in society, without fear of terrorism or financial crime. That is why I am glad that the Government have accepted the Lords amendments to remove the clauses on compulsion by means of the super-affirmative resolution procedure. However, I support the Government amendment to revise the definition of compulsion so that it refers to future primary legislation.

Mr. Cash: I want to make only a few simple comments.

I strongly object to the amendments, not because they take away two clauses—like my hon. and learned Friend the Member for Harborough (Mr. Garnier), I can understand that—but because I do not welcome the Government's adoption of a de minimis approach. As I explained to the Minister, who is not present at the moment, the amendments make absolutely no difference to the principles involved. For practical purposes, this is just an exercise in tactical retreat. There is no difference between what is being said now and what was said on Second Reading, when my Front-Bench colleagues produced what could be described as the excruciating sound of reverse gears. I am glad, because there were issues of principle, but in this context my point about the Government is much more important.

The Secretary of State for the Home Department (Mr. Charles Clarke): Will the hon. Gentleman confirm that he is accusing his Front Bench of flip-flopping and flip-flopping on the issue?

Mr. Cash: I would not put it in such gentle terms. I would simply say that I am delighted that my Front-Bench colleagues have taken the view that they have, and have resolutely stuck by it throughout the Committee stage and subsequently—unlike the Minister, who has come to water extremely slowly and reluctantly. The fact is that this is a political exercise—*[Interruption.]* I am glad that the Home Secretary sees the joke; the truth is that this is nothing more nor less than a tactical retreat.

Mr. Philip Hollobone (Kettering) (Con): Does my hon. Friend agree that if anybody is guilty of flip-flopping, it is Her Majesty's Government, who have flip-flopped over their reasons for introducing this Bill?

Mr. Cash: I am pleased to confirm what my hon. Friend says.

I am afraid that I must point out to the right hon. Member for Southampton, Itchen (Mr. Denham) that his argument misses the wood for the trees. He is a tremendous advocate of identity cards and he argues that we do not know what the position will be in eight years' time, but I point to the example—as I have done before—of "Nineteen Eighty-Four". When George Orwell wrote that book in the 1940s, he was projecting forward to what would happen in circumstances that he foresaw at that time. I recognise the motivation behind the right hon. Gentleman's argument, but he is completely missing the point. The Information Commissioner made it abundantly clear that the Bill will fundamentally alter the relationship between the individual and the state. He has kept very quiet about the arrangements made and the amendments tabled since our debate on Second Reading. I should be very interested to know his thoughts now, but I doubt whether he has changed his opinion very much.

The plain fact is that this is a matter of principle and the Bill constitutes a fundamental change in the relationship between the individual and the state; whether one calls the Government's approach a flip-flop, a change into reverse gear or a tactical retreat makes no difference to that fundamental point. This is the offence of which I accuse the Government: they are engaging in a cynical exercise to gain more control over the individual, and in a way that is inimical to the liberties of the people of this country.

Mr. Denham: Perhaps I can quote to the hon. Gentleman the Select Committee's conclusion on the very point that we are discussing. We said:

> "An identity card scheme of the sort and on the scale proposed by the Government would undoubtedly represent a significant change in the relationship between the state and the individual in this country."

However, we went on to say:

> "International experience does not suggest that objections of principle are overwhelming",

and we proceeded to back the idea of an ID card scheme. So we recognised the issue—and we dealt with it.

Mr. Cash: With great respect to the right hon. Gentleman, that sounds to me like a pretty typical report from the members of the Home Affairs Committee. They say, "We concede that this is a matter of fundamental importance to the relationship between the individual and the state, but it doesn't matter: we've got a whole range of other reasons that we can invoke for making such a change." We have seen some pretty remarkable Select Committee reports over the years, but that one just about takes the biscuit.

John Bercow: We have just heard the verdict of the right hon. Member for Southampton, Itchen (Mr. Denham) and his Committee, but does my hon. Friend recall that it was the right hon. Member for Sheffield, Brightside (Mr. Blunkett) who argued—as long as two years ago—that, yes, compulsory ID cards would indeed change the relationship between the individual and the state, in the sense that they would allow him to overcome his sense of alienation and to assert his identity. I have met a lot of people in Buckingham who have grumbled about the loss of identity, but I have yet to hear any of them say that the problem would be addressed by a compulsory ID card from this Government.

Mr. Cash: Absolutely. In fact, the Government are suffering from what could be described as severe political schizophrenia.

Mr. Ellwood: The Orwellian scenario to which my hon. Friend referred is not that far away. We established in Committee that not only an ID card reader but a biometric reader will be needed at every airport terminal and in every police car, so the requirement to hold an ID card is not really necessary. Once the information is on a database, we will have to enter our details at a given terminal every time that we are arrested. That makes the whole debate on ID cards and compulsion completely obsolete.

5.15 pm

Mr. Cash: The real reason why the Government are including arrangements relating to biometric procedures is that they are based on a European directive, and the Government know that perfectly well. It is time that the House understood the extent to which domestic legislation is driven by European directives and regulations. The Home Secretary knows that that is why it is impossible to change the arrangements in the Bill. He has already signed up to them. He has given it away in principle and in practice.

Mr. McNulty: For the sake of clarity and just in case the hon. Gentleman is not clear on the point, may I say that when we discuss primary legislation, we mean this Parliament, not the European Parliament?

Mr. Cash: I am very clear on that point, as I am on all matters relating to that subject.

When Mr. Frattini referred, on "The World at One", to the fact that he was in favour of securing our borders, he made it clear that he meant the EU borders. It is also clear that the Chancellor of the Exchequer, in his remarks yesterday—and the day before and the day before that, in his jostling for the premiership of this

[Mr. Cash]

country—may be taking a divergent view of the principles in the Bill. The Home Secretary shakes his head—*[Interruption.]* He has his fingers crossed. When the Chancellor of the Exchequer refers to the necessity of ensuring that we secure our own borders, that is not the same as the arrangements that have already been set up and that are dedicated to preserving EU borders, not our own.

Keith Vaz (Leicester, East) (Lab): Surely the hon. Gentleman knows that under the Hague arrangements, which followed the Tampere discussions, the European countries, working together, could do a great deal to combat international fraud through the use of identity procedures.

Mr. Cash: I am grateful for that intervention, but I thought that the hon. Gentleman was about to refer to the point made by my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) on this matter. The plain fact remains that whether one considers the Tampere discussions or the Hague conventions or arrangements made at a summit in The Hague or in any other circumstances, the provisions in the Bill are inimical to the principles and liberties on which this country has been built. We do not have state control or a police state, but this Bill is the beginning of such arrangements. Ministers know that to be the case, although they are camouflaging it under a range of matters, including terrorism and state security. In essence, they are giving away the fundamental liberties of the people of this country and that is why we should oppose all the measures in this Bill.

Mr. Gerrard: I shall be brief, so that other hon. Members have the chance to speak. I shall try to stick, as little of the debate has done, to the substance of the amendment. It deals with the simple issue of compulsion. I could go on at great length about the Bill, as I have in the past, but I want to point out that no other country is doing this. No other country is going down this road. I think that in a couple of years the whole issue will be abandoned. The idea that the Home Office, of all Departments, will get this massive infrastructure to work, which nobody else in the world has managed to do, is unreal.

I do not wish to exaggerate the importance of the amendment, because it would not affect everybody. It affects those people who will not be caught under clause 5. The amendment will make a difference because primary legislation, with proper debate and scrutiny in this place, will be needed before a move to compulsion. I would much rather have that than secondary legislation. We should welcome the fact that this step has been taken; it is an improvement, although it does not deal with the aspects of the Bill that concern some people.

I emphasise the point that I made in an intervention: the relationship between the amendment and clause 15, which covers the power to make public services conditional on identity checks. The Minister confirmed earlier that if the amendment is accepted clause 15 cannot come into effect without further primary legislation, and that is important.

Mr. Charles Clarke: I confirm that what my hon. Friend has just said is correct. The aspects of the Bill dealing with free public services could not come into effect until primary legislation to make the whole system compulsory had been passed.

Mr. Gerrard: That is an important effect of the amendment and I welcome it, because some of the last people to receive a card, who would in the end be caught by compulsion, are those who rely on public services.

Mr. Wallace: In relation to the Home Secretary's response, if the access to public services were an application for a driving licence, passport or designated document, compulsion would still exist.

Mr. Gerrard: I think that the hon. Gentleman is wrong. The compulsory element in relation to public services in clause 15 relates not to designated documents but to individuals subject to compulsory registration. If the amendment were to have the effect that the hon. Gentleman suggests, there would be a problem, but the Home Secretary has made it clear that it will not.

Anne Main (St. Albans) (Con): Does the hon. Gentleman share my concern that, if it becomes compulsory to have an ID card to use the national health service, we shall be undermining the principle that the NHS is free at the point of use? People would have to pay to use it; without the card they would be unable to access services that we have always understood are free at the point of use.

Mr. Gerrard: I wish that the hon. Lady had listened to my starting point on the issue. I am not defending the ID card scheme. I have never said that it was a great idea. I am making the simple point that this narrow amendment is an improvement. I do not want to be churlish and say that it does not matter; it is a step in the right direction. Given a choice, I would scrap the whole thing, but the amendment is a positive step.

Mr. Winnick: I share my hon. Friend's complete opposition to ID cards, but should not those of us on the Labour Benches who have urged the Government to listen and respond to criticism of this and other issues welcome the fact that they have done so? Like my hon. Friend, I would rather that they scrapped the whole business, but as they will not, the fact that primary legislation will be required for compulsion is undoubtedly a shift in the right direction.

Mr. Gerrard: That is the simple point that I wanted to make, so I shall give another Member the opportunity to speak.

Chris Mole (Ipswich) (Lab): This is an important opportunity to look once again at the Government's proposals and to consider the changes incorporated by the Lords. I welcome the steps that the Government have taken recently to secure the substance of their programme.

Inevitably, questions about personal privacy, civil liberties, system security, cross-predictability and function creep must be taken into account in the development of an identity verification system, but by removing compulsion in relation to entry on the national identity register and in dealing with designated documents—the substance of the amendments—the Lords would make the system less secure and its use in public services less effective. In fact, the measures address none of the substantive issues with which Parliament might properly be concerned, and can be considered only as spoiling tactics designed to make the implementation of ID cards impossible in practice. If those are the Opposition's tactics—that is by no means clear from what the hon. and learned Member for Harborough (Mr. Garnier) has said today—they are not in the interests of the British people, do not reflect the world in which we live and, frankly, constitute opposition for opposition's sake. The churlish contribution from the hon. and learned Member for Harborough—

It being one and a half hours after the commencement of proceedings, MR. SPEAKER, *pursuant to Order [this day], put forthwith the Question already proposed from the Chair.*

Question accordingly agreed to.

Lords amendment agreed to.

MR. SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Lords amendment No. 21 disagreed to.

Government amendment (a) in lieu of Lords amendment No. 21 agreed to.

Lords amendments Nos. 20 and 23 agreed to

Clause 5

APPLICATIONS RELATING TO ENTRIES IN REGISTER

Lords amendment: No 16, in page 4, line 44 leave out "must" and insert

"may, if the individual so chooses,"

Mr. Charles Clarke: I beg to move, That the House disagrees with the Lords in the said amendment.

Mr. Speaker: With this we may discuss Lords amendment No. 22 and Government motion to disagree.

Mr. Clarke: The House debated the essence of this issue on Report on 18 October. It rejected proposals similar to the Lords amendments, and I hope that it will reject them now. Although Lords amendments Nos. 16 and 22 rest on changing a "must" to a "may", which seems a very small change, they risk undermining the basis of the current identity cards proposal, and for those reasons they must be resisted strongly by the Government and by the House.

We have always been clear that the identity cards scheme is being designed and is intended, eventually, to become a compulsory scheme for all UK residents, and that in the second phase of the scheme it will be a requirement to register, with a civil financial penalty regime for failure to do so. Throughout, we have also been equally clear that linking identity cards to the issue of designated documents is a central part of the scheme in the first phase. That will enable a sensible, phased introduction of identity cards.

Once passports and residence permits are designated, when British nationals resident in the United Kingdom, renew or apply for their residence permits they will be entered on the national identity register and issued with cards that will serve as ID cards. That approach is well known and will not come as a surprise to the House. When the Government issued our first consultation document about a card scheme in 2002, one of the options canvassed was a universal scheme linked to passports.

When we announced the decision in principle in November 2003, it was made clear that there would be a two-stage scheme and that the second stage would be compulsory. However, on the first stage, we stated in "Identity Cards: the Next Steps":

"By linking the card scheme to widely held identity documents most people will get a card conveniently and automatically as they renew an existing document".

That announcement in principle in 2003 was put into effect when we published the draft Bill, as long ago as April 2004, when we included the word "must" in clause 5(2). Yet again, we made it absolutely clear that, once designated, obtaining a passport would also involve being issued with an identity card.

It is also clear that, other than the biometrics—an important development in the whole security of card systems—no information will be required from an individual as part of that process that the state does not already hold in one form or another. To put the compulsory element of the designation of documents another way, it will be compulsory for information already held by the state to be placed on the national identity register. No new information will be required as part of that process.

Lynne Jones: As I understand it, a fully biometric passport that complies with European Union requirements should have a facial biometric and two fingerprints. However, as my right hon. Friend said at Question Time, he proposes to have up to 13 biometric elements stored on the national register. It is not correct to say that that information is required for the passport and that the Government would therefore necessarily have that information and the full biometrics.

5.30 pm

Mr. Clarke: My hon. Friend is correct in that the information is not required as part of the current EU passport regime—the fantasies of the hon. Member for Stone (Mr. Cash) are relevant in that respect. However, for a variety of reasons, all Governments are determined—it was set out in no less a source than the United Nations Security Council resolution last September—to move to a fully biometric scheme for passports. That is part of the overall world approach, which this Government strongly support, to the most secure system of biometrics to protect us most effectively in a wide variety of ways.

My hon. Friend's point is about biometrics for the passport scheme and not about the ID card scheme, although they are related. We believe, as a Government,

[Mr. Clarke]

that getting properly secure biometrics for the passport scheme is not only in our interests in this country but is part of our international obligations.

Lynne Jones: The biometric passport is fully biometric because it has biometrics on it; it just has not got all the biometrics. Which other countries propose to have 13 sets of biometric data on a centrally held database?

Mr. Clarke: A number of countries, including the United States of America, is the answer to my hon. Friend's question.

Mr. Garnier: I invite the Home Secretary to be quite careful about this. I do not want him to mislead himself or anybody else. Is there not a difference between the international obligation and what the Government require? Under the international obligation, biometric information that can be read by a passport officer's machine appears on the face of the passport. What the Government require us to do is to provide biometric information on the passport that can be read by, and stored in, the national identity register. There is quite a difference of quality and principle that the Government keep eliding.

Mr. Clarke: The hon. and learned Gentleman is right in one respect. We are in an evolving situation as far as the international requirements are concerned. That applies to the EU, the International Civil Aviation Organisation and the UN Security Council resolution. It is equally the case that many countries are evolving their own systems—whether they go for the number of biometrics that my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) mentioned, for biometrics for all 10 fingers and thumbs or the 13 that we will have for our ID cards. It is also true that there are different states of decision in different countries on those points. All is evolving. However, both within the EU and in the dialogue between the EU and the United States that has explicitly addressed these matters, including in the G8 context, the overwhelming view is to move towards the most rigorous form of biometrics for fundamental documents such as passports and visas. That is the point that I am trying to make.

Keith Vaz: Has my right hon. Friend seen the report published today by the Commission for Racial Equality in which it specifically talks about the use of biometrics in relation to the black community and about the difficulties with the technology?

Mr. Clarke: I have seen that report. If one considers different biometrics, one sees that there are different issues for different communities. The biometrics for the face, the iris and for fingerprints and thumbprints give rise to different issues in each case. However, as I know my hon. Friend will accept, the point is simple and straightforward. The more biometrics we have, the more reliable and fraud-proof is the system. For example, it is better to have biometrics for all 10 fingers and thumbs than it is to have them for one.

Mr. Gordon Prentice (Pendle) (Lab): My passport is coming up for renewal. I will have to offer biometric data and I understand that, but what about the non-biometric data and the registrable facts that we would have to offer as part of the process of getting an ID card?

Mr. Clarke: I made the point earlier that the non-biometric facts that will be required for the identity card will be broadly the same as those needed for passports, residence and immigration documents and other purposes. It is not the case that more information will be requested. In fact, less information will be required for the ID card than for some other purposes.

Frank Cook (Stockton, North) (Lab): I thank my right hon. Friend for responding to our conversation last week in written form, which I received this morning. However, the letter says:

"We are designing the scheme in such a way that there is no direct access to the Register itself by organisations—Government or non-Government—who want to verify a card-holder's identity. Organisations will be able to use an identity verification service to verify basic identity information".

What is the difference between the register and the identity verification service?

Mr. Clarke: I need to make it clear that the register will be the record of each citizen's biometrics and a limited amount of other data relating to them, such as name, sex and so on. It will be a basic database for each of those people. The service to which I referred in the letter to my hon. Friend would enable other agencies, whether governmental or non-governmental, to use the data for the purpose of verification. An organisation that wants to use the central data will work via a verification service, which was the distinction that I was trying to draw.

Mr. Ellwood: The Government's figures show that while £1.3 billion is lost due to fraud each year, identity-related fraud accounts for between £20 million and £50 million a year. That amount is considerably less than the £85 million cost of implementing the ID card system, as we established in Committee. The scheme will be an expensive, intrusive and unproven way of tackling ID fraud.

Mr. Clarke: The hon. Gentleman raised that matter during previous stages of the Bill's consideration. We will debate costs when we consider Lords amendment No. 1. The most recent estimate of the cost of identity fraud throughout the country is £1.7 billion. That is a significant amount, so we must address the problem.

Lembit Öpik (Montgomeryshire) (LD): I know that the right hon. Gentleman wants to make progress, but will he answer a question? I am vexed that he does not entertain the possibility that storing the information centrally will create the opportunity for corruption and the abuse of information. What would he say to those of us who think that the concentration of data in itself will create a considerable temptation for organised criminals to hack into the information and thus institute other methods of fraud and ways of achieving identity theft?

Mr. Clarke: First and foremost, I am very keen not to have the support of the hon. Gentleman in this vote—God knows what would happen if I did.

David Davis: We can guarantee that.

Mr. Clarke: As the right hon. Gentleman says, we can guarantee that.

Only one question needs to be asked about security: will the system that we are creating be more or less susceptible to fraud than the system that we have now? I argue strongly that the system that we are creating will be less susceptible to fraud, whether we are considering passports that are used fraudulently, or the variety of ways in which identity fraud is committed. Of course we will have to consider fraud under the new system, but we must compare the system that we are establishing with the existing system.

David Davis: I shall make this intervention as constructively as I can. The simple truth is that the test is not simply whether the system will be better than that which we have now. Given that we will be spending a large sum, we must consider whether the system will be the best that might be available. Plenty of identity card systems do not challenge individual privacy or require massive central databases, but are far more secure than the system that the right hon. Gentleman proposes.

Mr. Clarke: With the greatest respect to the right hon. Gentleman, I do not think that he is correct. The distinguishing aspect of the scheme is the move towards using fingerprint biometrics and other biometrics. To respond to the point made by my hon. Friend the Member for Birmingham, Selly Oak, some 30 countries already intend to include fingerprint biometrics on their passports. As I said, the United States is increasing its programme. In my opinion it would be utterly foolish of us not to take advantage of the advances in biometrics to increase our security, and that is the intention behind the proposal.

Mr. Wallace: If the Home Secretary is so confident in his proposal for a central database, why did the Home Office last month invite a number of technology companies and biometrics experts to submit proposals to put biometrics on cards as part of the ID scheme?

Mr. Clarke: We had a substantial discussion with the whole industry about our proposals to ensure that we work as best we can with the most up-to-date technologies. The right hon. Member for Haltemprice and Howden (David Davis) was right to say that the technology is fast moving. Many companies are involved—many British companies are in the lead, by the way—and we want to work closely with them. That is an intelligent course for us to follow.

My argument is that the ID cards system brings substantial benefits to both individuals and society and that the opt-out proposed by the Lords puts those benefits at risk. Focusing on passports and residence permits means that we can target a manageable number of people each year who will go through the process and minimise uncertainties that would otherwise apply to rolling out the scheme nationally. The benefits of the ID cards scheme will grow steadily as more people obtain their cards. By linking the process with the issue or renewal of a document such as a passport, which around 80 per cent. of the population already holds, there will be a manageable roll-out of the ID cards scheme. That is surely in the public interest. If those hon. Members who say that they are concerned about the cost of the scheme really do want to avoid excessive costs, they should accept the logic of combining the process of issuing ID cards with the issuing of passports or immigration documents.

In practice, of course, the process of obtaining a passport and an ID card will be combined in future, so issuing the two documents as a package will be just as convenient as applying for a biometric passport. When we introduce passports with fingerprint biometrics, the process of obtaining a passport and an ID card will be so similar as to make the need to combine the two quite obvious.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): The Secretary of State mentioned costs. Has his Department conducted any studies of the cost implications of the amendment? What extra costs would there be to the taxpayer if the idea of combining ID cards with passports were abandoned?

Mr. Clarke: The Department has not made a systematic, rigorous assessment of the costs that my hon. Friend describes, but we have considered the issue in principle, to see what the overall situation would be. As he implies, if the amendment were passed, the costs would be greater because they would be shared among fewer people and the implementation of the whole ID cards system would be far less assured. If the amendment proposed by the Lords were passed, the effect on both the cost and the roll-out of the scheme would be serious, but detailed costings would take some months to clarify.

Sir Robert Smith: Is not the logic of the Home Secretary's argument that, because the cost would be shared by fewer people, there is therefore less desire for ID cards in the country than he suspects? Would it not make more sense to accept the Lords amendments and respect the rights of individuals to choose how quickly the scheme is rolled out and whether they will take part in it, and thereby make it truly voluntary?

Mr. Clarke: I think that I addressed that argument earlier. We have set out from the beginning our intention to move to a compulsory scheme in two phases—I said earlier what compulsion means in this case.

Let me now deal with the designated documents. First, I confirm again that the Government's intention is to designate British passports issued to UK residents aged 16 or over, so that an ID card must be issued alongside a passport, as a package. Secondly, it is intended to designate residence permits and other immigration documents issued to foreign nationals resident in the UK for more than three months. Thirdly,

[Mr. Clarke]

we intend to issue stand-alone ID cards, but they would be issued on a voluntary basis under clause 8 and would not require the use of the designation power in clause 4.

Mr. Gerrard: Is not there a potential problem with the European convention on human rights if the Home Secretary imposes a requirement on a foreign national that is not imposed on a British citizen?

5.45 pm

Mr. Clarke: We believe that there is no problem of that type at all. The immigration documents that we are describing relate to people coming here on the basis of having to indicate their identity to gain residence permits. That is not only reasonable, as would be clear to anybody, but entirely works with the European convention on human rights and is compliant with it.

Mr. Wallace: Will the Home Secretary give way?

Mr. Clarke: No, I want to make more progress and will give way in a moment, as I said.

We do intend to designate the passport. We do intend to designate residence permits and other immigration documents. We do intend to issue stand-alone identity cards, but on a voluntary basis, not a compulsory basis. As we have always made clear, however, we believe that the legislation should be flexible enough to allow for the possibility of designation of other official documents in the future. I have said that I would want to look at the possibility of designation of Criminal Records Bureau certificates in England and Wales. There may be a good case for designating those documents, but we would need to consider issues such as the impact on volunteers, and that would be for future consideration.

In the light of some of the recent publicity, I should make it clear that, along with my right hon. Friend the Secretary of State for Transport, I have looked actively at designating driving licences, but we have decided not to do so. The Driver and Vehicle Licensing Agency already uses the passport database to check, with consent, the identity of people applying for photocard licences. That is more secure for the DVLA and more convenient for individuals, who do not have to send their passport to the DVLA. In the same way, issuing driving licences to people with ID cards will be more secure and convenient, but we have no plans to require people to get an ID card before applying for a driving licence.

I should emphasis that, as my hon. Friend the Minister of State said, mandatory recall of paper driving licences is a measure to improve the security of driving licences and has nothing to do with ID cards. My right hon. Friend the Secretary of State for Transport is considering the Government's position on the defeat in the House of Lords on the provision in the Road Safety Bill and will announce his intentions in due course.

Mr. Wallace *rose—*

Mr. Hollobone *rose—*

Mr. Clarke: I will give way in a second, as I said.

I need to make it clear that there will be no possibility of designating any document until the identity card scheme is introduced. The designation order will need to set out the exact details of the proposed class of document, with any exceptions, and will also need to specify the timetable for designation. Each designation order under clause 4 will need to be approved by both Houses of Parliament under the affirmative resolution procedure. It could not be done for any particular document, including all those that I have mentioned, without a very full opportunity for proper debate and scrutiny.

A number of my colleagues, in particular my hon. Friend the Member for Walthamstow (Mr. Gerrard), have been concerned about the process of designating documents, and I hope that the procedure that I have set out makes clear the approach that we are following.

Mr. Wallace: The hon. Member for Walthamstow (Mr. Gerrard) made the point about residence permits and human rights. What the Home Secretary has not answered—it was not answered in Committee either—is how the proposal affects the 380,000 Irish citizens currently resident in this country who enjoy a protection as a result of a separate Irish-Anglo treaty that dates back some years.

Mr. Clarke: The proposals relate to UK citizens. We are debating fully with the Irish Government and my colleagues in the Northern Ireland Office the detailed operation of the scheme in the joint travel area, which covers both islands—our island and Ireland.

David Davis: On this specific issue, I have heard from senior members of the Irish Government that if we introduce ID cards they will have to introduce them. It will have to be on a compatible basis and there will have to be information exchange between the countries. Is that true?

Mr. Clarke: I am not going to comment on what the right hon. Gentleman may or may not have been told by Ministers in the Irish Government. I will say, as I have said before, that we have had a very full discussion of those issues precisely to be able to clarify those points.

No document can be designated under clause 4 unless a designation order has been debated and approved by both Houses of Parliament. I should also make it clear at this juncture that there will be the opportunity for Parliament to debate the level of fees to be charged as the identity cards fee regime is also to be set in regulations, subject to the affirmative order procedure. All subsequent changes to the level of fees, apart from increases due to inflation, will be subject to the affirmative procedure, and will thus need the approval of both Houses. I hope that I have shown that it is essential that we have a clear and definite link between an application for a designated document such as a passport and an entry on the national identity register. That has always been our clearly stated policy.

Mr. Winnick: There is bound to be concern among opponents of ID cards that if someone receives a passport or reapplies for one their details will be entered on the register. My right hon. Friend rightly said—some people may have overlooked this—that an affirmative

order is necessary. However, given that there would be a limited debate if such an order were made, does he not accept that there is a need for a wider debate when the measure returns to the Lords, bearing in mind the principle of the matter and its crucial importance for many of us? He has accepted the need for primary legislation on compulsion, but could he go a little further than the Bill's existing provisions?

Mr. Clarke: I am glad that my hon. Friend accepts that an affirmative order is needed if any document is to be designated. There will be an opportunity for debate in the House on those questions. It will take considerable time to designate any document, so the Government would wish to announce such a proposal in advance with the aim of ensuring full debate in both Houses. I am ready to facilitate such a debate, and it is a perfectly reasonable request for the hon. Gentleman to make. I can assure him that we would seek to facilitate debate on all those matters. While it is important that Parliament has the opportunity to address them, people must accept that the key point in relation to passports, residence permits, immigration documents and the Criminal Records Bureau check is that the amount of information given by the individual to the state would be the same as it is now. It is not a question of new information coming online for the state—it is a question of putting that new information, with its biometric assurance, on to a national identity register so that it can work more effectively. Individuals will therefore not give more information to the state than they do at present. That is an important point to grasp.

Kate Hoey (Vauxhall) (Lab): If identity cards are introduced, as has been suggested, will my right hon. Friend confirm that Irish citizens living in this country will not need to have any form of ID whatsoever?

Mr. Clarke: No, I am not saying that. The Bill applies to everyone who is legally resident in this country, including Irish citizens. Once it is compulsory to register, Irish citizens resident here would be obliged to register. The common travel area is unaffected in principle by that definition, although, as I told the right hon. Member for Haltemprice and Howden, a series of practical questions arise that are subject to active discussion in those circumstances. There is no requirement or need for the Irish Government to introduce an ID card system because of what our Government do—it is for the Irish Government to make their own decisions.

Following his contact with the Irish Government, the right hon. Gentleman suggested that they would actively consider whether it would be wise to introduce a card system if we did so. I am sure that they would do so in such circumstances, but the key issue is how properly to share information. Apart from any other consideration, there are serious political issues that need to be tackled very carefully.

Mr. Hollobone: What rights would other countries have to access the UK identity cards register if we hold information about their citizens?

Mr. Clarke: None.

John Bercow *rose—*

Mr. Clarke: I was about to stop giving way, but I shall make an exception for the hon. Member for Buckingham (John Bercow).

John Bercow: I am grateful for the right hon. Gentleman's generosity. As he will know, of 45 clauses in the original Bill no fewer than 25 provided for order-making powers. He has celebrated the fact that the Government will require the use of the affirmative procedure in many instances in future, and he is perfectly entitled to do so. However, as it is vital that our proceedings are intelligible to outside observers, will he put on the record something that we in the Chamber know? If there is a debate on the affirmative procedure, that does not mean a debate on the Floor of the House. It means a debate upstairs, in a small Committee compromising no more than 30 Members and often substantially fewer. It is important that the public should not—inadvertently, of course—be misled.

Mr. Clarke: Having participated in many such debates with the hon. Gentleman I know how much he enjoys talking in Committee, often at length, on the issues involved. I believe that he does so in the knowledge that they will be reported and noticed outside.

John Bercow: Only in Buckingham.

Mr. Clarke: I know that people are well educated in Buckingham, and they will follow his contributions with particular care.

Mr. Robert N. Wareing (Liverpool, West Derby) (Lab): To pursue the question asked by the hon. Member for Kettering (Mr. Hollobone) about access by foreign countries to the register, what concerns me most about the Bill and the database is the issue of who will have access to it and who will give approval for that access. Is it possible for the intelligence services of a foreign country, such as the USA, ever to have access to the database?

Mr. Clarke: As I said a moment ago, no—perhaps my hon. Friend did not hear that answer. That is not the way in which the system will operate, and what he envisages simply could not happen. There is a clear case for the House to disagree with the Lords amendments, so I urge it to disagree with Lords amendments Nos. 16 and 22.

David Davis: May I begin by saying that I am sorry that the Prime Minister cannot be here today? I doubt that his absence will have as great an influence on the votes tonight as his previous absence, but at least the Home Secretary and I can draw some pleasure from the fact that the phrase, "Detained in South Africa" has a nicer tone today than it did 20 years ago.

I wish to discuss the national identity register much more than the piece of plastic or the biometric attached to identity card. The rather arcane subject of this debate is designation. In practice, it is the most controversial and, indeed, the most important debate that we shall hold today, because it will determine whether the ID card scheme is covertly rendered compulsory or not. In 2005, under the heading, "Strong and secure borders," page 52 of the 111-page Labour manifesto said:

"We will introduce ID cards, including biometric data like fingerprints, backed up by a national register and rolling out initially on a voluntary basis as people renew their passports."

[David Davis]

I heard what the Home Secretary said about consultation papers and so on, but any reasonable member of the public would deduce that they could choose whether or not to have an ID card when they renewed their passport. That is a perfectly reasonable conclusion to draw, but it is the opposite of what the Government intend. To justify what this Bill does, the Labour manifesto should have said: "We will introduce ID cards, including biometric data like fingerprints, backed up by a national register and rolling out initially on a compulsory basis for a progressively larger portion of the population as people renew their passports." That is the truth of today's proposals.

Faced with that fact, Baroness Scotland, speaking on behalf of the Government, tried to claim that passports are voluntary. That is not the case if someone's work takes them abroad, nor if their parents live abroad, nor if their spouse or partner is from an another country. Nor is it the case if their children travel abroad, fall sick or get into trouble. It is a novel interpretation of "voluntary" if the price of a foreign holiday is a requirement for inclusion in the national identity register. The Lords therefore amended the Bill, quite properly in my view, to remove that creeping compulsion, and make inclusion on the register optional when someone receives or renews a passport. That is what the Government are seeking to reverse, for reasons to which I shall return.

The Government may ask why that should be voluntary. If people are already getting a passport, what is the reason for turning down an identity card? There are many good reasons for not wanting to be on the national identity register, which involves a large number of pieces of data about each individual being put on a single Government database, many of them the access keys for other Government databases. That is the important point: it is a central database with access keys effectively to all the other Government databases.

6 pm

It is disingenuous of the Home Secretary to say, "We've already got all those." One of the transitions that has taken place over the past several years under the Government, and to a small extent under the previous Government too, is the removal of barriers to the transfer of information around Government. Those barriers were a protection of the liberties of the individual, and now they have gone. Many have gone for good reason—to make the Child Support Agency work, to stop terrorism, and so on—and the Bill will accelerate that process.

I ask the House to forgive me for a political point, but it is one that I care about very much. After the way the Government treated Martin Sixsmith, Pam Warren, Rose Addis and others, seeking information about them and using it to destroy reputations, I would not trust them with data about my life, let alone anyone else's.

Mr. Denham: The right hon. Gentleman has spoken about bringing together different databases and his concerns about that. Can he give me an example of two pieces of data that are currently held on separate databases that he does not want brought together, and why?

David Davis: I shall use the examples that I was discussing. When Pam Warren, the rail safety campaigner, was a thorn in the side of the Government, a special adviser, I think, was known to say, "Let's look into her political background, her sex life and other such things." *[Interruption.]* A medical database can give all sorts of information—visits to clinics, visits to gynaecologists and the like. I shall be happy to take an intervention from the Home Secretary, if he wants to tell me that in due course it will not be possible to access medical databases through the system.

When people set about trying to create an embarrassing story about somebody, the more detail and the more data they get, the better. Experts in the area have spoken to the official Opposition, and I suspect to the Liberal party as well, of their concern that the audit trail will be loaded on to the database—in other words, every point of access on the database will be logged and recorded. If those on the Government Front Bench want to challenge that as untrue, I am happy to take an intervention. No. Okay.

Chris Mole: Will the right hon. Gentleman give way?

David Davis: I listened with great interest to the hon. Gentleman's whipped speech. I have had fun before with the Whips' plants on the Government Benches. He is clearly a new addition to that group. I shall give way in a moment.

In the run-up to the debate there was an independent report about the cost and technical capability of the proposed systems—an independent report by the London School of Economics. *[Interruption.]* I expected hon. Members to groan. The Government—and, to my surprise, the Home Secretary—have been attacking the individuals who drew up that report. As a result, Howard Davies, the head of the LSE, wrote to the Government saying, "You are wrong to attack individuals who wrote the report. Sixty different people wrote it. It was peer reviewed. It was written by experts on various aspects of ID card technology." I will return to their views.

Chris Mole: Will the right hon. Gentleman make clear what the fine would be, as prescribed in the schedule, if a special adviser inappropriately and outwith the legislation accessed the sort of information that he suggested?

David Davis: Of course such a person would be fined if he were caught, but one of the problems with the proposal is that high volumes of data would be travelling round the system, and it is not good enough to say that there would be a small fine.

Let us assume that people do not care about their privacy. Let us assume they believe, as the hon. Gentleman does, that the Prime Minister, the Home Secretary, Mr. Alastair Campbell and a legion of special

advisers are all saints. Let us imagine they believe that. There are still good reasons not to want to be on the register. Let us go through them. First, there is the price.

Edward Miliband (Doncaster, North) (Lab): Will the right hon. Gentleman give way?

David Davis: The hon. Gentleman likes to make his name on economics. I will give way to him after this section.

Even on the Government's figures, the price of passports for a family of four would rise from £134 to £372. On the LSE's figures, which I trust more, the cost could be as high as £300 per person or more than £1,000 for a family of four—a plastic poll tax that the Government must fear will lead no one to volunteer for the system.

Edward Miliband: The right hon. Gentleman is much more experienced than I in the House. He is basing his case on an allegation that he made earlier in his speech, that a former special adviser tried to gain access to the privileged details of someone's sex life through Government machinery. If he has evidence of that allegation, he should put it on the table. He should not make such allegations on the Floor of the House under parliamentary privilege.

David Davis: This is the public domain. I do not know what the hon. Gentleman was doing when he was at the Treasury. Perhaps he did not read any newspapers in the past few years. That would explain quite a lot about his political performance.

Let us return to the subject of the debate. Even if people believe that the Government are well intentioned—they may be—

Martin Linton (Battersea) (Lab): Since there are only six pieces of personal information on the national identity register—name, sex, date of birth, place of birth, nationality and address—how would the collection of those data, which are already collected for passports, make it any easier or more difficult for the kind of revelations described by the right hon. Gentleman to be made?

David Davis: The primary concern is about a piece of data giving access to other databases—for example, driving licence number or national insurance number. Such pieces of information are the access keys to other databases. I shall return to that in detail, because there is expert evidence that causes concern among people who know a great deal about that.

Earlier, in Home Office questions, the Home Secretary made the dubious claim that the Passport Agency has been a tremendous success, which was sort of reiterated in an unqualified way by the Chairman of the Home Affairs Committee. The Home Secretary must have far different criteria for success from me and the rest of the country, who have seen many millions of our money squandered on that. It overran significantly and led to great inconvenience for a large number of people.

As I said to the right hon. Gentleman, four Government agencies have seen projects with a total budget of nearly £9 billion record spectacular failures, racking up a combined overspend of £33.9 billion. Even simple databases are often beyond the Home Office. Why should we imagine that it is capable of setting up the very complex register required by the Bill in an acceptable and workable way? If it goes wrong, that may manifest itself in problems and delays in getting the designated document. How much longer will it take to get a passport if we add the ID card requirements? Once we have renewed our passports, we are required to keep the Government informed of any changes. We will have to tell the Government every time we change our address, on pain of a fine of £1,000, which is quite a lot of money.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I have been listening to the right hon. Gentleman's argument and he makes the point about the alleged unreliability of Home Office IT projects. Does he agree that in fact the process being outlined for what is effectively an evolutionary process for putting data on a database is the proper and valid way to proceed in order to ensure that all procedures are tried and tested before we have the debate on compulsory registration, and that these processes can inform that debate? Should he not therefore be supporting the Government?

David Davis: The hon. Gentleman makes a decent point in truth. A large database should be introduced on an evolutionary basis and slowly. However, that could be done on a much more steady basis with a voluntary system. The point here is the strategic problem of the database itself, but I will come back to that in a moment because it is a serious point to take on.

There is also the question of inaccuracy. The Government have tried to persuade the public of the value of an identity card, but they have not considered the consequences if there are erroneous records. Many hon. Members have dealt with personal disasters that have befallen constituents when some data held about them have been wrong. As the Select Committee Chairman will know, the Home Office cannot even ensure that the Criminal Records Bureau database is accurate. At one point two thirds of it was in error, and at the last check it was one third. Those are serious errors in what should be an absolutely accurate record. So what chance with a 40 million person database? So there are many major problems even before one considers the hundreds of thousands of people who will be the victims of false positive or false negative biometric tests, as has been clear from the studies done.

Finally, there is the most important question about the whole issue—the insecurity of the system. The Government have made, in a way properly, much of the issue of identity theft, particularly with regard to terrorism. Yet their proposal—a point I referred to earlier—is to gather the access keys to virtually every Government database in the national identity register, put them on one large computer and then create many thousands of direct access points to that computer. They will have created the most attractive possible target for every fraudster, terrorist, confidence trickster and hacker on the planet. Those people will be able to lift data out and put viruses and false data in.

If the Pentagon and Microsoft cannot keep hackers from penetrating their mainframes, what chance the Home Office? Speaking about the scheme, Microsoft's

[David Davis]

national technology officer has said that a central identity database could worsen the very problems that it was intended to prevent, such as terrorism and identity theft. He said that

"ministers should not be building systems that allow hackers to mine information so easily."

So, far from protecting the public, the Government will put the individual citizen at risk by creating a culture of complacency that is based on an ill-designed and ill-thought-out scheme.

Incidentally, this is yet another area where the Government mounted a mendacious attack on the independent LSE report. I will deal with that in detail because it is rather important. The section of the report that highlights the very serious security flaws in the proposed system was written not by an antagonist of the identity card system, but by somebody who favours identity cards, Dr. Brian Gladman, the ex-technical director of NATO, who had an eminent career in the British military ensuring the security of our military computer systems. He himself has said:

"the UK ID cards programme as now envisaged will create safety and security risks for those whose details are entered into the system."—

that from an avowed supporter of ID cards.

6.15 pm

Ed Balls (Normanton) (Lab): I have listened carefully to the right hon. Gentleman's speech and he has made a series of arguments that have not been easy to follow, but as far as I can see, almost every one of them is equally an argument against the Home Office running a passport system using a computer on which identities are stored. I struggle to understand why he is against ID cards, but in favour of passports. His main point seems to be that passports are compulsory, so if ID cards are applied to people with a passport, they will become compulsory too. But is he really saying that passports are compulsory?

David Davis: I am afraid that I do not take responsibility for the hon. Gentleman not being able to understand something. It is as simple as this, and if he listens he may understand. There is a national identity register. It is a central database system. It has many thousands of access points around the country. It has to do so because that is the way it works. It is different from most other identity card systems around the world. The compulsory ones are largely localised databases, not national, and that is why they cost only about £4 a head, not the sort of cost that this system will engender when we see it.

In a moment of frankness last year, the Minister for Immigration, Citizenship and Nationality admitted that the Government had exaggerated the value of ID cards in the fight against terrorism. He was very honest, he always is, and I give him credit for that. But as Dr. Gladman suggests, the truth may be far worse. The creation of the national identity register may create a mechanism that will actually allow terrorists to operate under the radar more effectively, undetected until their plans come to fruition. All of those are good reasons for individual citizens not to want to put their details on the national identity register.

Mr. David Blunkett (Sheffield, Brightside) (Lab): Will the right hon. Gentleman confirm that the whole purpose of having a clean identity base is to ensure that once someone's identity has been verified by taking the biometric, that biometric can then never be used by anyone else? If someone takes someone's identity to begin with, they would have to continue with that identity for the rest of their lives. Therefore, the purpose of a clean identity base nationally is to achieve what the Conservative party paraded as its policy before the election, namely, an understanding of who is in the country, who is entitled to work, who is entitled to services and to ensure that those who are not, are precluded from working, drawing down on free services or being involved in other such ventures. Is that not the case?

David Davis: The right hon. Gentleman makes a point that he adheres to honestly and straightforwardly, but on which we differ, and that is that it is possible for the proposed system to be entirely clear and to have perfect integrity. When we were considering the early stages of this when he was still Home Secretary, I went to see the Metropolitan police, at that point under Sir John Stevens—I know a favourite of his—and I talked to him and all his deputy commissioners about their interest in the system. I put to them a question that I subsequently put to his previous advisers, to the Cabinet Office advisers, and to the briefers who talked to us about this at various stages. The question was this: how will somebody be prevented from putting a virus into one of the many thousands of access points in the system to change a piece of data, for example, relating to me, by inserting a little programme that says that every time a question is asked about me, answer yes?

Mr. Edward Leigh (Gainsborough) (Con): It may get the other Mr. Davis.

David Davis: There are many with the name David Davis. That would be a major disruption for the entire country of Wales. But the simple point was that we received no answer and we still do not have one. That is the point that the Microsoft specialist in this area has made: that it is a very vulnerable exercise to create what he called a honeypot for fraudsters, conmen, thieves, terrorists—

Lynne Featherstone (Hornsey and Wood Green) (LD): Will the right hon. Gentleman give way?

David Davis: I have not finished answering this question. I will give way to the hon. Lady in a moment. The right hon. Member for Sheffield, Brightside (Mr. Blunkett) deserves a clear reply because he will know more of the inwardnesses of this than many others.

The second point with regard to creating a clean database is that, as the right hon. Gentleman will know, whoever creates it will have to have some originating documents. One of our concerns about this was the prospect that people would come in from mainland

Europe and have three months clear, without doing anything, but even if they did nothing for three months, they might come in with documents that were cleared in another part of Europe that is perhaps a little less careful than we are. I will not insult any particular country by picking it out, but they do exist and the right hon. Gentleman knows as well as I do who they are.

Earlier today, we heard concerns about the common travel area and the Irish Republic, and although we do not know what the outcome will be, that issue represents a 5 million-person hole in the system. Given the value of corrupting the system, the size of the system and the fact that all the data will be in one place, people will try to corrupt the system and—I hate to say this—the likelihood is that they will succeed. The right hon. Gentleman has asked a good question, but his argument is not right.

Lynne Featherstone: Does the right hon. Gentleman agree that the disproportionate basis on which people from different communities are likely to be stopped, searched and therefore have their information accessed on the database is another good reason not to introduce such a database? And does he know whether the Minister has conducted a proper race impact assessment and, if so, have the proposals been changed?

David Davis: I am not aware that such a race impact assessment has been conducted. The hon. Lady is right that the system will be disproportionate in a variety of interesting ways, and it will disproportionately affect minority communities in some respects. Early adopters on the database are likely to be the least risky people. A person who poses a risk to the country at large will not want to sign up for a passport or any other documentation, if they can avoid doing so. For example, an illegal immigrant would clearly not want to sign up for such documentation, and many others would take the same approach.

It looks like the system will not bite for the best part of a decade, so it will not do any good for the best part of a decade. Why are the Government breaking their manifesto pledge to make the first stage voluntary and insisting on this covert, creeping compulsion? The answer is simple: they know that this expensive, cumbersome system will never be popular once it is up and running, and they will therefore contrive every method possible to ensure that the massive majority of the population are already signed up, whether they like it or not, before the question of compulsion is put before Parliament again. Whether the method involves a super-affirmative order or whether it involves primary legislation, 70 to 80 per cent. of the population will be in the system before we re-examine the matter, which will be presented as an inevitable development.

John Bercow: Does my right hon. Friend agree that it is a question of not only numbers signed up, but money spent? Will he accept that the Government, who should be candid enough to acknowledge this fact, are seeking to create a ratchet whereby so much money is spent—wisely or unwisely; for good or ill—that the point will come when Ministers have the temerity to argue that not proceeding to compulsion would waste that money?

David Davis: My hon. Friend is exactly right. The Government want us to face an argument of inevitability. They will say, "We have got a huge sunk cost. The vast majority of the population is on the system already—why not make it everybody?" That will seem eminently practical and sensible, but the benefits will not have accrued, because, as Ministers know, if the ID cards system is going to do many of the things that the Government claim, it must be compulsory—carrying an ID card will probably have to be compulsory, too, but we can address that point in five years' time.

Passports will ensure that some 80 per cent. of the population is on the register in a decade. I was mildly surprised by the Home Secretary's remarks about driving licences, because the Government tried to take the power to recall all driving licences in the Road Safety Bill. The Home Secretary has said that that was not to allow further designation for ID cards, and I must believe him, but the Lords did not believe him, and they blocked the measure. That is not an issue now, although it might have been, but it is another reason not to allow the Government the right to enforce this creeping compulsion.

There is a final, serious matter of principle. The way in which the Government have gone about tryir g to deliver this Bill is of a piece with what they have done to other hard-won rights of the British people. The ID card will make no difference to serious security issues for at least a decade, if ever, and the difference may not be positive, too. Before then, this House will make a serious and considered decision about compulsion. Let us not allow ourselves to discover at that point that we have inadvertently already made that decision. Let us not discover too late that we have sleepwalked into the surveillance state. Let us protect the British citizen's right to choose, and this House's eventual right to decide. Let us reject the Government amendment this afternoon.

Mr. Denham: I shall begin by saying something that will comfort the right hon. Member for Haltemprice and Howden (David Davis). Again, I shall quote the Home Affairs Committee report on ID cards, which addressed the question of the use of language:

> "For most people, to travel abroad and to drive are fundamentals. It cannot be argued that these would be given up voluntarily. To describe the first phase of the Government's proposals as 'voluntary' stretches the English language to breaking point."

Ministers have got themselves into a little bit of unnecessary difficulty through that choice of word.

In reality, people must accept that if they want a passport, they will have to go on to the national identity register, and the question is whether that is justifiable. As a supporter of ID cards and the national identity register, it seems to me that that approach is right and sensible. It would be nonsense to go through the entire process of collecting one set of biometric data and storing it with all the relevant background information for the purpose of issuing a passport, and then to run an entirely separate exercise in parallel to collect slightly different biometric data and store them on a different identity register in order to have an ID card system. Running the two systems together will be far more convenient for the citizen, and it makes much more sense in terms of building a system that has integrity and security. Furthermore, it will certainly be far more cost-

[Mr. Denham]

effective. Moving towards ID cards and a national identity register means that using passports as a designated document is the sensible way forward.

To be fair, the right hon. Member for Haltemprice and Howden spent most of his speech attacking the principle behind the measure rather than the use of the word "voluntary". He attempted to argue that we should not require people to go on to the national identity register as part of the process of obtaining a passport because the risks posed by the national identity register are so immense that it is unjustifiable to ask people to go on to it. That basic contention lies at the heart of the entire debate about ID cards, but those fears are misplaced.

The scheme's opponents have failed to make substantive arguments. I know that it is slightly bad form to quote one's own intervention and the response to it, but I shall do so on this occasion. When the right hon. Member for Haltemprice and Howden made a powerful point about the dangers of bringing different databases together, I asked him to name two pieces of data that are kept separately and that he thinks it would be dangerous to bring together. Hon. Members will have noted that he could not name two pieces of data that we should not put together in one place. He mentioned medical records and criminal records, which have nothing to do with ID cards, and names and national insurance numbers are stored together on plenty of databases. He could not establish what would go wrong if two particular pieces of data were stored together.

Mr. Wallace: Does the right hon. Gentleman agree that the register will contain extra detail that is not currently held on other databases, such as the footprint of questions put to the new database and when someone last went to a doctor? It will also contain NHS numbers and criminal record numbers, which will be taken from one database and put on another.

Mr. Denham: The hon. Gentleman has not made the case why different bits of data should not be brought together.

David Davis: When the right hon. Gentleman raised that point, I was dealing with amusing heckling. I shall take up his point in a way that may embarrass my party, but never mind. A previous Chancellor—he is now Lord Lamont—became known as our "flexible friend" because of one or two pieces of data in relation to a credit card. The simple point is that it allows fishing expeditions, which people undertake if they are trying to embarrass somebody or to find something that puts them in a difficult position. The easier those fishing expeditions are, the more dangerous it is to the privacy of the individual.

6.30 pm

Mr. Denham: Let me say in passing that two of the suggestions made by Opposition Members about what would on the database are incorrect. The right hon. Gentleman says that there will be fishing expeditions. That is to assume something unjustifiable—that nothing in the law that we are being invited to pass, nothing in the system of regulation, and nothing in the system of oversight can ever be expected to work. He conjured up an image of huge numbers of individuals with a right of access to the database. First, that is not true. Secondly, those people who will be allowed access to the database for the purposes of crime prevention, for example, would be able to do so if they were not able to access that information in another form. Given that all the information is already on a Government database and can be accessed under existing crime-fighting powers, the Bill gives no significant increase in access to the people about whom the right hon. Gentleman is worrying.

The only new issue that arises is that of the audit trail about an individual registration. That would be subject to exactly the same controls that exist on access to information that is already on the Government database. Throughout this debate, not only today but previously, I have struggled to understand exactly why access to that audit trail by proper and regulated authorities for the purposes of crime prevention is seen as massively detrimental to the interests of the individual. It is not; in fact, it is just as likely to be of value to the individual. Let us take as an example the hypothetical situation of a Chancellor of the Exchequer who had been accused of shopping in Thresher's when he wished to say that he had been in no such place. In those circumstances, the individual would have had access to the audit trail and been able to prove that he had been nowhere near Thresher's on that occasion. The audit trail is of far more advantage to the individual than to any other authority.

Frank Cook: Is it not true to say that these checks can be done only with the cardholder's prior consent?

Mr. Denham: That is right, with the exception that is always there in law of the detection and prevention of crime, which is subject to its own specific regulation and oversight. It is well established in this House, and has been on many occasions in relation to many sources of information, that we have given the police and the security services access to that information for the purposes of fighting crime and defeating terrorism. The Bill introduces no new principle and no new threats to the individual.

John McDonnell (Hayes and Harlington) (Lab): My right hon. Friend is going through the arguments in a cogent way that will convince many people. We may be able to introduce more and more safeguards into the system through encryption and so on, but the key issue on legislation of such importance is to ensure that we have the confidence of the British public. We can do that in two ways—by putting it to them in a general election in which they can vote for that system, or by having them buy into the system through personal decisions. When we put it to them in a general election, they voted for a voluntary system. The Bill does not allow them to have that, and the only way in which we can give it to them is by an individual decision on a voluntary basis, as the amendment suggests.

Mr. Denham: As my hon. Friend knows, manifestos are funny things. I thought that I had read the education

section fairly carefully until I read the education White Paper. One is never quite sure what is really in the manifesto until a few months later.

It has been pretty clear throughout that the Government intended to link the issuing of ID cards and the establishment of a national identity register to passports. That has never been a secret. It was clear at the time of our Select Committee report, when we were working on the assumption that driving licences would also be included. There has been no deception of the public. No danger is brought about by bringing the data together.

Mr. Cash: Will the right hon. Gentleman give way?

Mr. Denham: I should like to make a little progress.

Furthermore, no significant danger has been introduced by access to audit trails, given that that is supervised. The third question is whether the database can, by virtue of its very existence, be hacked into by people trying to get a list of identities that they can use to mimic or fake them in some way. Of all the issues in the debate, that needs to be taken the most seriously. When our Committee heard a wide variety of technical evidence on these questions, I was convinced that there are no insuperable or unknown technical obstacles to designing the database in such a way as to make it free from such attack. There will be a huge responsibility on Home Office Ministers and their team to get those technical questions right, but it is an entirely resolvable problem.

Chris Mole: Does my right hon. Friend agree that the fundamental assumption that underlies the errors in people's conclusions about this is that there is two-way traffic? From the majority of verification points, people do not have access to the data in the central database. They are able only to submit data about the individual concerned to the central database and get back a yes or no confirmation as regards their identity. It is wrong to conclude that those access points create weakness in the security of the system.

Mr. Denham: I am grateful to my hon. Friend for making that point. To listen to some speakers, one would think that the national identity register will run live, rather like national rail inquiries on the internet, so that one can go in and access information. That is not how it will operate. There will not be lots of live access points with people interacting with the system and being able, for example, to get viruses into it.

It would be possible to say, "For the elimination of all doubt, let's not do this." That leads to the conclusion that it would be better not to have a Revenue and Customs computer or any other type of computerised system that could allow for hacking and destruction. The gains of this system, to our society and to individuals, vastly outweigh the risks that can be identified.

David Taylor (North-West Leicestershire) (Lab/Co-op): Is it not an heroic act of faith to suggest that few, if any, weaknesses can be attributed to the likely design of the system? The history of IT systems in the past 20 to 30 years is one of determined and ingenious individuals circumventing and overcoming such low obstacles as might prevent their being hacked into. That will not give much reassurance to potential Winston Smiths.

Mr. Denham: I am one of those—I am sure that there are many others in this House—who carries out most of his banking transactions on the internet. The risks to individuals and society of having any type of internet exchange of financial information are vastly greater than anything to do with a national identity register, yet we have not banned internet banking. The vast majority of problems have arisen from individuals volunteering their own information to fraudsters. The existence of a huge variety of very sensitive internet applications that are used with great confidence across the world, day in, day out, should give us the confidence to believe that this important project can be delivered and will work.

Mr. Carmichael: I begin by picking up a point that the right hon. Member for Southampton, Itchen (Mr. Denham) made. I hope that I do not misrepresent him when I say that I understood him to argue that all the information exists on various Government databases and it is therefore not objectionable to bring it together, and that exceptional access to it would be allowed only for the prevention and detection of crime. If I have misrepresented him, he can intervene—he does not wish to do that, so I presume that I have not.

I have never been one to allow the facts to get in the way of a good rant, but when I listened to the right hon. Gentleman I had occasion to examine the terms of the Bill. Clause 1(3) sets out the statutory purposes for the maintenance of the national identity register, including:

"the provision of a secure and reliable method for registrable facts about such individuals to be ascertained or verified wherever that is necessary in the public interest."

The public interest is defined in subsection (4). It includes

"the purposes of the prevention or detection of crime".

However, it also includes

"the interests of national security ... the purposes of the enforcement of immigration controls ... the purposes of the enforcement of prohibitions on unauthorised working or employment; or"—

the widest example—

"the purpose of securing the efficient and effective provision of public services."

It is difficult to imagine what would not be covered under the latter.

Mr. Denham: The hon. Gentleman is not distinguishing between the elements of the Bill that allow access to audit trails without the individual's permission—crime fighting—and other aspects, under which individuals can use their identity cards, for example, to identify themselves to use a public service. It is dangerous to run the two elements together as though they are the same.

Mr. Carmichael: The right hon. Gentleman cannot get away from the basis on which access is to be administered. It clearly goes beyond what he outlined.

John McDonnell: My right hon. Friend the Member for Southampton, Itchen (Mr. Denham) made a

[John McDonnell]

comparison with internet banking. That is entered into on a voluntary basis, with a voluntary acceptance of potential risk. Registration will not be done on a voluntary basis and the acceptance of risk, which could be dramatic, is not voluntary.

Mr. Carmichael: The hon. Gentleman makes an excellent point, to which I cannot add. Given the constraints of time, I do not intend even to try. However, he brings me neatly to my first substantive point, which deals with compulsion.

My noble Friend Lord Phillips of Sudbury put the matter nicely when he moved the amendment in another place. He stated:

"We seek to replace compulsion by voluntarism. Citizens should not be forced to have ID cards. Compulsion is far too often resorted to by the modern state. That comes from an intensely managerial culture in which regulation rules. That sits uneasily with fundamental rights such as privacy and voluntarism. This Bill is an authentic clash between such rights and managerial efficiency."—[*Official Report, House of Lords*, 23 January 2006; Vol. 677, c. 957.]

That outlines well the divide between the Government and us on the amendment.

I must also reinforce the point of the right hon. Member for Haltemprice and Howden (David Davis) about the Labour manifesto commitment, which is worth reading into the record. It states:

"We will introduce ID cards, including biometric data like fingerprints, backed up by a national register and rolling out initially on a voluntary basis as people renew their passports."

The Home Secretary has already accepted today that the process of designating documents, especially passports, brings with it an element of compulsion. That is why the Government want to include the word "must" in the Bill, while we believe that it should be "may". I do not understand how the Government can square that circle or perceive their comments today as anything other than a blatant breach of their manifesto commitment.

Approximately 85 per cent. of the population hold passports. If we are to link the identity register and identity cards with the renewal of passports, when we pass the second Bill—which we shall eventually be allowed to discuss—there will be, as the hon. Member for Buckingham (John Bercow) said, an irresistible momentum behind compulsion. The argument will be presented that we already hold the information and that it would therefore be such a waste if we did not move to compulsion. The designated documents mean compulsion by the back door.

6.45 pm

I am worried by the way the Government have tried to conflate the sensible case for biometrics for passports—when we debated the matter in Committee, we stressed that we did not object to that—and the use of biometrics for identity cards. There are several important distinctions to be drawn. First, passports will hold considerably fewer biometrics than are proposed for identity cards. Passports will not be subject to the same footprint through the database that is to be attached to the national identity register. A much wider range of information will be held under schedule 1 on the identity register than that held in relation to a passport.

Schedule 1 provides for "personal information", including name,

"other names by which he is or has been known . . . date of birth . . . place of birth . . . gender . . . the address of his principal place of residence in the United Kingdom . . . the address of every other place in the United Kingdom where he has a place of residence."

The "identifying information" includes the biometrics and the photograph. Provision is made for "residential status" and no fewer than 13 "personal reference numbers", which include

"any driver number given to him by a driving licence".

Surely that cannot be described as akin to the limited information that is held in relation to a passport.

Mr. Cash: Schedule 1(4)(l) also provides for

"the number of any designated document which is held by him and is a document the number of which does not fall within any of the preceding sub-paragraphs".

The list is almost endless.

Mr. Carmichael: Yes. One almost feels that the great expression, "for the avoidance of doubt", which featured in our debate on the Racial and Religious Hatred Bill, should precede that provision. It is a lovely piece of Sir Humphrey double-speak.

Mr. Cash: It is reminiscent of the Ashbury railway case.

Mr. Carmichael: The hon. Gentleman begins citing case law, but I shall resist his blandishments.

The Government sought to justify the measure by claiming that it will enable us to catch up with other European Union countries. Twenty other EU countries have ID cards. In 10 countries they are compulsory, and in the other 10 they are voluntary.

Mr. Wallace: Is the hon. Gentleman as shocked as me that, contrary to the Home Secretary's assurances that Irish citizens will have to hold an ID card or be on the register, the Irish Nationality and Citizens Act 1956 and the Ireland Act 1949 mean that Ireland's citizens in the UK are treated as UK citizens in UK law and will therefore not be required to hold an ID card or appear on the register?

Mr. Carmichael: The hon. Gentleman is more easily shocked than me if that shocks him. However, he describes the position of the Irish citizen more clearly than any Government Front Bencher, so I commend him for hat.

It is worth reminding ourselves of what we compel people to do by insisting on a compulsory link between a designated document and an identity card. We are not considering an innocuous little piece of plastic, but everything that underpins it: the national identity register and its database and the occasions, places and purposes for which it is used. The Government are trying to foist on us a position whereby we will leave a footprint of where we have been, what we have done and why we have had to access public services.

Kate Hoey: The hon. Gentleman referred to the Labour manifesto, which made it clear that identity cards were to be voluntary. Does he agree that if the

Government were so confident about the success of ID cards they would agree to their being voluntary? If they were so good, and if everyone could see how wonderful they were, everyone would sign up for one. Surely this creeping compulsion shows that, despite the Home Office having wanted to introduce them for years, Ministers do not feel very confident about them deep down.

Mr. Carmichael: I am beginning to wish that we had voted against the programme motion, because 90 minutes is clearly insufficient time for a debate such as this. However, the hon. Lady has done me a service, in that she has made my last point for me. If everything that the Government claim about identity cards were true, they would not need to be compulsory because everyone would want them. Clearly it is not, and clearly they do not. That is why the Government want compulsion.

Martin Linton: People listening to this debate might be in danger of getting a little confused, because the first 90 minutes have been taken up with a debate about whether the cards should be voluntary or compulsory. I agree that we were right to accept the earlier Lords amendment to require separate primary legislation on this issue. Constitutionally, we now know where we are, and that is a much better way of doing things.

This amendment is also about the argument between compulsory versus voluntary. Here, however, I agree with the Government. I oppose the Lords amendment because it is important to preserve the requirement for the decision on the national identity register to be taken at a later stage. In the short term, very little will happen. When we apply for a passport, we already have to give our name, address, date and place of birth, sex and nationality. Those six pieces of information are then stored on a separate database known as the national insurance register. I waited for the right hon. Member for Haltemprice and Howden (David Davis) to reveal why the provisions would have the effect of making secret information more accessible. I waited in vain, however, because he never came to the point.

The Government already have many databases that contain that same basic information. The electoral register, for example, contains our names and addresses. The Inland Revenue possesses the names and addresses, and many more details, of 40 million people, and the national insurance register contains the details of 60 million people. I believe that eBay has a database of 157 million users.

Mr. Wallace: Will the hon. Gentleman give way?

Martin Linton: I will not give way, because we are reaching the end of the debate. The key question is whether the existence of these databases gives anyone unauthorised access to confidential information, and the answer totally eluded the right hon. Member for Haltemprice and Howden. We never discovered from him how that could happen.

Lynne Jones: Will my hon. Friend give way?

Martin Linton: As my hon. Friend knows, we have only four minutes left in this debate, and I have not intervened on others.

A voluntary ID register makes no more sense than voluntary bus fares or voluntary juries. The huge benefits that will come to the citizen, to the Government and to private industry with the introduction of ID cards are to a large extent dependent on it being compulsory for everyone's name to be on the national identity register. The figures in the Home Office benefits overview show that we could draw benefits worth £1.1 billion from the existence of such a register, but that we would draw 100 per cent. of those benefits only if we had 100 per cent. take-up. With only 50 per cent. take-up, the benefits would be less than 10 per cent. of that figure. This is precisely the point that the amendment does not deal with. With a take-up of only 60 per cent., the benefits would be less than 20 per cent. Only when we pass the 80 to 90 per cent. take-up rate will the benefits of this legislation really come to us.

The lion's share of the benefits, in financial terms, will come from fraud prevention and the reduced cost of crime. Only a small benefit will come, in the earlier stages, from the greater efficiency of public services and from more effective control of work permits and visas. If we had a low take-up, we would see significant benefits only in public services and in immigration, although the savings would still be well worth having to organisations such as the Criminal Records Bureau, the Driver and Vehicle Licensing Agency, the Department for Education and Skills and the immigration and nationality directorate.

To reduce fraud, however, we need everyone to be in the scheme. As long as we are allowed to present alternative forms of identification, such as utility bills, the people who intend to commit fraud will do just that. It is ironic that hon. Members who were concerned about the weakness of List 99 and the sex offenders register should have missed the point that those weaknesses are in large part due to the lack of any way of being sure of someone's identity. The Criminal Records Bureau has estimated that the time needed to carry out a check would come down from four weeks to three days if we had ID cards. More importantly, the result of that check would be much more secure.

The other point that we have missed is that the largest beneficiary of a full ID card system would be not the Government but the citizen. When someone has their identity stolen, they do not usually lose out financially. It is the bank that loses, and passes the cost on to other users. According to the Home Office, the benefit of ID cards would amount to about £420 million for the citizen, and a similar amount to industry, but only about £240 million to public services. We have only to consider the costs and benefits of the ID card system to see that—

It being one and a half hours after the commencement of proceedings on Lords amendment No. 16, MR. SPEAKER, *pursuant to Order [this day], put forthwith the Question already proposed from the Chair.*

The House divided: Ayes 310, Noes 279.

Division No. 158] **[6.56 pm**

AYES

Ainger, Nick	Armstrong, rh Hilary
Ainsworth, rh Mr. Bob	Atkins, Charlotte
Alexander, rh Mr. Douglas	Austin, Mr. Ian
Allen, Mr. Graham	Austin, John
Anderson, Mr. David	Bailey, Mr. Adrian
Anderson, Janet	Baird, Vera

Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Harmon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Iranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Keetch, Mr. Paul
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Killoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oliver, Mr. Bill
Osborne, Sandra
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Widdecombe, rh Miss Ann
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Mr. Ian Cawsey and Claire Ward

NOES

Abbott, Ms Diane
Ainsyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clark, Ms Katy
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Corbyn, Jeremy
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Dunwoody, Mrs. Gwyneth
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Fisher, Mark
Flynn, Paul
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gibson, Dr. Ian
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hoey, Kate
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Hopkins, Kelvin
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Marshall-Andrews, Mr. Robert
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McCrea, Dr. William
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Riordan, Mrs. Linda
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Short, rh Clare
Simmonds, Mark
Simpson, Alan
Simpson, Mr. Keith
Smith, John
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wood, Mike
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes: Angela Watkinson and Sir Robert Smith

Question accordingly agreed to.

Lords amendment No. 16 disagreed to.

MR. SPEAKER *then proceeded to put forthwith the Question necessary for the disposal of business to be concluded at that hour.*

Clause 8

ISSUE ETC. OF ID CARDS

Lords amendment: No. 22.

Motion made, and Question put, That this House disagrees with the Lords in the said amendment.—*[Joan Ryan.]*

The House divided: Ayes 310, Noes 259.

Division No. 159] **[7.12 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Leeper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Palmer, Dr. Nick
Pearson, Ian
Pickthall, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*

Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Wallho, Lynda
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Widdecombe, rh Miss Ann
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Claire Ward and
Mr. Ian Cawsey

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Opik, Lembit
Osborne, Mr. George
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Webb, Steve
Wei, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger

Williams, Stephen	Wright, Jeremy
Willis, Mr. Phil	Yeo, Mr. Tim
Willott, Jenny	Young, rh Sir George
Wilson, Mr. Rob	Younger-Ross, Richard
Wilson, Sammy	
Winterton, Ann	**Tellers for the Noes:**
Winterton, Sir Nicholas	**Angela Watkinson and**
Wishart, Pete	**Sir Robert Smith**

Question accordingly agreed to.

Lords amendment No. 22 disagreed to

Clause 1

THE NATIONAL IDENTITY REGISTER

Lords amendment: No. 1, page 1, line 3, at beginning insert

"Subject to section (Commencement: report on costs and benefits),"

The Parliamentary Under-Secretary of State for the Home Department (Andy Burnham): I beg to move, That the House disagrees with the Lords in the said amendment.

Mr. Speaker: With this we may discuss Lords amendments Nos. 68 to 70, Government motions to disagree thereto and amendment (a) in lieu thereof.

Andy Burnham: I should say at the beginning that the Government support amendment (a), tabled by my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson) and, should the need arise, the Government will move it.

The amendments cover the requirement for openness in relation to the costs of the identity card scheme. That is a legitimate request, with which I shall deal head on. It is of course desirable that as much information as possible about the scheme is placed in the public domain. However, it is true to say that that aim has to be balanced by the need to secure best value in an open procurement process and to adhere to the guidelines for such Government procurement.

We have two legitimate aims, therefore, that pull in opposite directions. We have to seek to resolve that tension and strike a balance. We believe that my right hon. Friend's amendment does just that, with subsection (4) being the crucial element. By contrast, the alternative amendment passed by the other place is heavy-handed and prescriptive and would not allow us to achieve best value in the procurement process. It would of course also be something of a precedent to accept that amendment and we will resist it.

We have made available a full account of the costs of the identity card scheme and we are pleased this evening to account again for the costs and explain them in some detail. We touched on the issue earlier in the debate, and we heard some inaccurate and misleading comment designed to undermine public confidence in the scheme. Some even claimed that a card would cost as much as £300. I would not pay £300 for an identity card, and nor would I expect my constituents to do so. Those costs, I am pleased to say, are completely wrong.

Mr. Wallace: Does the Minister agree that his comments would carry much more weight if No. 10 Downing street had not published the somewhat fatuous report on the £1.7 billion cost of identity fraud that was pulled apart by experts on both sides of the argument?

Andy Burnham: The hon. Gentleman should be cautious about rubbishing the figures that were placed in the public domain, not by No. 10 Downing street but by the identity fraud steering committee, which works under the auspices of the Home Office but brings together a range of partners from the public and private sectors and is engaged in a serious attempt to tackle a real threat. I am sure that the figure placed in the public domain underestimates the true cost of identity fraud. The hon. Gentleman is wrong to suggest that it was a cynical exercise. The group has been meeting for some time and its methodology and the breakdown of its figures were placed in the Library. I urge the hon. Gentleman to look at the detail if he has not done so already.

Mr. Hollobone: Does the Minister recognise the public's concern that the costs of the scheme might be better spent on more police officers on the beat and tighter border controls? There is natural suspicion that the costs of any Government procurement scheme, especially one involving IT, are likely to exceed the amount stated, not fall below it.

Andy Burnham: I have two points to make in response. First, it is not a case of either/or. The hon. Gentleman will know—the point has been made many times—that this Government have invested significantly in police on the beat and we are proud to have done so. His main point—and a mistake made by the Opposition throughout the debate—is the suggestion that a pot of funds is sitting in the Home Office to pay for the entire scheme and that it can easily be directed to another Home Office priority. The whole premise is that the basis of funding the scheme will be the same as for passports: the costs of running the passport service are predominantly recovered from the fees people pay for their passport. That principle will continue when we introduce a biometric ID card system.

7.30 pm

Mr. Garnier: May I draw Members' attention to the Minister's letter of 7 February, which was sent only to Labour Members? In attacking the London School of Economics' report on the costs of the project, he said:

"The LSE also allocated an inflated £1 billion marketing budget and assumed a much higher loss/theft rate than is the case for existing documents."

Was not the Minister aware when he wrote the letter that the Government had received a denial of that point on 5 August 2005 when the LSE responded to the Government response to the LSE report? Surely he was aware that the LSE status report issued in January 2006 stated that it had made no such estimate. Would he care to correct that erroneous allegation, which continues the line of ad hominem attacks that he and his colleagues have made on Simon Davies and his colleagues?

Andy Burnham: It is entirely legitimate for the Government to point out what we believe were flaws in the LSE report—

Mr. Garnier *rose*—

Andy Burnham: I am answering the hon. and learned Gentleman's point, so perhaps he could give me a moment to do so.

I am pleased that the hon. and learned Gentleman has attached himself to the parliamentary Labour party mailing list—I do not know what his intentions are. He will see from my letter that, based on our scheme, the main cost driver assumed by the LSE is incorrect. The LSE assumed a five-year refresh rate for biometric enrolment, but there is no evidence to support that as the main assumption for the scheme—the major basis on which we have challenged the LSE figures, because they would add enormous costs to the scheme.

I do not want the debate to go over the ground of the LSE report. I will answer some of the points raised in it later.

Mr. Garnier: Can we get a straight admission from the Minister that the allegation in his letter, that the LSE allocated an inflated £1 billion marketing budget, is wrong? If that is true, where does it appear in any of the LSE documents? There is no point in the Minister trying to avoid the point: is it true or not? He has been told by the LSE that it is not true, so why does not he tell the House what he thinks?

Andy Burnham: I do not intend to debate the detail of the LSE report. If I need to correct anything, I shall write to the hon. and learned Gentleman, but I can say with confidence that the LSE figures have moved around somewhat. In a discussion with me in the House, one of the authors of the report said publicly that they would have to "revise downwards" some of the figures. It has been quite hard to keep track of the some of the LSE figures, but I do not want the debate to be purely about that point.

Martin Linton: Will my hon. Friend give way?

Andy Burnham: I want to make some progress.

My two key points are, first, that the costs of the scheme are both realistic and affordable for the Government and the individual citizen and, secondly, that it is worth making the investment now because Britain does not have a high-standard, comprehensive system of identification. We have published the expected costs of issuing ID cards, and the current best estimate of the annual average running costs of issuing ID cards and passports to British citizens is £584 million, from the start of the ID scheme, including the cost of compiling and running the national identity register.

Mr. David Drew (Stroud) (Lab/Co-op): I am pleased that the figure has been made public, but does my hon. Friend accept that some of us still have concerns about the cost? The biggest problem is the cost of the IT infrastructure. We do not want another Rural Payments Agency problem, where the IT was renegotiated as the scheme was being introduced, so it would be helpful if the Government said that, rather than hiding behind commercial confidentiality, they are prepared to share such information with the House so that we can be sure that the IT consultants do not run off and make a bomb out of the proposal. Does my hon. Friend agree?

Andy Burnham: It is precisely because we do not want people running off and making a bomb at the expense of the taxpayer that we are proceeding as we are. As I said earlier, we recognise the tension between running, and getting best value from, a procurement process and the need to be open and accountable by putting as much information as possible in the public domain. Those are two conflicting aims, but in the amendment tabled by my right hon. Friend the Member for Holborn and St. Pancras we begin to see a way to resolve them. I agree with my hon. Friend the Member for Stroud (Mr. Drew) inasmuch as we want to put information into the public domain as early as possible, but without fettering our ability to secure the cost and keep it down when we go to market. A person would not ordinarily say how much they had to spend before trying to obtain the best price from a supplier, and that principle holds good for this exercise.

Mr. Mark Todd (South Derbyshire) (Lab): It may help my hon. Friend to learn that when I questioned IT professionals who are hoping to take part in the tender, they said that the LSE figures were entirely speculative, bearing in mind the degree of knowledge about the project, but they added that the Government's were too. There is no proper basis for estimating such a project without much greater knowledge about its purpose and its specification. Does my hon. Friend agree?

Andy Burnham: I note my hon. Friend's point about the LSE figures. On the Government's figures—the main thrust of his question—he will know that we commissioned an independent assessment from KPMG. It looked in detail at the business case for the scheme and concluded, in an independent summary that we placed in the Library, that it was "robust and appropriate". We have not opened up the whole report to Members, so some of the details will have to be taken on trust, but I can assure my hon. Friend that that was KPMG's conclusion and I urge him to refer to the document, which suggests that our figures have some validity.

Glenda Jackson (Hampstead and Highgate) (Lab): Will my hon. Friend set out how the Government are approaching the commissioning of the enormous contract for a database that must be pushing at the envelope of IT knowledge? The Government's track record in commissioning computer-based technology is disastrous—as was that of the previous Government—so how are they approaching it differently to ensure that we do not experience, as we have in the past, vast overruns and increases in expenses in a programme that is not fit for purpose?

Andy Burnham: My hon. Friend is right to note that the project is a major undertaking and will require significant sums, and I shall set out in detail how much we expect to spend. I have two points in response to her question. If we said that because there had been problems in the past we would never embrace new technology and never make significant investment in a project that could bring improvements, that would be the wrong approach. However, I assure her that we are basing the delivery body for the scheme on that of the UK Passport Service. It had problems a few years ago, but they were not related to the introduction of the IT system, and it has since emerged as one of the highest-performing public sector organisations and is extremely well equipped to deliver the scheme cost-effectively.

Mr. John Gummer (Suffolk, Coastal) (Con): I am not against identity cards in principle, so I ask this question

[Mr. John Gummer]

in kindness, rather than anything else. Does the Minister agree that there has been a pretty long trail of failures by all Governments in implementing IT and that this Government have had a number of such failures, which he perhaps underestimates? Has he conducted an inquiry into those failures? Will he place in the Library the list of lessons that the Government have learned from the failures of the past, so that we can estimate whether they will be able to handle what is, on all accounts, a very large order of magnitude in changed technology?

Andy Burnham: I hesitate to ask whether the right hon. Gentleman has experience of such matters. Governments of both colours have had negative experience in that regard, but it is precisely because of some of the past procurement problems that the Office of Government Commerce gateway process has been established. As he will know, that involves private sector expertise at every stage of a major project to consider its readiness and whether the associated risks are adequately addressed. The scheme has been through a series of gateway reviews, and I assure him that that directly builds on experience learned from past failures. Some of the people involved in the process have been involved in other major public and private sector procurement. *[Interruption.]* Obviously, they have clearly learned the lessons and know exactly what they are doing now. The serious point is that the scheme is being closely examined, and we seek to make as much information from the gateway process available as possible. I take on board the right hon. Gentleman's point.

Mr. Brooks Newmark (Braintree) (Con): I am not satisfied that the Minister has answered the question asked by the hon. Member for Hampstead and Highgate (Glenda Jackson). The tax credit fiasco suffered from enormous IT overruns, and when the Government tried to fix them the costs went up even further. I wonder whether the Minister still shares the Home Secretary's confidence that he will not only hit the target of about £540 million, but beat it?

Andy Burnham: I do share that confidence. Let me develop the point that I made in response to my hon. Friend the Member for Hampstead and Highgate (Glenda Jackson). It is not correct to say glibly that the scheme is directly comparable to the Child Support Agency. They are not analogous, and we are describing a very different function. Before hon. Members run away with the idea that the scheme is intended to encompass everything, let me say that it is a basic identification scheme that will hold biometric details.

Let me refer the House to the experience of the United States since 11 September. The US has introduced biometrics into its immigration system pretty much from a standing start, and they are now used for all visas around the world and for people going through US customs control. Such schemes are workable. They are in use today. The British Government are increasingly using biometrics. We have progressively introduced biometrics into visas, and that process is beginning to be implemented around the world. A biometric is being used in applicant registration cards for asylum seekers, and we are seeking to build on such relevant experience.

Mr. Todd: May I draw my hon. Friend's attention to the need for greater transparency, which might provide reassurance? He referred to the fact that only a summary of the KPMG report has been published. It would certainly be helpful if the whole report were published, and commercial confidentiality would not be affected in doing so. The OGC gateways could readily be disclosed, at least in summary form. It is welcome that the Government have commissioned a concept viability report on the project, and it could also be made available. I have yet to see it, and it would have been useful to have seen it before the debate.

7.45 pm

Andy Burnham: I take on board my hon. Friend's general point. I hope that, after this evening's vote, the discussion will change from one about whether or not the scheme should happen to one about how it will happen. I think that that important distinction will quickly take root in people's minds. I embrace my hon. Friend's point of view. It would not be right to proceed with a scheme of such national significance with any sense of a culture of secrecy. We will seek to put as much information as possible into the public domain, but as he will understand from his experience before first coming to the House, that must be balanced by a requirement to secure best value from what will be a major procurement process. We need to keep those two things in mind.

On independent scrutiny, an independent project assurance group is reviewing cost, project management and IT implementation and bringing together a range of experienced stakeholders. The biometric assurance group, chaired by the Government's chief scientist, Sir David King, will review that specific aspect. So there is independent scrutiny, but I take on board my hon. Friend's point that we should seek to make more information available as and when we can.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. When the Minister turns to speak to his hon. Friend, he is not only turning his back on the occupant of the Chair, but, more importantly perhaps, taking his voice away from the microphones, which makes it very difficult for the *Official Report*. I hope that he will bear that in mind.

Andy Burnham: I certainly will, Mr. Deputy Speaker, and I apologise for any inconvenience.

I want to stress to the House that the £584 million cost of issuing passport and identity cards includes all the existing costs of issuing passports through the United Kingdom Passport Service, together with the developments that will be needed over the next few years to introduce biometric passports, starting with passports incorporating facial images and moving to biometric fingerprints. About 70 per cent. of the cost of issuing identity cards, alongside passports, is attributable to the introduction of biometric passports. Let me put that figure into perspective.

The figure of £584 million includes the baseline figures for the operation of the UK Passport Service, which in 2006–07 is expected to be some £397 million. That is the organisation's running cost in carrying out its core responsibility of issuing passports to the British public. Essentially, the difference between those two

figures—about £200 million—is what we are debating. That is the extra cost that the identity card scheme will place on the public, and it is the set-up costs of establishing the scheme, which were mentioned by my hon. Friend the Member for Stroud.

Stewart Hosie: The figure of £200 million represents the non-passport element of the scheme, but is the Minister convinced that that will be the total required to tackle insurance fraud, payments fraud, banking and building society fraud and finance and leasing fraud? It seems a rather small sum if it is intended to tackle all £1.7 billion fraud identified by the Government.

Andy Burnham: I am making the point that that figure relates to the budget for issuing biometric passports and identity cards to the public. The perspective that needs to be taken is that ID cards do not account for the whole of that amount. The hon. Gentleman makes my point partly for me: £1.7 billion is the annual cost to the UK of identity fraud, so the benefits case begins to stack up for the scheme.

I will summarise the additional costs over and above those of biometric passports that the scheme would place on the Government, as shown in the regulatory impact assessment. First, the costs include covering the whole resident population aged 16-plus, rather than just the 80 per cent. of British citizens who will have passports by 2008. Secondly, they include recording, matching and storing three types of biometric information—face, fingerprint and iris—rather than one, which is the current standard required for the first generation of biometric passports. Thirdly, they include providing an online identity verification service that can validate ID cards and other identity inquiries for user organisations in the public and private sectors. That is what we are talking about this evening, and it is important to apply that perspective to the scale of the costs.

Lynne Jones: The current passport application support system is a 10-year private finance initiative and, as my hon. Friend said, that must be part of the £397 million for the Passport Service's running costs. Is the £584 million for both capital and revenue costs? Will it be a similar sort of PFI scheme?

Andy Burnham: My hon. Friend asks a fair question. The £584 million relates to the cost in its totality of issuing biometric passports and ID cards and, crucially, of enrolling people. That is where the bulk of the costs of the process would be. It would be an annual cost that the expanded Passport Service would need. She is right to suggest that it is possible that payment for some of the set-up costs of the scheme could be delayed into the running costs of the scheme. That would be a way of financing the scheme that would require the private sector to fund the scheme up front, and the costs would be recovered over a longer period. Those would, quite properly, be issues for the procurement process. Obviously, we will seek to secure the best deal for the taxpayer when we make the decision.

Lynne Jones: Is my hon. Friend saying that if it is not a PFI scheme, which would have an annual running cost, there will be an additional capital cost to begin with that is "revenüised" into the £584 million? What proportion of the £584 million is for the operation of the verification scheme?

Andy Burnham: I will be honest with my hon. Friend. Some of these issues have not been decided yet. They will be decided when the procurement phase gets going properly. It is true that there are up-front set-up costs at the start of the scheme that fall to the Home Office. As I have explained, we have decided not to make those costs available at the moment because that would prejudice our ability in the middle of the procurement process. However, I can tell my hon. Friend that those costs will be much less than the annual running costs of the scheme.

John McDonnell: Will my hon. Friend give way?

Andy Burnham: I now want to make progress.

We have said that the costs should not be fully divulged as that will limit our ability to secure value in the market, but I can say that the annual set-up costs will be much less than the annual running costs. Our published running costs for issuing identity cards do not include future costs that may or may not be incurred by other Government Departments that will use identity cards as a way of improving their services to the public.

John McDonnell: Can my hon. Friend inform the House what calculation was made about the income from fines in relation to clauses 6 and 7 of the Bill that we have just deleted?

Andy Burnham: The answer is that no such decisions have been made at this point.

As I was saying, the costs do not include the costs incurred by other Government Departments as a way of improving their services to the public any more than they include the costs to private sector companies, such as banks or building societies, that decide in the future to use identity cards as a way of verifying people's identity. Indeed, it would be odd if they did.

Decisions on any future investment—for example, in IT systems that might be required to make the best use of identity cards—will be made in due course, and not now, by the organisation concerned on the basis of a cost-benefit analysis.

Mr. Newmark: Will the Minister give way?

Andy Burnham: I shall now make some progress.

Public services will use the scheme if there is a net benefit to them. The work that we have undertaken so far shows that there would be a net benefit for many public and private sector organisations. There may be many net benefits to a wide range of organisations and the Government have already published a high-level summary of likely future benefits in the "Benefits Overview" paper, a copy of which is available in the Library of the House. It suggests, we believe, conservatively that the quantified financial benefits of the identity cards scheme will range from £650 million to £1.1 billion per year once the scheme is rolled out fully.

[Andy Burnham]

Our business case is therefore sound and, as I explained, it has been reviewed by the Office of Government Commerce gateway reviews.

Martin Linton: My hon. Friend mentioned the benefits review. The figure of £1.1 billion is for the expected benefits of the ID scheme and it includes £570 million savings from the prevention and reduction of ID fraud. Since he published those figures, he has revised his estimate of the total amount of ID fraud from £1.3 billion to £1.7 billion. Has he, or his officials, done any work to estimate whether he should therefore revise the figure for the benefits expected from the scheme?

Andy Burnham: That is a good point. Of course, we keep the benefits case under review and it changes as the scheme develops and as different organisations see how it might benefit them. My hon. Friend is absolutely right to suggest that the figure is a conservative estimate of the benefits that the scheme may bring. In fact, once the scheme is comprehensive, the benefits may be far greater.

Mr. Todd: Will my hon. Friend give way?

Andy Burnham: I will give way but I want to wrap up my remarks pretty soon.

Mr. Todd: My hon. Friend is being very generous. He has referred to the potential savings, but one of the puzzles in the presentation of benefits is that, although there is reference to potential private sector participation in the project—that will be critical to delivering the savings—no companies have come forward to suggest their enthusiasm for the project or their willing participation in it. I have puzzled over that conundrum; has he?

Andy Burnham: We have been in a different phase of the scheme. The debate has been happening in the House and in another place and, in those circumstances, one might expect that people would not want to intrude on the debate. I suspect that, now the scheme has received a pretty strong endorsement from the House, there will be considerable interest from the private sector in delivering it. I would be surprised if that were not to be the case. I am confident that the capability exists within the market to deliver a high-quality scheme.

Mr. Gerrard: My hon. Friend has not addressed many of his remarks to the Lords amendments and the reasons for preferring the amendment tabled by my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson). I note that there is a difference. The Lords amendment talks about costs and benefits whereas that of my right hon. Friend talks about costs. I suspect that taking references to benefits out of the report would not shorten it by much but, more importantly, my right hon. Friend's amendment takes out references to all Government Departments. When costs are published over the next period, it is important that we do not see just what is happening in the Home Office but what is happening in other Government Departments as well. So far, there has been no information whatever on that.

Andy Burnham: As I said a moment ago, it is a decision for those Departments how and when they engage with the creation of the national identity register. It is up to each Department to make its own business case about whether the investment that it would need to make is justified. At the point at which it makes that decision, it is a matter for it as to whether it puts that information into the public domain. I am saying to my hon. Friend that that is not a crucial element on which our costings rest. We believe that we are delivering something of public benefit that people will want to use, but such information is not a crucial plank on which the costings that we have put before the House are based.

Mr. Garnier: Will the Minister give way?

Andy Burnham: I will now make some more progress.

In order to provide even further reassurance, we commissioned KPMG and its report recognised the high quality of the outline business case and confirmed that the majority of cost assumptions were based on appropriate benchmarks and analysis from the public sector and suppliers.

Lynne Jones: Will my hon. Friend give way?

Andy Burnham: I will make progress now, but I hope to give way before I end my remarks.

The Home Office benefits will, of course, play a significant part in realising the strategic benefits of the overall scheme, including protecting identity for the citizen, helping to reduce crime, protecting our national security, reducing the problems of illegal immigration and illegal working and enabling more efficient and effective delivery of public services. The running costs of the identity cards scheme will be funded from fees charged to passport and ID card applicants or to users of the identity verification service or from within existing departmental budgets. The fact that the bulk of the costs will be covered from fees means that, as I explained to Opposition Members earlier, without these fees, there is simply not a pot of money that could be diverted to other uses—whether it is more police officers or more immigration officers.

The published unit cost of the joint passport and identity card package is £93 for both documents—a passport and ID card. The Home Secretary has also announced that it would be affordable to issue a stand-alone identity card for a fee of about £30, or £3 a year over 10 years. The Home Office agency that will be established to issue identity cards and incorporate the existing UK Passport Service will publish corporate business plans, as well as annual accounts. The full business case will be subject to extensive review—both internal and Treasury review—and challenge prior to the signing of contracts on identity cards.

8 pm

My hon. Friend the Member for Walthamstow (Mr. Gerrard) urged me to comment on the detail of the Lords amendments. We cannot accept that there should be such an unprecedented review of the estimated costs of the identity card scheme, which would cover 10 years and the consequential costs that could fall on other Departments, before the Bill can come into effect. Such

a review would not be necessary. It would be unprecedented that a Bill to fulfil a centrepiece manifesto commitment could be implemented only after a report on cost estimates had been completed, which would be the effect of Lords amendment No. 70. The logic behind the amendment is fundamentally flawed. It would appear to have been motivated by a desire to keep costs down, but, in practice, it would limit our ability to do precisely that.

I am pleased to say that we are persuaded that we should include a commitment in the Bill to publish regularly—at six-monthly intervals—reports to be laid before Parliament, as is proposed in the new clause tabled by my right hon. Friend the Member for Holborn and St. Pancras. The measure is sensible, balanced and would not put value for money at risk. As I mentioned, subsection (4) of the new clause would allow the Home Secretary to decide to withhold information that might prejudice the procurement process.

Lynne Jones: Is it not true that the KPMG report examined cost centres that amounted to only 60 per cent. of the operating costs? Did that not leave a big hole in the assessment? If we are to have such six-monthly reports, by what mechanism may we take the decision that the costs are out of control and thus stop the scheme from going ahead?

Andy Burnham: I make it clear to my hon. Friend that KPMG had access to the scheme's full business case and that its report went into considerable detail about the scheme. It concluded that the £584 million running costs that we had published were "robust and appropriate".

Lynne Jones: KPMG actually said that the methodology for determining those costs was accurate, but did not put a figure on them.

Andy Burnham: My hon. Friend has examined the information that the Home Office has put out assiduously. KPMG examined the methodology behind the entire business case in considerable detail. She is right that it considered 60 per cent. of the assumptions underlying the scheme, but it gave the figures to show that the identity cards team produced a clean bill of health.

We are giving a commitment today on the six-monthly reports in response to the amendment tabled by my right hon. Friend the Member for Holborn and St. Pancras precisely because we want to be as open as possible and to allow people to get up-to-date information about how the scheme is progressing. Indeed, the reports could be a helpful focus for the Home Office when it ensures that the costs are kept under control. If the costs change in the way in which my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) suggests, a public debate on those costs will follow. As I said to my hon. Friend the Member for South Derbyshire (Mr. Todd), she can be confident that we want to put as much information in the public domain as possible, while respecting the wish to get the best possible deal for the taxpayer.

I hope that the House will disagree to Lords amendments Nos. 1, 68, 69 and 70. As I indicated, we will support the much more sensible and workable amendment that has been tabled by my right hon. Friend the Member for Holborn and St. Pancras.

Mr. Garnier: There is a growing air of scepticism in the Chamber, and the longer the Minister spoke, the more the scepticism became apparent. He said that there would not be a special pot of money to prevent Home Office funds for the police and other necessary forms of security from being spent. However, one is of course always reminded of the Prime Minister's remarks in 1995 when he criticised the then Home Secretary, my right hon. and learned Friend the Member for Folkestone and Hythe (Mr. Howard), by saying:

> "Instead of wasting hundreds of millions of pounds on compulsory ID cards as the Tory Right demands, let that money provide thousands more police officers on the beat in our local communities."

What goes around turns around.

The longer the Minister spoke, the more it became abundantly clear not only that members of the public do not read party political manifestos, but that Ministers do not read their own manifestos. No sensible person who read the Government's manifesto could have reached any conclusion about the natural and ordinary meaning of the words other than that the scheme would not be anything other than entirely voluntary. The likely costs of the scheme reinforce the Government's wisdom of writing such words into their manifesto.

Martin Linton *rose—*

Mr. Garnier: I give way to the hon. Gentleman, whose copy I used to save from libel writs when he was writing for "The Grauniad".

Martin Linton: The hon. and learned Gentleman might remember that when he was night lawyer on *The Guardian* and I was night news editor, a quote passed over his desk that read:

> "If we are serious about tackling this problem, there is one obvious remedy: identity cards."

Does he need to be prompted to recall that those were the words of the right hon. and learned Member for Folkestone and Hythe (Mr. Howard) at the Conservative party conference?

Mr. Garnier: I was paid to prevent libels, not to read the newspaper—*[Laughter.]*

Madam Deputy Speaker (Sylvia Heal): Order. Perhaps we can get back to the Lords amendment under discussion.

Mr. Garnier: The Minister is keen for us to be assured that we will be able to trust entirely the figures that his Department will come up with if the amendment tabled by the right hon. Member for Holborn and St. Pancras (Frank Dobson) is accepted. However, we must see the situation in the context of a report by the Comptroller and Auditor General. He had to report to the Home Office and the public at large that the Home Office had fallen down on its 2004–05 resource accounts. Let me pick out one or two paragraphs of the report so that hon. Members can get an idea of the context of our debate. The report also addresses the concern expressed by the hon. Member for South Derbyshire (Mr. Todd) about the absence of proper accounting assumptions in several of the Minister's assertions.

[Mr. Garnier]

Paragraph 10 of the report said that the Home Office accounts for last year

"contained numerous errors and internal inconsistencies. In particular, amounts relating to cash, Exchequer funding and non retainable income due to the Consolidated Fund were contradictory and did not reconcile between the different places in which they appeared in the accounts. There were also material omissions and misstatements".

Paragraph 14 said:

"Difficulties were encountered in the transfer and cleansing of data, and staff were not trained to use the new system on a timely basis. These problems and delays, together with a lack of understanding of the new accounting system, meant that the Home Office could not use data from its new accounting system effectively to produce a cogent set of accounts to the required faster closing and statutory timetables."

Paragraph 15 cited:

"control weaknesses within key Information Technology applications including access to the system, inadequate segregation of duties, the creation of standing data and the ability to interrogate and monitor changes made."

It continued:

"These weaknesses made access to the database by unauthorised staff possible, representing a risk to the integrity of Adelphi data and exposing the Home Office to a greater risk of fraud and error."

Let us go back to paragraph 11, which refers to the second draft accounts, which, unlike the first draft accounts—which were delivered rather late—were delivered only two days late. It states:

"The amounts in the revised accounts had changed significantly from the first draft. In particular nearly every major balance was markedly different. To illustrate the scale of the movements: the amount owed to the Exchequer by the Home Office of £68 million in the September draft accounts became an amount owed by the Exchequer to the Home Office of £112 million in the December draft accounts. This swing is due to major changes elsewhere in the accounts resulting in a change to the cash required by the Home Office."

The Comptroller and Auditor General went on to say that because the Home Office was incapable of implementing its new accounting system, it had been

"unable to reconcile its cash at bank position".

Paragraph 16 continues:

"Bank reconciliations are one of the most fundamental of all accounting controls as they enable payments, receipts and cash balances to be validated to an external source and provide assurance about debtor and creditor balances. They are also a key control for the prevention and detection of fraud."

Other references in the Comptroller and Auditor General's report were equally impolite. In paragraphs 21 and 22 he criticised

"Poor controls and weaknesses in the audit trails maintained over the assignment of access rights; Absence of checks made against Human Resources records to ensure that new users are authorised, and leavers are removed promptly; Absence of controls to detect unauthorised access to the database"

and

"Over reliance on the Home Office contractor to undertake security checks, and a lack of effective processes to address the risks this exposes the Department to".

If that is what the Comptroller and Auditor General says about the Home Office's accounts, it is perhaps not in the least bit surprising that other Departments have not found it convenient to hand over to the Home Office their assessments of the costs, workings, assumptions and accounting practices of their work in preparing for the great day on which the ID cards system is introduced and the national identity register comes on stream. In autumn, just before Christmas, I took the trouble to table written parliamentary questions to all the spending Departments, including the Home Office, to ask what work they had done to prepare for the national identity register and what cost estimates they had made. Even the Treasury said that it had done nothing to prepare for the great event. I suspect that it had done nothing because it did not want to become embroiled in an unquantified, unquantifiable and hugely expensive financial disaster, which the project seems likely to become.

The least that we can expect from the Government is openness and transparency, but so far no credible reason has been advanced in this House or in the other place—I have not heard one this evening either—for preventing the House of Commons from having a right of scrutiny in respect of the huge sums of public money that the Government intend to spend on the ID cards system and the national identity register scheme. Whether we spend £5.84 billion over 10 years, as the Government suggest, or the £19 billion to £24 billion that the London School of Economics report suggests, makes no difference to the principle. The House must know what it is giving the Government permission to spend.

There has been no willingness to be candid about the start-up costs, the capital costs, the transaction costs, the volumes or a host of other necessary details. I am driven to the conclusion that the Minister is not quite clear on what those concepts are. That puzzles and worries me.

8.15 pm

Mr. Newmark: Does my hon. and learned Friend agree with the hon. Member for Birmingham, Selly Oak (Lynne Jones), who made some excellent points? Even if we go with the Government's assumption of £540 million, the key point is that KPMG did not stand behind that figure, but—to use its words and those of the hon. Lady—it did stand behind the costing methodology and the key assumptions. KPMG recommended improvements, such as a

"sensitivity analysis, revisiting the process for estimating contingency and revisiting some cost assumptions."

The point about a sensitivity analysis is that there is some doubt about the cost figure of £540 million that the Government have come up with and that KPMG has decided that further analysis is needed.

Mr. Garnier: My hon. Friend, who comes to the matter with some years' experience in the financial services industry, is entirely right, as was the hon. Member for Birmingham, Selly Oak (Lynne Jones). By not giving a candid explanation, the Government are falling down in their obligations to the House and to the public. I suspect that the United States Congress got more candour out of the Pentagon on the projected costs of the stealth bomber than we are getting out of the Government on the IT project that we are discussing.

Mr. Todd: May I reiterate the point that there were false expectations of the KPMG report? To be frank, there is no

way in which there can be any certainty at this stage about the cost of the project. KPMG produced a fancy consultants' report—I used to commission such things—that says, "On the one hand, this; on the other hand, that; and here's the outcome", but we cannot be anything but completely uncertain about the costs of the project. I hope that that helps the hon. and learned Gentleman.

Mr. Garnier: It merely confirms that a Government who do not know what they are doing ask a distinguished firm of accountants to produce a report that answers no useful questions and we are no further on. No doubt the public were required to spend several hundreds of thousands of pounds on fees to obtain that rather unhelpful answer. In any event, the end picture is not a happy one for the Government, and it is certainly not a happy one for the taxpayers of this country.

May I put to the Minister a point with which he did not seem to want to get to grips? The letter that he wrote on 7 February was sent only to his own colleagues and is written on House of Commons writing paper. It is interesting that it could not go out on Home Office paper—first, because I do not imagine that the Home Office civil servants would have put their name to such a letter or allowed it to go out from their Department; and secondly, because it contains a statement that is, to put it at its lowest, highly disputable and that illustrates the Government's conduct of this debate. The Minister says in the letter to his hon. Friends:

"The LSE also allocated an inflated £1 billion marketing budget and assumed a much higher loss/theft rate than is the case for existing documents."

The Minister either knows, or has failed to pick up the fact, that on at least three occasions the authors of the LSE report have made it clear to the Government that they made no such assumption and that they included no such figure in their report. If we were outside Parliament and if, for example, we were considering the concept of express malice in a defamation action, that letter would be evidence of it. As we are here, it does not apply.

Andy Burnham *rose—*

Mr. Garnier: The Minister wishes to intervene. I shall accept his intervention.

Andy Burnham: I am very grateful to the hon. and learned Gentleman for accepting my intervention. To be clear about this, he will know that page 3 of the LSE report states that its costs were based on a Kable spreadsheet, which allocates £1 billion to marketing. If it wishes to correct that and say that it is not the case, I would be happy to accept that. I made that point at a meeting with LSE representatives present. On that basis, and on a number of other points, they said that they would be prepared to revise their figures downwards. That is the basis on which we make our point, and I hope that he now has clarification of that.

Mr. Garnier: Let me help the Minister. The claim that he reiterates for the fourth or fifth time was first made in the Home Office response to the LSE alternative blueprint issued in July 2005, which stated that the LSE

"had estimated marketing costs of between £500 million and £1 billion."

In the LSE reply, issued on 5 August 2005, it noted:

"The LSE report did not set out an estimate for marketing costs or indeed for any line item of that nature."

The LSE's status report issued in January 2006 states that it had made no such estimates and even suggested in a footnote a possible explanation for the confusion. The Minister repeats the error again and again.

Andy Burnham: The hon. and learned Gentleman's colleagues have repeated in the media and in the House the original assumptions on which the report was based by giving the figure of £300 and saying that the scheme could cost up to £19 billion. Those were the original estimates that were used to justify the headlines. It is entirely appropriate for us to point out where we believe those costs to be inflated.

Mr. Garnier: The debate is becoming a little sterile and circular. Where the basis of a belief is confounded, it is normally best to start believing something else.

Lynne Jones: The Minister said that the LSE revised its costs downwards because of the durability of the card, but that is not the case. It has maintained its arguments on durability, and it had a range of durability estimates. Where it has revised its costs down is in relation to the interviewing process. It originally assumed that everyone would be interviewed to get verification of their biographical details. The Government explained that that was not going to be the case. As a result, the LSE revised those costs, which are a small element of the scheme, downwards.

Mr. Garnier: If I have not reset the Minister's mind, I sincerely hope that the hon. Lady has done so, but I am not at all confident that either of us will have succeeded.

I support Lords amendment No. 70 and want to address amendment (a) in lieu, which the Government intend to support, tabled by the right hon. Member for Holborn and St. Pancras. The hon. Member for Walthamstow (Mr. Gerrard) made the eminently sensible point, which came straight out of Lords amendment No. 70, that it requires a detailed estimate not just of the revenue and capital costs, but of the expected benefits. He is right to say that a clause without proposed subsection (2)(b) would not be much shorter than one with it. However, it seems that the policy behind Lords amendment No. 70 is much more rigorous and candid, and it would produce a much more sensible and open understanding of the Government's financial estimates and expectations, than the amendment drafted by the right hon. Gentleman. There is nothing in Lords amendment No. 70 of which the Government should have any fear. Indeed, they have half sold the pass, in one sense, by agreeing to support the amendment.

The Government say that the annual running costs are broadly £584 million. Multiply that by 10 and we get the £5.84 billion that people have talked about. For one year, starting in late 2008, the figure would be £584 million. The LSE report, which came out last June, put the figures over a 10 year period in a range of £10.6 billion to £19.2 billion. If the Home Office's annual figure of £584 million is representative of costs

[Mr. Garnier]

over 10 years, we get a total of £5.8 billion. The Government say that the fee will be £93 for a passport and £30 for an identity card, and they imply that the fees are driven from the £584 million cost estimate.

So far so good, but if the LSE report is right, the fee for a passport could be between £170 and more than £300, and the cost of an ID card could rise to more than £100. As I understand it, the Government have refused—they may have changed their mind today—to cap fees. The implication is that if costs rise, so too will fees. There is plenty of research to show that the acceptability of the ID scheme declines as its costs increase. The opinion polls started off by showing that people were greatly enthusiastic about the scheme, but that support steadily declined as the public came to realise that not only is it not going to assist in the several ways that the Government say it will, but that it will be increasingly expensive.

The Home Office has produced some analysis in an attempted rebuttal of the LSE's figures, but the lines of attack have been about a few specific assumptions. There has not been an open and detailed debate between the LSE and the Home Office. That is a pity, to say the least. I understand that last summer the LSE found some areas on which it had overestimated costs, but also some areas in which it had underestimated costs. In the latest report, which it issued in the middle of January this year, it stands by its original estimates.

Subject to the problem that the Home Office has in marshalling accounts of any sort, it cannot be beyond it to produce a report that contains a detailed estimate of the revenue and capital costs arising from the Bill, and it cannot be beyond it to produce a statement in the format of resource accounts, a statement of cash expenditure, and a statement setting out the material assumptions that were made in preparing the cost estimate. Nor can it be beyond the Home Office to provide the necessary subsidiary detail of the cost estimate, as set out in proposed subsection (4)(a), which states:

"the actual costs incurred in the period from 26th April 2004",

which is when the original Bill was published,

"to the date to which the cost estimate is prepared",

and in paragraph (b), which states:

"the costs that are estimated to be incurred during a period of 10 years after the date to which the estimate is prepared"

or such longer period as the Secretary of State may determine.

All of those are things that accountants have to do all the time. They are all projects which, as the hon. Member for South Derbyshire said, are commissioned by business men and women in far smaller operations than the Home Office and, probably, in far bigger operations. It is not an unusual accounting exercise, and it is extraordinary that the Government are reluctant to undertake it.

The Government say that there is a better idea in amendment (a), which the right hon. Member for Holborn and St. Pancras has tabled in lieu of the Lords amendments. I shall not cite the entire amendment save subsection (4), which is where the cogency of his argument falls to pieces:

"If it appears to the Secretary of State that it would be prejudicial to securing the best value from the use of public money to publish any matter by including it in his next report under this section, he may exclude that matter from that report."

The amendment leads us down a path of wonderful expectation—at last, a new Labour Government are going to be candid about their extraordinary project on identity cards and the national identity register—only to hand over to the Secretary of State the subjective ability to pull the report if he does not find it convenient. I urge the House not to be mollycoddled into thinking that the preceding provisions will ever be delivered if subsection (4) remains part of the right hon. Gentleman's amendment.

8.30 pm

Even if the subject is dull and uninteresting, this is an important area of debate. The supply of Government money from public funds—from our constituents' pockets—should be controlled by the House, and the Government should make clear to the House what they intend to do with our constituents' money. They have never provided us with sensible estimates of the capital or revenue costs, still less the benefits, as the hon. Member for Walthamstow implied. Now that the Government are on the retreat on compulsion under clauses 6 and 7, it is time that they went a little further and condescended to do justice not only to the House but to the wider public by providing them with access to their thinking and their methodology on those huge costs. Whether they are £5.8 billion or £20 billion over 10 years, the principle remains the same. We are entitled to know—we have a duty to know—and the Government have an obligation to disgorge that information.

Frank Dobson (Holborn and St. Pancras) (Lab): I wish to speak to amendment (a), which I tabled in lieu of Lords amendments Nos. 1, 68, 69 and 70.

My amendment would impose a requirement on the Government to report every six months to the House on the latest estimated cost of the ID scheme, if it goes ahead. I do not support the Lords amendments because they deal exclusively with the initial estimate. History suggests that it is not the initial estimates that are the problem but the actual costs. Although the Government support my amendment, I believe that the ID scheme will not provide value for money. It will not bring an end to terrorism, and if a great deal of credit fraud affects the credit card and debit card industry it is not the taxpayer's job to help those commercial organisations. We ought to behave as the Victorians did with cheques. There was a simple law on cheques—if someone did not sign the cheque and the bank paid out, the loss was the bank's, not the account holder. If we took that robust attitude on debit and credit cards we would be a lot better off. You can bet your boots that those commercial organisations, which want us to bail them out when they suffer from fraud, would quickly find a way of stopping the problem.

Several hon. Members *rose—*

Frank Dobson: I should like to try to make progress.

The Government estimate that the scheme will cost £6 billion. If someone came up to a Member in the Chamber and said that they would give them £6 billion to make the country safer only to be told that ID cards would be introduced, that Member would be taken to the funny farm before they had time to draw breath. I am therefore not very keen on the proposition, to say the least.

As I have said, it is not the initial estimate or its nature or make-up that bothers me. IT systems companies such as EDS and Siemens appear to be competing for the title of intergalactic rip-off IT merchant of the decade, and have ripped off the public and private sectors time and again through their negligence, incompetence and stupidity, usually resulting in massive costs increases for users and huge delays. Our first job as the House of Commons, save to protect the security of the nation, is to control the raising and spending of taxpayers' money It is not overstating the case to say that a considerable number of people are doubtful about the Ministers' original estimates of the cost of the ID scheme. Nobody should suggest that that springs from deliberate deception, but all IT schemes seem to have had substantial cost overruns—with the exception, I might say, of NHS Direct, which did not involve any outside consultants, was done entirely in house, and worked.

I am prepared to accept at face value Ministers' original estimate of about £6 billion. The problem is that if we go on as we usually do, several years hence we will happen to learn from an article leaked to a newspaper or some technical IT journal that the costs have gone into the stratosphere. My amendment will require the Government to report to the House regularly every six months, so that if huge increases are taking place, it will not be too late for us to say stop.

The original £6 billion estimate may turn out to be correct, in which case my hon. Friend the Minister and the Home Secretary will have brought about a modern miracle. As I understand it, having demonstrated a miracle, they would qualify for canonisation as saints during their own lifetime. I think that that is unlikely and that we can expect sudden huge escalations in costs, but if we pass my amendment, we will know and be able to take action to stop it before it is too late.

People may argue that contracts may have been let. Contracts should provide for termination if they go over certain limits and, ideally, require those who have taken the contract costs over the limit to repay the money that they have already squandered. That is going a little far these days, with the delicate organisations with which the Government deal, but it should be done nevertheless.

I do not accept the comments of the hon. and learned Member for Harborough (Mr. Garnier) about subsection (4) of my amendment, which provides for the Government to withhold not a report, but any matter in the report if it would prejudice their relations with any of the outside contractors. It would be foolish for us to require of the Government to identify that they are putting X hundred thousand, million or billion pounds in the budget for a particular contract at the point when they are seeking bids from outside organisations. That would be to the disadvantage of taxpayers, and the point of my amendment is to put taxpayers at an advantage and stop them being ripped off, as they have been so regularly and scandalously in the past.

Mr. Garnier: Is not the problem that over the past year or so, and during debates in this place and the other place, the Government have refused to be open and candid, as the right hon. Gentleman thinks that they will be, on the basis of commercial confidentiality? That is ingrained in their DNA. We need to be persuaded that they have changed their mind. They say that they will support his amendment, but their whole way of life in the conduct of the Bill has been to shut up and refuse to give information because they say that that would spoil everybody's confidential commercial arrangements.

Frank Dobson: The wording is:

"If . . . it would be prejudicial to securing the best value from the use of public money".

The Government therefore could not claim that they were securing the best value from the use of public money after some contract had been let. That covers the hon. and learned Gentleman's point.

All that I am doing is giving the House an opportunity for us to do our job. I can commend my amendment both to those who are for identity cards and to those who are against identity cards. For those who are present who are in favour of identity cards, voting for my amendment is a vote of confidence in the accuracy of the Government's estimates and the likelihood that they will prove to be true. There cannot be anyone who is in favour of identity cards who does not believe that the true costs should not be known, and that will also have the effect of bringing pressure to bear on the IT firms to make low bids, because otherwise they will go over the top of the £6 billion figure, and it will maintain a constant pressure both on civil servants and on the contractors to keep the costs low. Those arguments are intended to appeal to those who are in favour of identity cards.

If, like me, Members are not in favour of identity cards, instead of a vote of confidence, it is a vote of scepticism. It enables us to put the chocks under the wheel of the ID card wagon if it starts running down—or running up—the hill of cost escalation. I am in what might be described as a unique situation in that I can advocate my amendment to those who are in favour and those who are against for them to pursue their totally opposing reasons and attitudes to ID cards by voting for one single amendment, and that is why I commend it to the House.

Mr. Carmichael: It is a pleasure to follow the right hon. Member for Holborn and St. Pancras (Frank Dobson), whose speech I enjoyed. He has persuaded me that there is more merit to his amendment than I had first seen in it. Had he attached to the report some sort of sanction, as exists in the Lords amendments, I would certainly have been much better disposed to his amendment. I particularly enjoyed his description of the IT companies as intergalactic swindlers, or something to that effect. The thought did just slip through my mind as to what epithets he would apply to the Ministers and civil servants who wrote the cheques and completed the contracts with these IT companies in the first place.

[Mr. Carmichael]

It will not be lost on the House that the Minister spoke for 40 minutes. For the first 36 minutes of his speech, he did not make any reference at all to either the Lords amendment or the amendment moved by the right hon. Gentleman.

Andy Burnham: I began by addressing both amendments. I said at the beginning that the amendment of my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson) struck the right balance and did not fetter us in seeking best value from the market, and that the Lords amendment was unprecedented in dealing, as Mr. Speaker said, in matters of privilege. I addressed them very directly at the very beginning of my remarks.

Mr. Carmichael: That must have been a good 30 seconds out of the first 36 minutes. It was his own hon. Friend, the hon. Member for Walthamstow (Mr. Gerrard), who made the point at almost 8 o'clock that he had not yet addressed the issue. We will be able to check the record tomorrow.

In any event, the complexity of the debate rather masks the simplicity of the issues at stake here. The point to be made here is not greatly dissimilar to that which we made in relation to compulsion, namely that if identity cards were as good as was claimed, why was compulsion necessary? If the Government's plans are as well costed and as affordable as they would have us believe, they should have nothing to fear from Lords amendment No. 70.

Whether one takes the LSE report or the KPMG report, or whatever basis one wishes to proceed on, the basic truth of the matter is that no one really knows what the cost of identity cards will be. That is possibly why the Government prefer the amendment tabled by the right hon. Member for Holborn and St. Pancras to Lords amendment No. 70.

8.45 pm

We all know that the acceptability of ID cards to the general public declines as cost increases. The Minister has said that he would not pay £300 for an ID card—that may yet prove to be a hostage to fortune—which is not a point of principle, but an entirely pragmatic point relating to cost. Although he will undoubtedly have moved on to greater and higher things in government, I wonder what his position will be when and if the cost hits £300.

The Minister has also told us that the model for financing ID cards follows that of the UK Passport Service, so it is clear that the cost will impact directly on the individual rather than its coming from the Government. Earlier, the right hon. Member for Haltemprice and Howden (David Davis) used the expression "plastic poll tax", which is exceptionally apposite.

The hon. Member for Dundee, East (Stewart Hosie) has referred to the Government estimate that the cost of identity fraud and identity theft is in the region of £1.7 billion. However, that figure includes fraud associated with credit and debit cards, the bulk of which takes place online. The introduction of an identity card will make no difference to the incidence of such fraud, because biometrics are useless in relation to online transactions.

The Minister has mentioned the UK Passport Service, but the parallel is not valid, because it does not rely on the database or the register. Furthermore, the UK Passport Service does not require the installation of a reader in every public service office, which will include every benefits office, hospital and GP surgery in England and Wales—the Scottish Executive have more sense than to install such machines. Those costs, which will be significant, make quantification even more difficult.

The Minister has said that Lords amendment No. 70 is unprecedented and novel, and he is absolutely right. He has also said that it is outrageous that the Government should have to explain the cost of the measure before they implement it, because this is a manifesto Bill. If that is outrageous, the cost should have been in the manifesto to allow people to form a judgment at the polls—in that regard, we have seen the worst of Labour party manifestos in the past few weeks. The protection of the taxpayer, which is entirely unprecedented, is appropriate, because the whole Bill is entirely unprecedented. The Bill seeks to rewrite the relationship between the citizen and the state as we have always understood it in this country. If the Government want to take that course, the least they can do is tell us the cost of that step before they take it.

Lords amendment No. 70 is clear. Subsection (2) specifies that the report should contain a detailed estimate of the revenue and capital costs and that a statement of expected benefits should be produced. Subsection (3) covers the extent of the cost estimates.

Mr. Cash: I have listened to the hon. Gentleman's remarks this afternoon with great interest. Will he remind me what the Liberal Democrats did on Second Reading?

Mr. Carmichael: We voted against it. I am slightly thrown, as I cannot remember any stage at which our position has changed. I know that the hon. Gentleman's party has had a rather more interesting progress down the road to Damascus. As an elder of the kirk, I can say that there is great rejoicing in heaven and on earth at the repentance of the sinner. I welcome the conversion of the Conservative party on this point.

John Bercow: I apologise to colleagues for breaching the convention that one does not intervene a few minutes after one has entered the Chamber. Another convention is worth upholding: the principle of fairness between the parties. If memory serves me correctly, the Lib Dems have been against this Bill all along.

Madam Deputy Speaker: Order. We are wandering a little far from the amendment under discussion.

Mr. Carmichael: I think that we have wandered much further than this in the debate, Madam Deputy Speaker, but I take your stricture to heart.

Lords amendment No. 70 brings with it the ultimate sanction that the Bill could be implemented only after all those matters had been established to the satisfaction of

this House. We should not cast that off lightly. I like the idea put forward by the right hon. Member for Holborn and St. Pancras that there should be an ongoing review of costs, but my difficulty with his amendment is that I am afraid that paragraph (4) would act as a get-out-of-jail free card for the Government.

Mr. Drew: The hon. Gentleman makes just the point that I wanted to make. I am greatly attracted by what my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson) says because the problem with Government IT contracts is the ongoing costs, which, admittedly, usually come on the back of an overrun on the initial set-up costs. Such costs could be trapped by amendment (a), whereas Lords amendment 70 apparently would not do that. Does the hon. Gentleman agree?

Mr. Carmichael: I accept that; indeed, I have just made that point, more or less. However, if the Government are minded to proceed along the lines outlined in amendment (a), there is absolutely no barrier to them doing so without putting it in the Bill. It is always open to the Government to review such matters and to make reports in the way suggested. Neither amendment should necessarily be seen as being exclusive of the other.

Frank Dobson: The hon. Gentleman says that there would be no comeback for the Secretary of State if he held back information from his six-monthly report. However, I suggest that if he admits to holding back a piece of information in one six-monthly report and still wants to hold it back in the next such report, there would be a considerable political pain for him, providing at least that the Opposition parties were doing their job properly.

Mr. Carmichael: That would require us to know that the information is there and is being withheld, which is not always the case, as the right hon. Gentleman must be aware. In any event, if something is the subject of commercial confidentiality today, it will probably still be so in six months. It is difficult to see how that situation would change.

Frank Dobson: I know that the hon. Gentleman was a lawyer, but we are not talking about commercial confidentiality. The Secretary of State would have to say that

"it would be prejudicial to securing the best value from the use of public money",

which is a harsher test than the generalised claptrap that all Governments have used about commercial confidentiality.

Mr. Carmichael: I fear that the right hon. Gentleman's expression,

"securing the best value from the use of public money"

would include commercial confidentiality and much else besides. He has drawn the new clause even wider.

Mr. Garnier: The problem is that we could not test the truth of the Secretary of State's decision and whether it was soundly based. That is simply indefinable.

Mr. Carmichael: The hon. and learned Gentleman is absolutely right.

I am trying desperately to conclude my remarks. The hon. Member for Birmingham, Selly Oak (Lynne Jones) skewered the Under-Secretary with her interventions about the KPMG report. She has struck at the heart of the problem with the Government's approach. They constantly overstate and oversell the benefits and underestimate the disadvantages. There is little in the Government's history on the matter that makes me believe that I or my constituents should be prepared to trust them. I therefore hope that we shall not disagree with Lords amendment No. 70.

Lynne Jones: I welcome the Government's agreement with amendment (a). However, my problem is that large amounts of public money will be spent before we reach the inevitable point at which we have to call a halt to the terrible monster. I am more sceptical than my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson) about the Government's figures. Their precision is incredible—£584 million, not £583 million or £585 million. At least the London School of Economics gave a range of estimates. The Under-Secretary did not make it clear in reply to my interventions whether the figure included set-up costs.

However, we have information about current expenditure from the United Kingdom Passport Service website. I also obtained information through parliamentary questions and from letters from the Under-Secretary. We therefore know that the cost of running the old-style passports was £219 million in 2004–05 and that the charge to people who wanted a passport was £35.60. This year, we commence the introduction of biometric passports, which will include only the facial biometric—a digital image. Yet it will cost the Government £397 million a year and people who purchase the passports will have to pay at least £57.93, which, according to the Government, is the cost of producing the passports.

In getting from old-style passports to the first phase of the biometric passport, which includes only one image, the running costs will increase by £178 million a year. Those figures are probably reliable. However, the jump from the new passport with one digital biometric to the all-singing, all-dancing biometric passport/ID card system database is supposed to entail an increase of a mere £187 million. I cannot believe those figures. I cannot believe that it costs £178 million a year to get from A to B yet it will cost only £187 million a year to get from B to C. That does not include the £93 that will have to be paid. Apparently, 70 per cent. of it is attributable to the passport, working out at approximately £65 for the passport element. I cannot believe that a passport that contains two fingerprint biometrics as well as the facial biometric will be so cheap, given that the Government have already said that the cost will exceed £57.93. Furthermore, the £93 that people will pay for the privilege or otherwise of having their details on the national identity register and being forced to have an identity card will not cover the cost of operating and maintaining the verification services. We have had no breakdown of how much of the £584 million that would account for; it is an additional cost.

[Lynne Jones]

9 pm

I am cynical about Government computer systems. I recently served on the Environment, Food and Rural Affairs Committee, which conducted a brief inquiry into the Rural Payments Agency's computer records system. The initial cost of that system was going to be £37.4 million a year, to cover capital and revenue costs. That figure has now risen to £54.3 million—an increase of 50 per cent. If a database of only 100,000 records is costing £50-odd million a year to run, it does not seem sensible that we are going to have to pay only an extra £187 million a year to run a massive database of 100 million records, which will be interrogated and will have an audit trail—never mind the cost of the security.

What really frightens me about this scheme is that it will make me feel less secure, rather than more secure. The biometrics will have radio frequency identity chips on them, and people will have a field day intercepting them. So what security are we going to put on to the cards? In America, the biometric passports—which also have just the facial biometric—have radio frequency identity chips so that they can be read without contact. There was a furore there when people realised that anyone could intercept that identity information, and an agreement to allow the scheme to go ahead was reached only because a shield was provided in the cover of each passport to stop the signals being intercepted other than when the cover was opened for the passport to be verified at border controls or for Government purposes.

The figures simply do not stack up. They do not compare in any way with the costs of other computer systems, and the proposed system is far more complex than any other that we have seen anywhere in the world. Earlier, the Chair of the Home Affairs Committee quoted from his Committee's report. I should also like to do so. Paragraph 64 on page 23 states:

"The proposed system is unprecedentedly large and complex. It will contain sensitive personal information on tens of millions of individuals. Any failure will significantly affect the functioning of public and private services and personal and national security. Measures to ensure the integrity of the design, implementation and operation of the system must be built in to every aspect of its development . . . We will make recommendations for addressing this serious weakness later in the report."

The Committee went on to do so. It had been

"concerned about the closed nature of the procurement process",

and stated that it was essential the process be open. It went on:

"Any potential gains from competing providers providing innovative design solutions are likely to be more than offset by the unanticipated problems that will arise from designs that have not been subject to technical and peer scrutiny."

John Bercow: To what extent, if at all, does the hon. Lady think that the Government have factored into their calculations the capital and running costs of the extra 70 high street offices that the UK Passport Service proposes to establish for the purpose of conducting interviews with first-time passport applicants? It has never been clear to me why such a provision is necessary, although Mr. Bernard Herdan is clearly keen to drive the agenda. Clearly there will be a bill to pay, will there not?

Lynne Jones: It is probably easier for the Government to estimate the cost of providing buildings than it is for them to estimate the cost of providing complex computer systems. I have to accept their assurances that that is included, although I note that there will also have to be two secure facilities for the storing of the computer systems. I am not sure that the time scale that the Government say they have in mind will allow them to procure those facilities. I envisage many problems. It is clear that the Government have not recognised the need for an open procurement policy, as advocated by the Select Committee. The Committee said that the Government must

"develop an open procurement policy, on the basis of system and card specifications that are publicly assessed and agreed."

Mr. Cash: Has the hon. Lady, in the course of her diligent analysis, considered the extremely difficult problem of assessing the extent to which the wide-ranging powers in the Bill will be used or not used? There is a great deal of uncertainty about the extent to which certain powers will be used, and indeed about whether the whole process will be extended to involve designated documents. As I said in an earlier intervention, the process seems to be endless. Has the hon. Lady seen any calculation that reveals the impact of the powers if they are used? When an aircraft or a ship is being built, it is possible to see that it will end up as a product. Here, we are talking merely about a vague use of powers.

Lynne Jones: I am prepared to accept the Government's assurances that the driving licence will not be a designated document, but it is clear that the identity card and the operation of the database will go ahead. The Government are determined to use those powers, at least for the time being, until the costs emerge. They might think twice about it after that. We do not know the extent to which other Departments, or even devolved Assemblies and Parliaments, will use the database to deliver services. The costs are not included in the Government's £584 million assessment.

The UK Computing Research Committee has commented on the document on the assessment of technologies needed for a national ID card scheme. It says that the assessment is not objective, because the authors have an interest in supplying the ID technologies. Most independent experts are dubious about the Government's scope and ability to deliver. They include the London School of Economics—whose work the Government have rubbished without justification, as we learned from the letter from Brian Gladwyn to the Prime Minister—and the UK Computing Research Committee, as well as other organisations dealing with computing.

I do not think we should spend vast amounts of public money on a scheme that is highly dubious, and whose benefits, let alone costs, have not been assessed. I tabled a parliamentary question to the Department of Health on the cost of people gaining access to health services when they were not entitled to do so. The Department had no idea of the cost. We do not yet know whether it will go along with the scheme, but the Minister has said that it would benefit the NHS.

I am prepared to bet that the £584 million will prove to be only a fraction of the eventual cost if the Government insist on the scheme. The proposed six-monthly estimates are welcome. However, the Government will perhaps end up spending billions of

pounds before realising the error of this approach. Instead, they should opt for the solution that all other European countries are opting for: documents that have biometrics on the card, and appropriate security precautions that are an improvement—as they will have to be—on those currently available. The Government should drop their obsession with this ridiculous national identity register, which will be costly, has severe implications for civil liberties and will prove a honey pot for international criminals and terrorists. Rather than protecting our identities, such a register will lead to everybody facing the threat of identity theft.

When I spoke on Second Reading, I expressed concern about the security of biometrics and the ability of individuals to apply for more than one document. That fear remains and the Government have had to react to such criticisms by greatly increasing the number of biometrics to be stored. Originally, they planned to have only iris recognition and facial recognition; now, they have been forced down the route of including 10 fingerprints. Even if the system proves 99 per cent. accurate, there will still be 48,000 false matches in a database of 48 million people. It will not be the ordinary citizen who will apply for multiple ID cards using the same biometrics. However, the system will not be able to know that the same biometrics have been duplicated, but with different identities. Terrorists, money launderers and international criminals will be willing to hack into the system, and they will be patient.

The police computer system is regularly abused from the inside by police officers giving information to journalists; other systems have been hacked into. Staff working in computer centres could be bribed or blackmailed into handing over sensitive data. What will happen, for example, if somebody changes the address on my database record and puts in a request for an audit trail? Such information will then be delivered securely to the alternative address. The implications are horrendous. Chips on the card will allow people to be followed wherever they go, unless the security that nations such as America are building into—

Andy Burnham: It is not right to say that chips on the cards will enable people to be followed wherever they go; that simply is not true.

Lynne Jones: As I understand it from answers given to me previously by the Minister, the cards will contain radio frequency identity chips that will send out a signal, which will be picked up by antennae. If they are to be stand-alone cards, the chips will need to be read by a reader at close proximity. However, many experts have expressed doubts about this scheme, in that, if the chips are to be read remotely, the signals could be picked up as people travel from one antenna to another. Obviously, the power of such antennae will be a factor in that regard.

The private sector will have readers and access to the verification service, so there will have to be some form of encryption. However, the fact remains that those in the private sector will have access to my identity and will be able to steal it. If the readers are stolen, other people—depending on the accuracy of those readers—will be able to steal my identity.

If the Government are concerned about identity fraud, they should not go down this route. There are much simpler and less costly ways to address identity fraud. In the US, for example, when somebody wishes to access consumer reference information, they have to obtain the permission of the individual. In that way, the individual will know if someone is applying for credit or carrying out financial transactions in their name. The Government could introduce such measures and ensure better security than will be achieved by this expensive scheme. The Government claim that it will make us more secure and deal with terrorism and immigration, but immigrants will not have to have identity cards. The Government should reconsider and move towards having biometrics on passports, as other countries are doing. They should abandon the database and the costs that will be associated with it.

9.15 pm

Sammy Wilson (East Antrim) (DUP): It is important that we get this right for two reasons that the Minister gave earlier—first, because we now have a scheme that will be compulsory and, secondly, because, as the Minister has said, the bulk of the costs will be covered by fees. If costs go up, fees will go up. The cost of the scheme will be borne by our constituents. It is therefore important that we have as much information as possible about what the scheme will mean to the people whom we represent.

I do not believe that amendment (a), tabled by the right hon. Member for Holborn and St. Pancras (Frank Dobson), would do what it is claimed it would do. I suspect that the very reason that the Minister is prepared to accept it is because he knows that it is the dog that will not bark. It will not even growl or whimper. The Minister is bound to like the amendment because it will not provide any ability to stop the scheme in its tracks. We will not have the information that would allow us to make a considered decision until it is too late. The right hon. Member for Holborn and St. Pancras said that it was better than the Lords amendment because it allowed us to look at the ongoing costs, but we know that the Minister will be able to hold back information on that under subsection (4). It states that information may be held back if it is

"prejudicial to securing the best value from the use of public money".

That is the very basis on which the Minister has held back the full capital cost of the scheme. We are told that it would breach commercial confidentiality and stop us getting the best value. So in his six-monthly reports, the Home Secretary will be able to hold back the very information that would enable us to make an assessment of the costs. Amendment (a) would not do what is necessary.

We have heard a lot of hocus-pocus economics this evening. It must be down to my experience in local government, but I always get worried when a report goes into minute detail. As the hon. Member for Birmingham, Selly Oak (Lynne Jones) said, the Minister can pinpoint the cost as £584 million a year. But when we start asking the big questions, everything becomes vague and we are told that for reasons of commercial confidentiality the capital costs cannot be revealed. In my experience of local government, that usually means that no one is quite sure how much the scheme will cost at the end of the day. When I encounter that approach, I begin to be wary.

[Sammy Wilson]

The Minister, again in answer to the hon. Member for Birmingham, Selly Oak, said that the capital could either be paid in a lump sum or annualised and added on as running costs. He gave an assurance that it would not be more than the annual running costs according to the present estimate, but if the amount was equal to the running costs the annual cost would double. Will that be added to the fees that the public pay for the card? The Minister gave no indication.

Andy Burnham: I did not say that the set-up costs would be absorbed in the £584 million; they are additional. The baseline for the UK Passport Service is included in the £584 million. I said that the increment—the additional amount in respect of ID cards—was in the region of £200 million a year. That is the increment for the annual running costs; the set-up costs will be much less than £584 million a year.

Sammy Wilson: The hon. Member for Birmingham, Selly Oak asked how the costs of the scheme would be paid. One of the options was that it would be on an annual leasing basis, but would that be included as part of the cost of the card? If so, the cost of the card would increase.

The right hon. Member for Holborn and St. Pancras said that, due to the six-monthly reports, the amendment would put chocks under the wheels—the scheme could be stopped—but there are no sanctions in the amendment, so I do not know how that would happen. Reference has been made to many public sector schemes this evening, and we are all familiar with the Child Support Agency on which £400 million was spent, yet three years on, we are still considering what to do about it. Once the capital investment in the technology was made, it was felt that we had to try to make it work. I suspect that will be the case with the ID card scheme. Once the capital investment has been made, and the scheme is up and running and a large number of people have bought the cards, the argument, regardless of the costs, will be, "Well, we can't drop it now. People have paid for the cards and we've bought the technology, so we've got to make it work". If that means extra costs, that is what will happen.

The amendment will not put the chocks under the wheels. All it will do is enable us to observe, on a six-monthly basis, the increase in the costs of the scheme. I do not know whether it will cost £24 billion or £5.8 billion, but from my experience of local government, the Policing Board or central Government, the one thing I know is that IT schemes of that nature never run out at the original cost. The amendment will enable us to watch the costs increasing, but we shall be unable to stop the bandwagon rolling. For that reason, I shall not support it.

Mr. Todd: I shall try to focus on the amendments. I have quite a lot of sympathy for the Lords amendment, although in many respects it is not perfect, so I shall not endorse it. Nor shall I endorse the amendment tabled by my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson), for reasons that I shall give in a moment.

The Lords amendment is rather too narrowly written. I tabled a new clause on Report that attempted to set out the kind of things that I would expect the Government to produce before they authorised substantial expenditure on such a project. Unfortunately, that new clause was not selected, but it focused first on the fact that the Secretary of State ought to set out properly the reasons for such a proposal. We have seen a number of documents so far that, frankly, make limited reading indeed in explaining why the proposal is a good idea, why it will produce the sort of benefits that have been vaguely referred to and why we should endorse it. I do not share some colleagues' views that the Bill is a terrible threat to civil liberties. I have never thought that. My instinct is that it might be a terrible threat to our public purse. That has been the focus of my concern throughout.

Secondly, I would expect the costs and benefits to be set out in reasonable terms. This is not the time at which one could certainly demonstrate the cost with any authority. As I have remarked in my interventions, frankly, the LSE proposals are based on its own concept of how an ID card system might work. They may be valuable in those terms, but they have no authority since they bear no relationship to what the Government may be attempting to do.

The Government have set out their ideas in such vague terms that, frankly, it would be impossible for a professional contractor to produce anything other than fairly speculative estimates of how much those ideas might cost. That is why I have remarked on the KPMG report. I do not know how much was spent on it, but to be honest, it will do what most consultants will wisely do: it will cover their bases very carefully and certainly not end up by giving a great deal of authority to a figure that most professionals would say could only be speculative at this time. I suspect that, if the full report were made available, one would probably see those caveats written in rather larger type than in the summary. I would expect the costs and benefits to be produced, but when procurement was about to proceed. That was the point of the new clause that I tabled on Report.

Thirdly, I would want the assumptions behind any savings to be properly set out. I intervened on my hon. Friend the Minister about the buy-in of other stakeholders in the project. I referred particularly to the private sector, but I could equally have touched on the role of other Departments. Even given the rather vague business case that has been produced to date, the private sector obviously has an important role to play. It is understood that the project may be crucial in reducing fraud in our financial system. If so, one might expect that many of our financial institutions would be putting up their hands now, saying "We wholeheartedly endorse this project, and we wish to see it proceed as fast as possible."

I drew my hon. Friend the Minister's attention to the fact that those statements of faith have, as yet, not been made. When I questioned officials and IT professionals, they gave a rather sunny and optimistic reason for that and suggested that people were waiting for the Bill to be passed and would then dive in very quickly. They genuinely do not know whether they are buying a pig in a poke, exactly what the project involves and what meaning it may have for their businesses. For that reason, they are most unlikely to put a buy-in together.

I would expect the stakeholders—whether private sector partners or those in other aspects of government, such as the agencies and Departments, which must clearly play a part—to make a much more coherent statement of the benefits when procurement is about to proceed.

My hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) referred to the Department of Health, and that is a very good example. We would expect it to participate in the scheme, but I doubt whether it has even the vaguest idea of how the scheme might apply to what it does.Much of the information will be required at some stage in the future. I do not expect the documents that the Government have produced so far to refer to it in detail, but I would expect there to be a point at which we have an opportunity to review the details before further substantial sums of public money are committed.

9.30 pm

I also want a much more rigorous examination of the risks in the project—one or two of them have been touched on in the debate—and how they are likely to be mitigated. Risk mitigation means cost. Dealing with perceived events and working out their likelihood of threatening a project of this kind require steps to improve its security. Such steps may deal only with a one-in-a-million circumstance but, in a project as central as this, a one-in-a-million circumstance may well be what we have to deal with.

I often remark that our tolerance of error rates for people flying airlines or performing complex surgery is much lower than it would be for someone performing a less critical function. We expect people carrying out high-risk functions to take steps to reduce the risks either through the intervention of technology or additional human support. Those certainly cost money. I am not clear how the risks have been analysed and how costs have been applied to reducing those risks.

I have described the points that I would like to have seen covered but, unfortunately, the Lords amendment is rather more narrowly drawn. If they choose to consider what happens tonight, they may want to reflect on that should they return the issue to us.

I have already referred to the importance of transparency for all our benefit in the project. A number of reports have been pulled together by agencies outside and inside government to assist us in judging whether it is the right thing to do. We have had the KPMG report. Although I would not want to read it in considerable detail, its full publication would have been helpful to us at this time. The Office of Government Commerce gateway process that the project will go through on a number of occasions at various points in its life also provides a useful indication of risk. One of its major focuses is to say what risks have been anticipated in the running of the project and how we might deal with them. From the little glimpse that some civil servants kindly gave me the last time the process was carried out, it is not surprising that it is regarded as extremely high risk with a number of flashing amber lights indicating that steps need to be taken to deal with possible failure in the future. That would not surprise anyone, but it would be useful to have the risks more clearly defined so that we can understand them and can start to put money towards dealing with them.

I also wish to refer to the concept viability report that the industry has been asked to produce. I believe that it has actually been produced and the Minister told me earlier that it would be published at the procurement point. I would rather see it now, so that I can understand the industry's reaction. Those in the industry that I have spoken to have broadly said that most of them would love to take part in such a project because it looks like serious stacks of money are involved.

David Davis: About £20 billion.

Mr. Todd: Whatever the figure is. The right hon. Gentleman has not been present for this debate, but he will know that I have cast doubt on all the estimates that have been made. That is one of them.

People in the industry are keen, but I think that they share my concern at the rather muddled presentation and the possibility that it will lead to a complex and poor quality specification that will not necessarily get the buy-in of all the critical players. That is at the root of failed IT projects. I shall not go down the route taken by my right hon. Friend the Member for Holborn and St. Pancras, who chose to cast a great deal of blame on IT companies. Of course, they fail and do things wrong. However, the critical thing that normally goes wrong in such projects happens right at the start. It is necessary to get the specification of what is being done absolutely straight before driving the project through with narrow-minded rigour. A critical test is thus the quality of project management, which would indicate whether costs could be managed effectively. However, although I have met one or two of the people involved in the project, I have seen no evidence to date of the rigorous project management disciplines that would be required to deliver a project that was a tenth as difficult as the identity card scheme will be.

For the reasons that I have outlined, I take no great comfort from the debate. I have given all these pieces of advice in private, so it is a little sad to find that little progress appears to have been made. I am surprised that the Government have chosen to support the amendment tabled by my right hon. Friend the Member for Holborn and St. Pancras because while I accept the caveats that have been cited about the possibility of evading various responsibilities due to the amendment, the provision will give rise to a process of terrible Chinese water torture because some poor Minister will have to produce a report every six months. The Minister might well say, "I can't reveal them this and can't tell them that," but the reports will prompt ongoing repetitive debate on the merits and purpose of the scheme. I am not worried about that, but I am puzzled by the Government's insistence on taking that route to reassure people about the project, rather than the route that I would have commended, which would be a more rigorous attempt to nail things down right at the start. That remains my preferred strategy, so I still hope that the Government will adopt it. I am sad that I will not be able to give the Government my support on these matters tonight.

Stewart Hosie: I want to take the Minister back to his opening remarks when he mentioned fraud worth £1.7 billion. Such fraud is central to the debate because it determines whether the Bill is a proportionate response to the problem. I have no doubt that the figure

[Stewart Hosie]

of £1.7 billion was put in the public domain to give the impression that when the ID card system was fully deployed in the public and private sectors, a problem of such magnitude could be resolved, but I question that assertion. I also wish to focus on the fraud because it is the only argument in favour of the identity card scheme that the Government have consistently used from the outset—they abandoned all their other justifications at various points along the way.

There are many components to the £1.7 billion figure. Although I will not bore the House by going through them all, I shall outline several because it is genuinely important that I make this case. The Association of British Insurers says that the estimate of financial loss due to identity fraud is £22 million. If the biometric system and ID cards are to tackle such fraud in the insurance system, every insurance policy will have to be linked to a biometric card and its holder. Every time an assessor checks water or fire damage against a policy, the holder's biometric card will have to be verified so that there is a link between the person, the card and the policy. That is the only way in which the scheme could help to tackle fraud in the insurance system, but the process would be expensive, and no doubt the full cost of it would be passed on from the insurers to the citizen.

The Association for Payment Clearing Services says that £504.8 million is lost due to plastic cards being used by criminals who are not their rightful owners. It has been said several times that the cost of fraud due to payments made when a card is not present is £150 million. If a person buys a plane or cinema ticket with a plastic card, both that card and the ID card could be presented at the aircraft or cinema for checking to prove that the person had made the purchase. However, if people buy goods by mail order that are simply delivered by a man with a white van, the scheme will provide no assistance whatsoever because goods can be delivered when people are not at home and the man is not going to have a biometric scanner in the cab of his van. That part of the £1.7 billion figure cannot be dealt with by the biometric register or the identity card.

According to the Building Societies Association, £3.1 million is lost to identity fraud, but the same applies to building societies as it does to insurers. Every building society account would have to be linked to a person with a biometric profile and every time a transaction on that account took place, fraudulent or otherwise, the person involved would have to verify their card against the central database and the central database against their account. That is the only way in which the proposed system could prevent fraud in the building societies sector, but it would be disproportionate and highly expensive, and the full costs would be passed on to the citizen and the customer.

CIFAS, the UK's fraud prevention service, says that the cost of identity fraud to the retail sector is £2.3 million. Much of that involves stolen cards being used in corner shops or supermarkets. It is inconceivable that there would be a biometric scanner at every till in Sainsbury's or Tesco's or—even worse—at the till in every corner shop. It is unlikely that the biometric register and the ID card could tackle that type of retail without placing a massive cost burden on the consumer and the citizen.

The Driver and Vehicle Licensing Agency and the Driving Standards Agency say that the cost of preventing identity fraud—not of fraud itself—in their sectors would £2.5 million and £1.2 million.

Mr. McNulty *indicated dissent.*

Stewart Hosie: Well, perhaps the Minister can intervene and tell me by how much that cost of prevention will be reduced and what savings the consumer and the citizen will gain if the new system is introduced. I have paused, but the Minister is staying shtum—that is okay.

The list goes on. The Finance and Leasing Association estimates that

"identity fraud arising from the provision of motor finance"

costs £14 million. Does the Minister seriously expect an identity card system to stop that sort of fraud? Does he expect every second-hand car dealer that pulls out a set of financial agreements to be signed in a portakabin somewhere to use a biometric scanner before allocating them to the person who has come in to purchase a car? That would be the only way in which the ID system and the biometric register could solve that problem.

It is highly unlikely that anything approaching £1.7 billion will be saved. Earlier, the Minister suggested a lower annual saving. He suggested a range, but even the low end of his forecast would be achieved only if all the measures that I have described were implemented. Such savings could not be achieved within the set-up costs and the ongoing running costs of the system covering passports and ID cards alone that the Secretary of State spoke about earlier.

It is certain that the real cost to the citizen will be far higher than the costs that the Government have already specified—the running costs and the set-up costs, which are still unclear. Those costs will be higher than has been suggested, because if identity cards and the central biometric database are to solve problems of fraud, scanners linked to the database will be required in every shop, supermarket and filling station, and in every bank, building society and insurance broker. The police will need portable scanners in their police cars, and insurance assessors likewise. The costs of all that would be fully passed on to the consumer.

It is incumbent on the Government to tell us not their set-up costs and the Home Office running costs, but the real and full costs of the measure, including a best-guess estimate of the costs to the private sector. It is incumbent on Ministers to tell us whether businesses will be expected to bear the costs or whether they can pass them on wholly to the citizen, or by how much the Government will have to increase taxes to pay for the scheme if they believe that ending some of these fraudulent measures would be worth while and cost effective. Either way, with a project of such a scale and complexity, we cannot be expected to buy a pig in a poke.

9.45 pm

I want to support a robust announcement of the costs—the detailed development and running costs, including those in the private sector—but that is not an option in either amendment. However, Lords

amendment No. 70 is more robust, not least because amendment (a) in lieu has the 10-year rule, which would allow large hikes in capital expenditure or early revenue to be averaged out and hidden over the 10 years for which the figures are reported. If we vote on that—it is not yet clear that we will—the Scottish National party will back the Lords amendment.

I hope that the Minister and others on the Labour Benches will take cognisance of the feeling on the subject. We need genuine detailed information up front. We need no obfuscation. We need to be clear of the set-up costs, not just for the Home Office, but for the whole scheme, and of the running costs not just for the Home Office, but for every Department. In the private sector, we need best guesstimates so that we understand exactly what the cost to the citizen and consumer will be if the identity fraud played up by the Government is genuinely to be tackled.

Martin Linton: It is nice to be able to return to the subject of the cost and benefit of ID cards. I was fortunate enough to have question 1 this afternoon, as you might remember, Mr. Speaker. It was on the cost of ID cards per person. The answer from my right hon. Friend the Secretary of State was that the cost of a stand-alone ID card would be £30 for 10 years—£3 per person per year. It is important that we subject the issue to a simple analysis of cost and benefit. We know that the cost is £3 per person per year—

Mr. Carmichael: The hon. Gentleman knows that, does he?

Martin Linton: I do. The £30 has been announced. It is to be over 10 years. Even my arithmetical capability is up to doing that division sum: it is £3 per person per year. The Home Office has estimated the benefits. Estimates are bound to be rough, but no one has seriously challenged its figures. In fact, they have hardly been mentioned. I get the impression that no one has read the document put out at least a year ago on the Home Office benefits overview.

Mr. Todd: As someone who certainly read the setting out of the Government's position—such as it was—there is no evidence from any private sector source on the supposed savings and benefits that may be achieved. A figure is named, but no one sets out any evidence on how it was calculated, based on real experience.

Martin Linton: I am happy to provide my hon. Friend with the answer. Although the figures are published by the Home Office, they are taken from APACS, CIFAS, banks and all the financial institutions that have provided estimates to the Home Office, and it has reprinted them. Hon. Members may cast doubt on those, but the figures have been arrived at by the people who will make use of the ID system.

The combined effect of all the estimates, including those from Departments, is a benefit of up to £1.1 billion. I am sure that hon. Members can work out that the figure of £1.1 billion divided among about 38 million ID card holders is a benefit of £29 a person. So there is a cost of £3 and a benefit of £29. *[Laughter.]* Hon. Members may laugh because so many figures of billions of pounds have been poured over the House. The simple truth is, however, that the best estimates show that that is the value of the ID card.

There are those whose main concern is civil liberties and the police, although they will have no additional powers.

Ms Dawn Butler (Brent, South) (Lab): The Bill does not give the police any extra powers. However, does my hon. Friend agree that although the police will not be allowed to stop someone and request an ID card on spec, the Bill does not stipulate that they cannot stop someone and ask for biometrics on spec? I hope that he can he confirm that they cannot do so under the Bill, as it would result in an electronic form of the sus laws which, we all know, disproportionately affect black and minority ethnic people?

Martin Linton: That is my understanding of the Bill, and I would not support it if I thought that it was a device to give the police powers to stop people in the street and ask them for their ID cards. From the very beginning of this debate four or five years ago, it was made clear in the Government White Paper and the consultation document that the Government did not want to consult on—indeed, they did not even countenance—the introduction of an ID card that people must carry at all times. Some European countries require the carrying of ID cards, but that option was excluded from the start. I do not believe that the police should be able to stop people and ask them for details of biometrics or anything else for which they cannot already ask.

Mr. Sadiq Khan (Tooting) (Lab): My hon. Friend said that some people were concerned about civil liberties. There are anxieties that the amount of information on the register that is limited under schedule 1 to name, date of birth, place of birth, gender and address will creep up and increase. Can he confirm that before additional information is included in the register primary legislation must be introduced?

Martin Linton: That is my understanding. Only six items of personal information will be included on the register—name, address, date of birth, place of birth, sex, nationality and, for people from overseas, information about their work permit. The legislation does not allow any further information to be added to the register. I believe one or two items should be added to ID cards, including organ donor information and medical information which, in an emergency, could make the difference between life and death. However, even that information, which could save someone's life in hospital, cannot legally be added to the register.

Andy Burnham: May I clarify something in response to the question asked by my hon. Friend the Member for Brent, South (Ms Butler)? I can confirm that the Bill does not extend police powers, as my hon. Friend the Member for Battersea (Martin Linton) rightly said. It would only provide power of identification in the case of arrest, but obviously the police already have such a power. The Bill does not create the situation feared by

[Andy Burnham]

my hon. Friend the Member for Brent, South, but it would ease police bureaucracy in the case of ascertaining identity.

Martin Linton: I thank my hon. Friend for that reassurance.

The total quantified financial benefits are estimated by the Home Office—anyone is welcome to challenge the figures, but it is significant that in six hours of debate few Members have chosen to do so—to be £1.1 billion. That figure, as I said, was agreed with the banks and the organisations that will use the scheme. More than half the expected savings are expected to come from savings on ID fraud alone, and they will amount to £570 million. The more efficient running of public services will account for £385 million—£85 million from the reduction in crime and only £39 million from the reduction in immigration offences.

Lynne Jones: The database will be an active database containing the audit trail and a record of every time the verification service is used. Does that not cause my hon. Friend concern? With reference to the question from our hon. Friend the Member for Brent, South (Ms Butler), the police will not need to access the card if they have readers, because the person will be present and they will be able to check the biometrics against the register.

Martin Linton: As I understand it, the organisations that seek verification from the register will be able to do so only with the consent of the individual, and they will get verification only of the details that they give. Only the police and the security services, when investigating a crime, will be able to get the audit trail. I am happy to be corrected by my hon. Friend the Minister if that is wrong. The audit trail is available for the investigation of crime.

We should concentrate on the massive cost of identity fraud, which has increased, as we know from last week—

Mr. Carmichael: The hon. Gentleman was asked by the hon. Member for Tooting (Mr. Khan) whether he could confirm that schedule 1 could be altered only by way of primary legislation. He confirmed that that was the case. Has he considered the effect of clause 3(5), which states:

"The Secretary of State may by order modify the information for the time being set out in Schedule 1"?

Does he wish to reconsider the answer that he gave to his hon. Friend?

Martin Linton: I am sure that my hon. Friend the Minister will intervene if I am wrong. At the very least, the subsection that the hon. Gentleman quotes is an indication that the schedule could not be changed without the approval of the House.

All hon. Members must know someone who has had their card stolen and their identity stolen, perhaps by someone going through rubbish and picking out their credit card numbers. That is one of the fastest growing crimes. Quite apart from the effect on the individual whose identity is stolen, the average time taken to sort out the financial problems caused by identity theft is 60 hours, and in some cases goes up to 240 hours. Individuals who are victims of identity crime may be compensated by the banks, which are held responsible, but the banks must recover their costs from us in bank charges. The average person in the UK pays at least £25 or £30 a year through bank charges to cover the cost of ID fraud.

Wednesday sees the introduction of chip and pin to make savings on fraud, but the savings to be made from reducing ID fraud through the ID card are far greater. If those who make the cost argument were to succeed, they would have to argue that the cost of the card is nearly 10 times higher than the Home Office says. All the indications are that the costs of ID fraud are rising. The benefits of curbing it are likely to be higher. The Minister announced from the Home Office this week that the cost to the country of ID fraud has increased from £1.3 billion to £1.7 billion.

Mr. Drew: In the time assigned to me, I shall make two points. I am delighted to say that having been a critic on the basis of the costs of the exercise, I find myself in agreement with my right hon. Friend the Home Secretary. We will look carefully at the figures.

My second point is about a matter on which I feel strongly. I am sure that my hon. Friends the Ministers will listen, as I have lobbied them in the past. It is a great shame that we have not reached the Liberal Democrat amendment on accessibility. There is an issue that is not financial in terms of costs and benefits, but concerns how individuals can be persuaded to take up biometric passports, and ID cards in due course, and that relates to the need for people to be able to get easily to places where they can give their biometric details. I would argue strongly that only one body meets that requirement, and that is the Post Office. I have lobbied Ministers on this and I make no apology for finishing this particular set of debates on that—

It being Ten o'clock, MR. SPEAKER *put forthwith the Question already proposed from the Chair, pursuant to Order [this day].*

The House divided: Ayes 314, Noes 261.

Division No. 160] **[10.00 pm**

AYES

Abbott, Ms Diane	Bell, Sir Stuart
Ainger, Nick	Benn, rh Hilary
Ainsworth, rh Mr. Bob	Benton, Mr. Joe
Alexander, rh Mr. Douglas	Berry, Roger
Allen, Mr. Graham	Betts, Mr. Clive
Anderson, Mr. David	Blackman, Liz
Anderson, Janet	Blackman-Woods, Dr. Roberta
Armstrong, rh Hilary	Blears, rh Hazel
Atkins, Charlotte	Blunkett, rh Mr. David
Austin, Mr. Ian	Bradshaw, Mr. Ben
Austin, John	Brennan, Kevin
Bailey, Mr. Adrian	Brown, rh Mr. Gordon
Baird, Vera	Brown, Lyn
Balls, Ed	Brown, rh Mr. Nicholas
Banks, Gordon	Brown, Mr. Russell
Barlow, Ms Celia	Browne, rh Mr. Des
Barron, rh Mr. Kevin	Bryant, Chris
Battle, rh John	Burden, Richard
Bayley, Hugh	Burgon, Colin
Beckett, rh Margaret	Burnham, Andy
Begg, Miss Anne	Butler, Ms Dawn

Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Gillian Merron and
Mr. John Heppell

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter

Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Dorrell, rh Mr. Stephen
Douglas, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, rh Mr. Frank
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
McGrady, Mr. Eddie
McIntosh, Miss Anne
McLoughlin, Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Angela Watkinson and Michael Fabricant

Question accordingly agreed to.

Lords amendment disagreed to.

Lords amendments Nos. 68 to 70 disagreed to.

Amendment (a) in lieu of Lords amendments Nos. 1, 68, 69 and 70 agreed to.

Lords amendment No. 4 disagreed to.

Clause 24

Appointment of National Identity Scheme Commissioner

Lords amendment: No. 47.

Motion made, and Question put, That this House disagrees with the Lords in the said amendment.—*[Joan Ryan.]*

The House divided: Ayes 318, Noes 257.

Division No. 161] **[10.17 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian

Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Elman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun

Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Gillian Merron and
Mr. John Heppell

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osten, Mr. Mark
Opik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Angela Watkinson and
Michael Fabricant

Question accordingly agreed to.

Lords amendment disagreed to.

Lords amendments Nos. 48, 50 and 51 disagreed to.

Lords amendment: No. 3.

Motion made, and Question put, That this House disagrees with the Lords in the said amendment.—*[Joan Ryan.]*

The House divided: Ayes 316, Noes 257.

Division No. 162] **[10.31 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Mordaunt, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi

Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Gillian Merron and
Mr. John Heppell

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Forth, rh Mr. Eric
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Greve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborn, Mr. Mark
Opik, Lembit
Osborne, Mr. George
Ottaway, Richard
Pace, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Michael Fabricant and
Angela Watkinson

Question accordingly agreed to.

Lords amendment No. 3 disagreed to.

Government amendment (a) in lieu of Lords amendment No. 3 agreed to.

Remaining Lords amendments agreed to.

Committee appointed to draw up Reasons to be assigned to the Lords for disagreeing with their amendments Nos. 4, 16, 22, 47, 48, 50 and 51: Vera Baird, Mr. Alistair Carmichael, Mr. Edward Garnier, Mr. Tony McNulty and Joan Ryan; Mr. Tony McNulty to be the Chairman of the Committee; Three to be the quorum of the Committee.—*[Joan Ryan.]*

To withdraw immediately.

Reasons for disagreeing to certain Lords amendments reported, and agreed to; to be communicated to the Lords.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

TERMS AND CONDITIONS OF EMPLOYMENT

That the draft Information and Consultation of Employees (Amendment) Regulations 2006, which were laid before this House on 12th January, be approved.—*[Mr. Cawsey.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

PENSIONS

That the draft Occupational and Personal Pension Schemes (Co[illegible]ation by Employers and Miscellaneous Amendment) Regula[illegible]ons 2006, which were laid before this House on 12th January, be approved.—*[Mr. Cawsey.]*

Question agreed to.

TREASURY

Ordered,

That Mr David Ruffley be discharged from the Treasury Committee and Mr David Gauke be added.—*[Rosemary McKenna, on behalf of the Committee of Selection.]*

Local Government Funding (Poole)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

10.46 pm

Mr. Robert Syms (Poole) (Con): This is not the first time that I have debated local government finance in Poole; it probably will not be the last, since we have a perennial problem with the shortage of funding from central Government. It does not seem to matter what system is invented by the people in the Office of the Deputy Prime Minister, we always seem to come out very much at the bottom end of the table. So whether it is the standard spending assessment, the formula spending share or the new system, Poole does not seem to be doing very well out of the system.

This year, the total Government grant increase is the minimum, which is 2 per cent. The unitary authority average, against which I shall compare during this short debate, is 2.8 per cent. Our total formula grant will be £22.8 million, which provides funding of a little under £167 per head. The unitary average is £330. That difference is worth nearly £22.3 million—a substantial sum that could make a significant difference to the quality of services delivered to my constituents in Poole.

I will not go into too much technical detail—not least because the new funding system, with its four blocks, is a little more difficult break into and break down when trying to find out the reasons why the grant is at a certain level—but the finance officers in Poole certainly feel very disappointed with the new system, which they think is complex and rather less transparent than the older system. The Minister might acknowledge the fact that the Local Government Association and others have criticised the new system.

None of the 150 education or social services authorities is receiving what the formula grant needs and resources calculation determines: 70 of them are at the floor and gaining more—including Poole, which is getting an extra £323 per head—and 80 are having their grant reduced or dampened to ensure that they all receive a minimum grant increase. That fact indicates that the formula system does not work, and there are real concerns about that.

What special issues do we have in Poole? Wages are certainly low. The average weekly wage for full-time workers resident in Poole was £448.50—86.4 per cent. of the average for England—but that contrasts with house prices, which are particularly high. The average selling price of all houses sold in Poole in 2004 was just over 10 times the average annual full-time income. That big gap has a great impact on the local authority's finances and recruitment. The population is ageing. Compared with the rest of the country, a smaller proportion of Poole's population is found in all five age bands under 50 and a greater proportion in all age bands over 50, across both sexes. Currently, about 54,500 people in Poole are aged 50-plus, which represents 40 per cent. of the population. Although, when one looks at the Sunday papers, one occasionally sees fabulous houses for sale at extortionate prices, that is not typical of Poole. It might be typical of one or two areas but, along with the areas of wealth, there are areas of great deprivation, including some wards that show up as being very deprived.

[Mr. Robert Syms]

We have a pretty good local authority. Under the revised comprehensive performance assessment methodology this year, the council has been assessed as a three-star authority. Last year, it was rated as "good", which is the second highest rating. Under the new methodology, the "direction of travel judgment" concludes that the council has

"improved well over the last 12 months. It has made some significant improvements to services important to local people."

The council offers good value for money, with costs generally below average.

Annette Brooke (Mid-Dorset and North Poole) (LD): Does the hon. Gentleman agree that the continuing poor settlement year after year along with exactly the same cost pressures, such as the increasing wages that are a big component of local government expenditure, inevitably means that there have to be cuts in sectors in which costs are rising steeply? For example, there are cuts across the board, including cuts in social and respite care in social services. Does he share my concern that our constituents will lose out big time if this continues year after year?

Mr. Syms: I agree with the hon. Lady with whom I share representation of the borough of Poole. Both the Conservative and Liberal groups have a common front in trying to get a better grant for Poole. Both parties feel that we are not being very well treated.

The council is looking to make significant efficiencies in next year's budget, and it is expecting to make them beyond the Gershon review. I am fortunate to be able to say that, although the council's final decision will be made on 16 February, it is looking as though there will be a 3.5 per cent. increase. Such an increase takes a lot of hard work and one way that the council was able to introduce an increase of that level despite bad funding from central Government is by keeping high vacancy levels and controlling staffing to increase its balances. It keeps control in that way. It is very much aware that our profile of an elderly population means that many people on fixed incomes find it difficult to meet a substantial part of their budget, so it is doing all that it can to minimise the tax burden on local people.

Poole people get significantly less Government funding and there are the whole range of costs that the hon. Member for Mid-Dorset and North Poole (Annette Brooke) mentioned. We expect annual pay settlements to go up by 3 per cent. and there are additional recruitment and retention pressures. The changes to advance corporation tax have had a big impact on local authority pensions, and Poole local authority workers are mainly part of the Dorset pension scheme that has suffered and requires more money. Waste management, street cleansing, licensing, highway maintenance and the EU hazardous waste directive present further costs, and the council is also looking at paying, with an increase this year, about £1.2 million in landfill tax that eventually goes back to the Treasury. They are very real costs.

Let us contrast and compare where we are. Fortunately, Poole is not at the bottom of the list of all-purpose authorities. That place is taken by Wokingham, which is preceded by Windsor and Maidenhead, Rutland and then Poole. Poole's formula grant per head is £166.53. Of course, there are no doubt different circumstances in the all-purpose unitary authorities, but let us consider a few boroughs that may have a similar profile to Poole. For example, I know that my colleagues in Bournemouth next door do not think that they are very well funded, but it receives £293.61, which is £127 more than Poole. Some of the streets in Poole stop where those in Bournemouth start, and there are probably slightly more people on benefit - in Bournemouth because there are more hostels there. However, the difference is substantial when it is sometimes difficult to tell whether one is in Poole or in Bournemouth.

I guess that Torbay's profile—it is a seaside and retirement area—is not dissimilar to that of Poole. The formula grant per head in Torbay is £328.01, which is £161 more than Poole. I suspect that Brighton and Hove faces many issues similar to those faced in the Bournemouth and Poole area, but it gets £385.29. We are very much adrift from many comparable authorities.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing the debate. I know how hard he works on behalf of his constituents, and he is raising an important issue. Has he not just highlighted the fact that one of the big problems with local government finance is that the system is simply not transparent? No one really understands how the Government work out the formula funding.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I must urge hon. Members not to widen the debate, which is quite clearly on local government funding for Poole. If Adjournment debates get extended due to general interventions, the Minister replying to the hon. Member who has secured the debate sometimes ends up with insufficient time to do so.

Mr. Syms: Of course the problem that my hon. Friend highlights applies to Poole. When local authority officers in the borough of Poole examine how the grant is calculated, it is difficult for them to work out why we do so badly. If we had a better idea of how the grant was calculated, perhaps we could more effectively make representations to try to put the situation right.

Let me touch on this year's dedicated schools grant. The Minister's constituency goes across two London boroughs: Tower Hamlets and Newham. The dedicated schools grant for Tower Hamlets is £5,610 a pupil and Newham receives £4,526 a pupil. Poole receives a dedicated schools grants of £3,349 a pupil. A secondary school with 1,600 pupils in Tower Hamlets would thus receive £8.976 million, while such a school in Poole would receive £5.3 million. I know that there are specific problems in Tower Hamlets, such as linguistic problems, and I do not wish to do down the Minister's constituency, but the gap is large and I hope that the Government will start to do something about it.

The precept of Poole borough council is not the only worry. Dorset fire and rescue service has concerns, especially about the way in which the new pension arrangements have been worked out. Although it welcomes the new pension arrangements, it thinks that there is a shortfall of £950,000. I have received a long

letter from Dorset police. It is the second lowest funded authority in the country and has one of the highest precepts. It has real problems and estimates that a £1 million pension shortfall will have to be met by council tax payers. There is pressure from all directions on my constituents.

We in Poole have done our best over the years to make our case. Delegations have been to see Ministers, and Baroness Andrews cordially received me, the hon. Member for Mid-Dorset and North Poole, Dr. Brian Leverett, who is the leader of the council, and Mr. Mike Brooke, who is leader of the Liberal Democrats on the council, when we went to lobby her. We invited her to come to look at Poole so that she could see that we needed more grant. I hope that the Minister or one of his colleagues will come to Poole to see our problems and not only the wealthy parts, but some of the deprived areas, because we do not think that they are being addressed by the grant that we are receiving.

There is a sense of grievance in Poole. What we get puts us very much at the bottom of the league, although that does not mean that all our outputs are bad, as can be seen from our provision for schools and the way in which the council conducts its business. The council has been a good authority for several years and has attracted good officers. However, a council has to work much harder when its funding is low. When Poole's situation is compared with that of Bournemouth and other south-coast authorities with similar problems, one sees that we are badly treated.

I know that the grant is fixed for this year and that nothing can be done about it following last week's votes. However, I hope that the Minister will reflect on what I have said. Poole will come back next year to make further representations to try to improve our support. Poole deserves more support for not only the people who work hard for Poole council, but the services that the council provides.

10.58 pm

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): I congratulate the hon. Member for Poole (Mr. Syms) on securing the opportunity to debate local government funding for Poole unitary authority. I agree with the hon. Member for Kettering (Mr. Hollobone) that the hon. Gentleman has a respected reputation for effectively and assiduously representing his constituents. Let me give the hon. Member for Poole the only aspect of my response that might offer him some respite from the rest of my speech: my hon. Friend the Minister for Local Government has accepted an invitation from Poole to meet the authority next month. That will offer local MPs and local authority members an opportunity to make direct representations, in addition to those made between the initial announcement of the local government finance settlement and the most recent announcement.

Mr. Syms: I thank the Minister for that. The Minister of State will get his ear bent, but the visit will be worth it none the less.

Jim Fitzpatrick: Before this debate, having seen that the hon. Gentleman had secured it, my hon. Friend the Minister of State advised me that I ought to offer the information about his visit in the spirit of solidarity. We are confident in the decisions that we have made, but we want to engage with local authorities to ensure that we explain our decisions and reconcile them with strong local feelings. I am sure that my hon. Friend looks forward to the opportunity to engage with local representatives next month.

The debate provides a useful opportunity to discuss this year's local government finance settlement and to look at the consequences for Poole, but let me start by commenting on our decisions on the funding of local government revenue expenditure for 2006–07 and 2007–08, which were made following consultation. I appreciate that many of the points raised in the debate by the hon. Gentleman and the hon. Member for Mid-Dorset and North Poole (Annette Brooke) were made and reinforced by the delegation from Poole that met Baroness Andrews on 11 January. Let me assure hon. Members that the points raised were taken into account in reaching our final decisions on the settlement.

Total revenue grants to English local authorities will be £62.1 billion in 2006–07 and £65.1 billion in 2007–08. That represents increases over the next two years of 4.5 per cent. and 5 per cent. respectively. Of those totals, £24.8 billion and £25.6 billion will be grant that is distributed as formula grant, which provides above-inflation increases of 3 per cent. and 3.7 per cent. respectively.

To get a fuller picture of the Government grant available to Poole, we should include in the comparison the dedicated schools grant, since funding for schools was included in the formula grant in 2005–06. Including schools funding, Poole will receive grant increases of 5.8 per cent. in 2006–07 and 4.3 per cent. in 2007–08. In total we will provide specific grants amounting to £37.3 billion and £39.4 billion over the next two years. That is a key element of the overall picture, particularly as those specific grant totals include funding for schools—the Government's No.1 priority. We have also been able to provide a two-year settlement for the supporting people grant programme, with £1.685 billion allocated for 2006–07, and we have so far announced allocations of 95 per cent. of the grant for 2007–08.

For the first time, in 2006–07 we have announced two-year grant allocations for every local authority in England. We have put a premium on stability and predictability of funding. That builds upon the work we have been doing over the past few years in freezing grant formulae and allocating specific grants in advance. We have now announced two-year individual allocations of formula grant for every authority; and more than 90 per cent. of all specific grants that can be allocated in advance have been allocated for 2006–07 and 2007–08.

The first full three-year settlement will be introduced alongside the next spending review round, with which all hon. Members are familiar. In the interests of further stability, we have made grant floors a permanent part of the grant distribution system. Floors guarantee a minimum year-on-year grant increase and curb the volatility of grant levels for individual local authorities. Poole has benefited from the grant floor in both 2006–07 and 2007–08, which has ensured that it will receive a reasonable increase in grant in each of these years.

[Jim Fitzpatrick]

The hon. Gentleman was concerned about the calculation of the formula grant. This year, we have reformed the grant calculation system. The new system has the advantage of removing the old assumptions about spending and tax from the calculation of grant. As a result, it devolves more accountability to local authorities. Many authorities have said that they find the new system difficult to understand. I readily concede that it is still complex. However, in the past we have found that local authorities were concerned that simplifying the grant calculation would, in their view, reduce the fairness and the responsiveness of the system. Our policy therefore is to make the system simpler.

For the present, the new system is simpler in principle. Grant distribution is now determined by four things: a relative needs formula, an amount relative to the resources that can be raised locally based on the property profile, a central allocation per head and grant damping. The relative needs and resource elements should be broadly familiar to the hon. Gentleman, since the system has long contained formulaic estimates of relative need and relative ability to raise council tax.

Mr. Peter Bone (Wellingborough) (Con): You talk about grant floors. Are there also grant ceilings?

Jim Fitzpatrick *rose—*

Mr. Deputy Speaker: Order. The hon. Member for Wellingborough (Mr. Bone) should refer to the Minister in the third person. I repeat my ruling about the purpose of this Adjournment debate.

Jim Fitzpatrick: Thank you, Mr. Deputy Speaker. I am grateful for your protection. If the hon. Gentleman wants to drop me a line on that specific question, I am sure that we will be able to provide a detailed answer. As the hon. Member for Poole said, sometimes the point is not simply to make representations in respect of this particular year; it is to lay foundations for arguments for subsequent years. This is an ongoing dialogue with local authorities. The Minister for Local Government's visit to Poole next month will be part of that.

The central allocation makes explicit what was always implicit in the system—that after taking account of differences in relative needs and resources, some of the grant is allocated on a per capita basis. We regard stability as a key issue in local government funding. I have already made it clear that the grant floor is a long-term part of the funding system.

The hon. Gentleman raised issues about the funding formula. To work out each council's share of formula grant, we need first to calculate the relative needs formulae, which include information on the population, social structure and other characteristics of each authority. Each of the main services provided by councils has its own relative needs formula. There are seven formulae in all for children's services, adult social services, police, fire, highways maintenance, environmental, protective and cultural services, and capital finance. The formulae assess the relative need for a particular service in each area based on the characteristics of the area.

The hon. Member for Poole suggested that the funding formulae do not recognise the significant pockets of deprivation within Poole. However, most of the funding formulae take account of the relative levels of deprivation in each area. For example, in calculating Poole's relative need for children's social care, we take account of the proportion of local children in income support households and the proportion of working age adults who claim income support. To calculate the relative needs formula for environmental, protective and cultural services, we take account of rates of incapacity benefit, income support and other unemployment related benefits in each area. It is wrong to say that the funding formulae ignore deprivation factors in Poole or elsewhere. In fact, our formulae take detailed account of the relative levels of deprivation in each local authority area.

The hon. Gentleman suggested that the higher than average number of ageing people in Poole places a greater strain on social services. However, that is taken into account in the older people's social services funding formula, which is based on the number of pensioners in each area, their levels of deprivation and the proportion of very old people living in each area. The Government are committed to ensuring that local authorities can deliver effective local services without needing to impose excessive increases in council tax.

Annette Brooke: I, too, am grateful for the proposed visit by the Minister for Local Government. Is there any work on the methodology of the area cost adjustment to take account of the special characteristic in Poole and Dorset of high house prices and low average salaries?

Jim Fitzpatrick: I can assure the hon. Lady, notwithstanding representations that she has made with local colleagues, as well as representations by the local authority, that there is an ongoing assessment of the area cost adjustment and all the factors involved. In reaching the local government financial settlement for each area, the Department bases its calculations on all the evidence presented by its own sources and, indeed, by local authority sources. As I said in response to the hon. Member for Poole, a dialogue is under way. There is continual assessment and reassessment, and any evidence or information that is presented is taken into account and assessed. Conclusions are reached by civil servants, and final submissions are made to Ministers, who make announcements to the House. We are open to representations and so on. Some people may think that certain factors are not taken into account, but I can assure the hon. Lady that all representations are considered very seriously.

We have worked closely with the Local Government Association to look at the pressures that councils will face in the next two years, and the ways in which central and local government can manage those pressures. We accept that there are pressures on councils, especially waste management and social services, which is why we have provided an extra £305 million in 2006–07 and £508 million in 2007–08 in formula grant above what was previously planned. We are satisfied that the settlement following the spending review 2004, coupled with the significant extra investment that we have made

in recent years, is sufficient to fund all the cost pressures that local authorities face in delivering services over the next two years.

We have agreed to work jointly with local government in a number of areas. We will work with the Local Government Association to take account of pressures, and we will focus on pay, adult social care and waste in the context of the 2007 comprehensive spending review. We will introduce a strengthened new burdens procedure, and we have reaffirmed our commitment to discuss new burdens with local government as well as the measures to mitigate them. I understand the concerns of people in Poole, particularly of pensioners on fixed incomes and others on low incomes who are worried that the settlement may impose another large increase in council tax for the next two years. There is no need for them to be anxious but, given the average 3.4 per cent. increase in formula grant until 2007–08 that Poole has received since 1997, residents are right to express dismay at the persistently high council tax increases imposed on them and the proposed increase for the forthcoming year.

Given the Government's significant extra investment in public services and the scope for efficiency improvements, it is unacceptable for local authorities to set large increases in council tax. The average council tax increases in both 2006–07 and 2007–08, as we have said, should be less than 5 per cent. We have made it clear that we are prepared to use our powers to cap any excessive council tax increases, and we have done so in the past two years.

In conclusion, I can assure the hon. Member for Poole, his colleagues and his constituents that I understand fully the points he has raised today. We have provided a good settlement overall, and, given the significant investment in local services, we believe local authorities can and should deliver council tax rises below 5 per cent. in 2006–07 and 2007–08. I will alert my hon. Friend the Minister of State to matters raised in this debate before his visit to Poole next month.

Question put and agreed to.

Adjourned accordingly at thirteen minutes past Eleven o'clock.

House of Commons

Tuesday 14 February 2006

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRANSPORT

The Secretary of State was asked—

Railways (South-east)

1. **Michael Gove** (Surrey Heath) (Con): If he will make a statement on rail infrastructure in the south-east. [51241]

The Minister of State, Department for Transport (Dr. Stephen Ladyman): The national rail network in south-east England, like that of the rest of the United Kingdom, is owned and operated by Network Rail, which is investing substantial amounts across its network, including in south-east England, to help to address years of under-investment. Total investment in 2005–06 is expected to be about £3 billion.

Michael Gove: I thank the Minister for his reply. He will be aware that the *Evening Standard* has been running a campaign to stress the importance of safety in our stations, but he will also be aware that safety is not only an issue in the capital. In my constituency, Camberley station has witnessed an upsurge in antisocial behaviour recently. I invite the Minister, when he invites companies to tender for the franchise currently held by South West Trains, to ensure that passenger safety and security are at the heart of the tendering process so that my constituents have the protection they deserve when they travel.

Dr. Ladyman: I share the hon. Gentleman's concern that everybody should feel safe on the railway, and I can give him the assurance he seeks. In the consultation document about the letting of the franchise, we made it clear that safety, security and the condition of stations were key factors, which we shall reflect in the tender documents when they are issued to the shortlisted bidders.

Ms Celia Barlow (Hove) (Lab): Is my hon. Friend aware that the Department for Transport strategy for rail services from Brighton proposes the closure of the direct train line between Brighton and Watford? The train link to Reading is also due to be abolished. That is inconvenient for the elderly and disabled among my constituents. Given those changes to rail services from Brighton, what assurances can my hon. Friend give my elderly and disabled constituents that barrier-free travel north to stations outside London will still be accessible to them?

Dr. Ladyman: My hon. Friend should be aware that we are looking into a number of opportunities to change services. There is a consultation and her views will be taken into account. She should bear in mind, however, that we need to ensure that we make the best use of existing rail capacity, and underused services sometimes have to be rationalised. When that happens, we have to ensure that there are alternative services, but at the end of the day we have to get the greatest number of people on to existing capacity, which is what we seek to do. However, my hon. Friend's views and those of her constituents will of course be taken into account.

Mr. Richard Bacon (South Norfolk) (Con): What discussions has the Minister held with Network Rail about improvement of the electrification of the stretch between London Liverpool Street and Shenfield, which will not only be important for the Olympics but which Network Rail says is the single biggest impediment to improving punctuality between London and Norwich? If he has not held such discussions, will he do so; and if he does so, will he let me know about it?

Dr. Ladyman: I have had no such discussions, but I am sure that my colleagues who more regularly deal with such things are in constant communication with Network Rail. They will have heard the hon. Gentleman and I shall ensure that he is notified when discussions take place.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): Today in London we are all celebrating because at last the Mayor of London has been able to take over the running of the north London lines, which is a triumph for national Government working with London government. We will see a £25 million enhancement programme for our stations, eight trains an hour on the north London line through my constituency—

Mr. Speaker: Order.

Meg Hillier *rose—*

Mr. Speaker: Order. The hon. Lady should sit down while I am speaking.

The purpose of a supplementary question is to ask a question, not to make a statement about the good work that the Mayor of London will be doing for us.

Meg Hillier: Thank you, Mr. Speaker, for putting me right. I wanted to ask my hon. Friend the Minister whether he agrees that the north London lines should be included on London's tube map to celebrate that success.

Dr. Ladyman: I have noted my hon. Friend's comments and certainly share her view about the excellent work of the Labour Mayor of London. I shall pass on her comments about the tube map.

Dr. Vincent Cable (Twickenham) (LD): The Secretary of State made a welcome announcement a few months ago that the Eurostar terminal could be used for domestic services, but is the Minister aware that it was not included in the tender proposals for the South West Trains franchise? Will he do something about that?

Dr. Ladyman: Yes, the company will be able to use those facilities and we shall look into how we can facilitate that.

Martin Linton (Battersea) (Lab): I too welcome the decision to bring the west London line and the north London line under the control of Transport for London, and urge my hon. Friend to ensure that it is accompanied by sufficient borrowing powers in the capital spending review to ensure that TFL can develop London's orbital lines into a real service for Londoners.

Dr. Ladyman: Of course the funding will be transferred, but I should add that London has already received a very generous settlement from the Government.

Chris Grayling (Epsom and Ewell) (Con): I listened carefully to the Minister's response to my hon. Friend the Member for Surrey Heath (Michael Gove) about the South West Trains franchise. I read the tender document this morning. It sets out about 12 overall objectives for the new franchise agreement. It makes no reference at all to safety. Why?

Dr. Ladyman: The hon. Gentleman should read it again: the consultation document very clearly refers to safety and to the state of stations.

Chris Grayling: I did read it, and it is the Minister who may need to read again, because I can assure him that it makes no reference to safety. The Government promised in their 10-year plan to enable passengers to travel safety and to feel secure. Since the plan was first published, the number of violent assaults taking place on trains and at stations has risen by 43 per cent. Does the Minister think that the Government are keeping that promise?

Dr. Ladyman: First, let me tell the hon. Gentleman what the consultation document states, since he seems to have had a little bit of word blindness:

"Bidders will be expected to demonstrate in their bids how they will achieve a continuing improvement in service levels at stations, address issues of safety and security, accessibility".

Perhaps he will get himself a new pair of reading glasses.

Certainly, it is true that the figures on attacks at stations that we produced this week are very disappointing. However, the mechanism by which they were calculated changed halfway through, which gives them a false air, unfortunately. Nevertheless, one is one too many. That is why we have increased the number of British Transport police on mainline stations and the underground by 50 per cent in the past two years—we have increased it by 300 in the past year alone—and it is why we are working to invest in CCTV at stations and to improve station services. We are making that investment because we believe in ensuring people's safety, and the hon. Gentleman has consistently voted against that.

Network Rail

2. **Rosie Cooper** (West Lancashire) (Lab): What steps he is taking to ensure greater co-operation between Network Rail and train operators. [51242]

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): The changes made in the Railways Act 2005 are designed to improve efficiency and co-operation across the rail industry. As part of those changes, Network Rail is now accountable for performance and co-ordinating rail industry planning and operational management.

Rosie Cooper: Under the Tories' botched privatisation, Railtrack and the train operating companies were constantly fighting one another, and the main losers were the travelling public. With Network Rail in place, instead of Railtrack, what steps is the Minister taking to ensure that all parts of the rail industry work together for a better service—for example, the rail interchange that was opened last week in my constituency at Burscough? What improvements does he believe—

Mr. Speaker: Order. One supplementary question is fine.

Derek Twigg: It is important to point out that, of course, working together is a very significant part of improving performance. That is why reliability is improving, with the number of on-time trains reaching more than 85 per cent and, of course, with the record investment of £87 million a week that is going into the railways. We have introduced joint control centres along lines, such as Birmingham to Waterloo, and joint improvement plans are being set up between the train operating companies and Network Rail. Of course, we are working together on projects such as that in my hon. Friend's constituency at Burscough Bridge station, which I opened last week.

Peter Luff (Mid-Worcestershire) (Con): Bitter experience—most recently, yesterday—has taught me to expect all trains from Worcestershire to London Paddington to be at least half an hour late, largely owing to the creaking infrastructure. Will the Minister urge Network Rail to co-operate much more effectively with the train operating company and listen to First Great Western's very practical and affordable suggestions to improve the infrastructure on the line and the reliability of services?

Derek Twigg: Clearly, part of the problem is that money was not spent on the infrastructure over the previous few decades, particularly under the Conservative Government, but I have raised the issue with First Great Western and Network Rail. Of course, we want to see further improvements, and significant investment has been put in place on the Great Western lines to ensure that improvements take place over the coming years.

Paddy Tipping (Sherwood) (Lab): Does greater co-operation include discussions with the Office of the Rail Regulator? Will my hon. Friend look particularly at services on the Great North Eastern Railway main line, where the Office of the Rail Regulator has blocked plans from GNER to deliver the extra 12 services promised in its franchise?

Derek Twigg: I understand exactly what my hon. Friend is saying. Of course we have made representations about the fact that we have concerns, and we want services to improve as well—so, yes, such discussions take place.

Tom Brake (Carshalton and Wallington) (LD): Co-operation between Network Rail and the train companies is so poor that three out of 10 cancelled trains are cancelled because of Network Rail. Co-operation between the Department for Transport, the Association of Train Operating Companies, Network Rail and Alstom is so poor that Alstom has closed the UK's only test track for trains without formal prior discussions. Does the Minister believe that the Secretary of State for Transport's efforts to improve co-operation on the railways have been more or less effective than his intervention in the Dunfermline and West Fife by-election?

Derek Twigg: The point that the hon. Gentleman is trying to make about the Alstom test track is an interesting one. The fact remains that railway performance is improving. We have record investment in new rolling stock, the youngest railway stock that we have had for a number of years and more than 1 billion passengers used the railways last year. It is the fastest-growing railway in Europe. Significant improvements are being made but, of course, there are still things to do. About 20,000 train services run every week, about 1.2 per cent. of which are cancelled. Of course, we need to improve that, and it is something that we are working on.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Will my hon. Friend deny the suggestion that the only way in which the executives of Network Rail can be persuaded to fulfil their full potential for their not inconsiderable salaries is by privatising Network Rail?

Derek Twigg: I do not think that we have any proposals to privatise Network Rail, but the working relationship between the train operating companies, Network Rail and the Government has been important in securing improvements to the railways. Network Rail has improved its performance and its efficiency, but there is clearly still more to do on the railways. We want to see further improvements on the improvements that we have already made.

Miss Julie Kirkbride (Bromsgrove) (Con): Does the Minister realise that one of the biggest obstacles to improving the rail infrastructure is the sheer complexity of the number of bodies involved? For example, we desperately need an extension to the platform in Bromsgrove, but it is not clear who is responsible for paying for it. Is it Network Rail; is it Central Trains, which is about to lose its franchise; is it Worcestershire county council under the local transport plan; or should the Minister's Department provide the money? Will he tell me who we need to go to in order to get this necessary rail infrastructure improvement?

Derek Twigg: If we are talking about the mess made to the organisation of the railways, we have to go back to the Tory party and what it did to Railtrack and so on. We have now set up a new structure on the railways involving the Department for Transport, Network Rail, which is responsible for performance, operating and improvement, and the train operating companies, which are responsible for improving the service. Clearly, the answer to the hon. Lady's question depends on who owns the platform. Bringing together the partners is an important part of any business case or reasoning for developing the platform or changing it.

Rail Links

3. **Jim Dobbin** (Heywood and Middleton) (Lab/Co-op): What plans he has to support voluntary and community rail links; and if he will make a statement. [51243]

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): The Government encourage communities to support franchised local railway services via community rail partnerships. We recognise the role of voluntary organisations in running independent railways. We will not normally provide direct financial support for independent lines, but will consider working with local authorities to implement specific improvements where they are value for money.

Jim Dobbin: The East Lancashire Railway is a very successful voluntary rail company. It passes through my constituency and those of my hon. Friends the Members for Rossendale and Darwen (Janet Anderson) and for Bury, North (Mr. Chaytor). However, there is no direct passenger rail link from those areas to Manchester Victoria. Will the Minister consider a joint evaluation with the Greater Manchester passenger transport authority to see whether it is possible to create a link through Heywood that would satisfy, and provide benefits to, the public and all three constituencies?

Derek Twigg: I know that my hon. Friend is a very strong campaigner for improving public transport. A few months ago, I opened a new bus station in his constituency and I know that he also campaigns to try to improve rail links. The East Lancashire Railway is part of a heritage railway that brings in lots of income and visitors to the area. However, on the point about extending its use to mainline services, I must say that we have not received any representations from Manchester or Lancashire about reopening the line for passenger services. However, we will consider any scheme that may be put forward.

Mr. Andrew Turner (Isle of Wight) (Con): The Isle of Wight railway now has a community rail partnership in place. When the Minister lets the new franchise for the Isle of Wight, will he invite potential bidders to propose as many imaginative schemes as possible? For example, that could include consideration of whether it should be

light rail or heavy rail, the installation of a crossing point at Brading to improve connectivity to Portsmouth and Waterloo and improvements to the rolling stock. We have some of the oldest in the country—

Mr. Speaker: Order. The hon. Gentleman can drop the Minister a note on these matters.

Derek Twigg: I understand the points that the hon. Gentleman makes. We have gone through a consultation process on the new franchise, and clearly we will examine its results when we consider the invitation to tender. He is right to highlight the importance of community railways. We now have six such schemes throughout the country and there is increasing support for community rail development, so it is especially important to involve the community, whether that is businesses, local authorities or members of the public.

Mary Creagh (Wakefield) (Lab): My hon. Friend will be aware of the excellent work that is done by the Penistone line partnership in my constituency. The partnership runs the Huddersfield-Penistone-Sheffield line and last year more than 1 million passengers used its facilities. What is my hon. Friend doing to increase passenger numbers on the railway further and reduce costs to the travelling public?

Derek Twigg: As my hon. Friend says, the scheme is a successful development that forms part of the Government's overall commitment to community rail development. As part of the overall growth in the railways, we want more people to use the line. If we get more of the community involved in supporting the service, including businesses and local authorities, and make the service attractive, I am sure that it will continue to grow.

Road Pricing

4. **Mr. Stewart Jackson** (Peterborough) (Con): If he will make a statement on the Government's plans for road pricing. [51244]

The Secretary of State for Transport (Mr. Alistair Darling): We are working with local authorities and other areas to develop a road pricing scheme that tackles congestion. That will allow us to pilot technology for a national scheme.

Mr. Jackson: I thank the Secretary of State for his answer. The Transport Committee has called for a proper evaluation of congestion and its impact on the UK economy. Is such an analysis by the Department in the pipeline, and when is it likely to be published?

Mr. Darling: Numerous studies have made the rather obvious point that the more congested the road system, the greater the disadvantage to the economy. The bigger question to address is what we do about that. Clearly, we need additional capacity, which is why, for example, we completed a major widening of the M25 just before Christmas. We need to manage the road system better, which we are doing throughout the network with, for example, traffic management officers clearing up after accidents. However, those two measures would not be enough on their own. We need to examine whether it might be better to replace the existing system of paying for road use with distance-based charging. As I have said on many occasions, if we do not do that, we will face total gridlock. We are not short of analysis, but we need to concentrate on solutions that will reduce congestion in the longer term.

Mr. Denis MacShane (Rotherham) (Lab): While my right hon. Friend is working on that, are we not making the best the enemy of the good? Many of our motorways are almost urban slip roads around the great cities of Britain, yet we have one of the few motorway systems that involves no charge. Will my right hon. Friend consider introducing in the interim a vignette of £30 to £40 for motorway users, including all foreign cars and lorries that come into Britain, but allowing rural people who do not use motorways not to pay that extra money? Such a simple and practical scheme could be put in place until his all-singing and all-dancing road pricing and satellite in the sky operation comes into being, for which we might have to wait a little after the end of his term of office.

Mr. Darling: Having been here for almost four years, I would not bank on that. I am not sure how much thought my right hon. Friend has given to the matter, but it simply would be neither feasible nor desirable simply to toll motorways if we thought that we would adopt a completely different method of charging for roads a few years later. I have said before that a national road pricing scheme is some years off, but I believe that we can pilot such a scheme regionally in the next five years or so. Simply charging for some roads, but not for others—*[Interruption.]* I shall come on to the vignette in a moment. Although my right hon. Friend prides himself on his knowledge of matters European, I think that he would find that the Commission would come down very hard on us if we tried to impose something that discriminated against foreign drivers, because the Single European Act is supposed to stop that. The short answer is that I do not think that he is advocating a good idea, but I will be more than happy to discuss it with him afterwards.

Mr. Nick Hurd (Ruislip-Northwood) (Con): The Secretary of State announced that 30 local authorities have expressed an interest in piloting a road-pricing scheme. Will he expand a little on the way in which the Government plan to help those authorities that wish to proceed only on a revenue-neutral basis, or which are concerned about the impact of road pricing on social inclusion?

Mr. Darling: I do not think any of the authorities that have expressed an interest in road pricing have looked at whether it should be anything more than revenue neutral. I announced just before Christmas the funding that was available for seven areas, and later this year I will announce funding for more areas. I have made it clear, however, that we are prepared to provide that funding, because I want to be able to choose, probably next year, a particular area where we can pilot the scheme. Until we conduct a pilot we will not be able to bottom out the technical problems or evaluate how people behave in practice. However, I am proposing to help local authorities to do so by providing funding.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): My right hon. Friend will be aware that organisations such as the Road Haulage Association are extremely concerned about any further increases in road pricing. Has he recently met the association and, if not, would he consider doing so in the near future to discuss its concerns?

Mr. Darling: My fellow Ministers and I meet the Road Haulage Association regularly. It was supportive of our work on lorry road user charging—a form of road pricing—which was included in the national scheme. It recognises that anything that we can do to reduce congestion is of great help to its members. It believes that that means that everyone who uses our roads should pay to do so—I think that that is the point that my right hon. Friend the Member for Rotherham (Mr. MacShane) was trying to make earlier—which would be a far better system in many ways than the current one.

Mr. Owen Paterson (North Shropshire) (Con): In December, the Department of Trade and Industry announced that the Government have invested €136 million—according to my calculations, that is about £93 million—through the British national space centre and the Department for Transport in Galileo. Do the Government intend to introduce a comprehensive road pricing scheme for both private and commercial vehicles using Galileo technology?

Mr. Darling: It remains to be seen whether we use Galileo or GPS. The hon. Gentleman may be aware that last year I made the point that many organisations, including insurance companies, wish to provide satellite equipment for cars. Norwich Union, for example, offers pay-as-you-drive insurance. The Government believe that if we can use existing technology or work in partnership with others who do so that would be much better than the Government having to invent a system on their own, as the history of doing so by successive Governments has not been an altogether happy one. Galileo would have other uses besides road transport.

Andrew Mackinlay (Thurrock) (Lab): Would it be indelicate to raise the question of the tolling of bridges, particularly the M25 bridge in my constituency, which is road-priced. Will the Secretary of State give an undertaking that if road pricing for the M25 is introduced the burden of a toll for my constituents in south Essex and for people in north Kent will be lifted, as they subsidise M25 users with their tolls on the Dartford crossing, which is unfair and unsustainable?

Mr. Darling: My hon. Friend is quite right. If we introduced a system of national road pricing the whole question of tolls on that bridge and, indeed, others would have to be considered at the same time.

Rail Subsidies (Consultants)

5. **Tony Baldry** (Banbury) (Con): What consultants he has employed to advise on subsidy for rail services; what the terms of reference are for this project; and if he will make a statement. [51245]

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): Consultants are employed to advise on replacing rail franchises on a case-by-case basis. They typically assist in drawing up invitations to tender and in evaluating the bids received. This will involve understanding the level of subsidy or premium payable in each case.

Tony Baldry: Does the Minister agree that someone who wants to travel from Banbury to Oxford by rail to go to work, or someone who wants to travel from Bicester to Oxford by rail to study is no less deserving of rail subsidy mile for mile than a long-distance commuter? If there is to be a debate about rail subsidy and which services the taxpayer subsidises will it be an open and transparent debate, not one that simply closes local lines?

Derek Twigg: A great deal of subsidy is still paid to the railways—£87 million a week is spent on them, with improvements in reliability and more passengers voting with their feet and using the railways. The hon. Gentleman may be referring to the recently published closures guidance, which we were required to produce under the Railways Act 2005 to replace the Strategic Rail Authority closures guidance, which will cease to be produced when the SRA is wound up. We want to ensure that the railways expand and that more people use them. There are no plans for wholesale station or line closures. More people are using the railways, and more investment is being made in them. This is about a growing railway, and we want to achieve a better, more efficient railway.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): The hon. Member for Banbury (Tony Baldry) asked about the service between Bicester and Bletchley and the spur from Aylesbury to Bletchley. Does my hon. Friend agree that in assessing that section of rail, account should be taken of the Milton Keynes-south midlands growth area, the additional housing around Aylesbury and Milton Keynes, and the contribution that that section of rail will make to facilitating that housing development and encouraging the people who live in those houses to travel by rail, instead of adding to the burden on the road system?

Derek Twigg: As my hon. Friend knows, I went to Milton Keynes to announce a significant investment in Milton Keynes railway station to ensure greater capacity, taking account of the growth in housing. I am sure she will agree that that is an excellent scheme, which is benefiting from community infrastructure funds. It will allow improvements in capacity and in rail services generally for people in that part of the country.

Mr. Gregory Campbell (East Londonderry) (DUP): In view of the continuing support that the Government have given to rail services in rural parts of the United Kingdom, will the Minister assure my constituents that he will liaise with the Secretary of State for Northern Ireland to ensure that a rail line under threat that goes through my constituency will receive increased support to ensure its continued maintenance for commuters using the line?

Derek Twigg: It would be best if the hon. Gentleman spoke to my right hon. Friend the Secretary of State for Northern Ireland, but I will pass on his comments.

Bus Regulation

6. **Tony Lloyd** (Manchester, Central) (Lab): If he will extend bus regulation as it applies in London to the rest of the country. [51246]

The Secretary of State for Transport (Mr. Alistair Darling): As part of the preparation needed to implement a road pricing scheme, I am considering ways to make it easier to run bus services by mutual agreement. We are discussing with the Office of Fair Trading how this can be done, consistent with competition law.

Tony Lloyd: I warmly welcome my right hon. Friend's helpful remarks. He is aware that when people from a city such as Manchester travel to London, they are often amazed at how comprehensive the bus service is. They compare it with the post-deregulation period in Manchester, where bus services have been withdrawn from the estates and other areas where people live, and they draw the conclusion that we need re-regulation to ensure that we get back to the kind of bus services that London has and other cities expect. Can my right hon. Friend help us with that?

Mr. Darling: I think I can. As my hon. Friend knows, my Department and I have been in discussion with the Greater Manchester passenger transport authority, among others, about how we improve public transport, particularly bus services. The problem is that it is not possible for representatives of a local authority and two bus companies to sit down and reach an agreement about the adequacy of the bus service, matters of fares and so on. If we are to achieve greater demand management and introduce road pricing and other measures, there must be such an agreement. If we are to say to people, as in London, "Don't take your car, but get on to public transport", the public transport must be available in the first place. I am not satisfied that the present system of dealing with buses deals with that. I have said before that I do not want to go back to the pre-1986 legislation because that had its own problems, but I think we can make a quantifiable change in the way in which bus services are provided outside London. That is what we are discussing, and I hope to have something further to say in the not too distant future.

Mr. John Leech (Manchester, Withington) (LD): I am sure other right hon. and hon. Members will be as flabbergasted as I was to hear that the number of bus services in the north-west traffic areas increased, according to parliamentary answers that I have received. That certainly is not the case in south Manchester, where we have seen the systematic removal of services over a number of years, including most recently the service to Manchester royal infirmary on a Sunday. Does the Secretary of State agree that tougher regulatory control would allow the PTA to direct bus services where they are most needed, rather than where the bus companies can make the most profit?

Mr. Darling: Bus services and routes will change from time to time, depending on passenger demand, but the changes that I am proposing will make it easier, provided that they are implemented with other measures to reduce congestion, to ensure that bus services run where they are needed. As I said a few moments ago to my hon. Friend the Member for Manchester, Central (Tony Lloyd), if we want people to use the bus, we must ensure that there is an adequate bus service. However, bus services, like any other public service, will change depending on what people want.

Andrew Gwynne (Denton and Reddish) (Lab): Although I welcome my right hon. Friend's response, may I ask whether he is aware that Stagecoach Manchester has told me that it wants the Greater Manchester passenger transport executive to have more powers, not least to co-ordinate in a stronger way the bus network and to tackle congestion, which is having a detrimental effect on services, particularly in south Manchester? Given the discussions that his Department has had with the GMPTE, can he advise me as to what powers he will look at providing it with specifically to tackle traffic congestion?

Mr. Darling: My hon. Friend makes a good point. It is as much in the interests of bus operators as of everybody else to ensure sensible management of the amount of traffic going through the streets of Manchester, as well as other places. That is why the Greater Manchester passenger transport authority is currently looking at the measures that it needs to take over the next five to 10 years to reduce the amount of traffic coming into the city and improve public transport. We are working closely together to achieve that. In terms of bus services, it will be possible to deliver such improvements only with the powers that will be necessary to ensure that buses are running where they are supposed to be running, as they should be if we are to persuade people that they should leave their cars at home. We discuss these matters not only with the Greater Manchester PTA, but with Stagecoach and other bus operators.

Adam Price (Carmarthen, East and Dinefwr) (PC): Does not the fact that bus usage in London since the mid-1980s has risen by almost 60 per cent., whereas in the rest of England and in Wales it has fallen by almost a half, show that the London model, which combines public planning on routes, fares and timetables with competition for specific contracts, has been a huge success, while deregulation has been a disast[illegible]

Mr. Darling: The position varies across the co[illegible] The hon. Gentleman is right that London bus usage has increased dramatically, but he should bear in mind two things. First, the Mayor of London has deliberately introduced measures such as the congestion charge and others to encourage people to leave their cars at home. Furthermore, through the support of central Government, the Mayor is spending more than £400 million supporting those bus services. In other parts of the country, such as Brighton, York, Oxford and Cambridge, where bus companies and local authorities are working well together, there has also been an increase in bus patronage. What I have been referring to is further measures that are important and indeed necessary if we are to see an increase in the use of buses, particularly in larger conurbations such as Greater Manchester or in the west midlands, where I

believe that we need to do more to reduce congestion on the roads and improve public transport. As I said in reply to the previous question, I am determined to ensure that we have a pilot for a national road pricing scheme, and improved public transport is an essential part of that.

Hugh Bayley (City of York) (Lab): Local authorities spend a great deal of Government money seeking to increase bus use by designating bus lanes, building bus shelters, improving disabled access and traffic management systems and running information systems. However, that works well and increases bus use, which has happened in York, as my right hon. Friend said, only if there is a good partnership between the local authority and the bus company. Does he agree that it would be helpful if bus companies were to consult local authorities when they intend to raise fares or change timetables, rather than just inform them?

Mr. Darling: Yes, I agree with my hon. Friend. If public transport is to work, co-operation is needed with everyone who can make that possible. There really is no excuse for bus companies and local authorities not talking to each other.

Birmingham New Street Station

7. **Richard Burden** (Birmingham, Northfield) (Lab): What assessment he has made of the likely impact of developing Birmingham New Street station on the transport infrastructure of the west midlands. [51247]

The Secretary of State for Transport (Mr. Alistair Darling): Proposals for redeveloping the station are being worked up jointly by Birmingham city council and Network Rail.

Richard Burden: I am grateful for that reply. My right hon. Friend will be aware that New Street is the busiest interchange station in the UK, currently running at around twice its designed capacity. Given the fact that that is not only unacceptable from the point of view of its role as a gateway to the west midlands, but a problem for the national rail network, what support will he feel able to give to the scheme to which he has just referred, which involves all the local partners and has been developed in consultation with the Government office?

Mr. Darling: My hon. Friend is absolutely right. That station carries far more passengers than it was ever designed for, and it is essential not only for Birmingham and the west midlands but for many other routes that run through the area. On any view, there will have to be a substantial public contribution, which may involve the Department for Transport, the Department of Trade and Industry or others. I hope that we will have a proposal in the not-too-distant future, because everybody agrees that we need to spend a considerable sum of money to improve that part of the network.

Rob Marris (Wolverhampton, South-West) (Lab): As someone who has used New Street station literally thousands of times and who will continue to do so, I fully support the redevelopment of New Street station. However, I urge my right hon. Friend to be careful in allocating development moneys to avoid an overblown plan for New Street station that will adversely affect other stations in the west midlands, including Wolverhampton.

Mr. Darling: When we replace stations, it is important that the replacement is sensible, and my hon. Friend is right that many railway proposals include more than is absolutely necessary. The site is complex and New Street station is extremely busy, so the development will almost certainly be tied to other development in Birmingham city centre, but I am confident that we will get something that is good for the railways as well as for Birmingham and the west midlands.

Mr. Rob Wilson (Reading, East) (Con) *rose—*

Mr. Speaker: The hon. Gentleman is puzzled that I have not called him, but the west midlands and Reading do not tie in, unless he can find a link.

Mr. Wilson: Does the Secretary of State agree that any developments at Birmingham New Street station will benefit from the unblocking of the current bottleneck in the national network at Reading station? If so, what is he doing to help Reading out of that situation?

Mr. Darling: It is true that a train going to Birmingham that is held up at Reading will arrive in Birmingham later than it should—I congratulate the hon. Gentleman on his ingenuity. Reading is one of a number of stations where there are bottlenecks. Quite a lot of resignalling is needed at Reading, because the bottleneck affects services not only going up to Birmingham, but going down to the west country, and Network Rail is on the case.

Mr. Siôn Simon (Birmingham, Erdington) (Lab): May I call a spade a spade: given the hopeless dithering and chaotic failure to take a lead of the Tory-Liberal administration on Birmingham city council, I invite the Secretary of State to take a personal interest on behalf of the Labour Government, to take the matter by the scruff of the neck and to intervene to sort out the disgrace that is Birmingham New Street station? We should have a 21st-century station for a 21st-century city, but we cannot leave it to the Tories and the Liberals, because they cannot do it.

Mr. Darling: I assure my hon. Friend that I take a personal interest in the matter, not least because I am asked about it whenever I go to Birmingham. One big difference between now and the past is that we are prepared to put money into the railways, because many of the problems, whether they involve Birmingham or Reading, exist because the previous Government failed to do that.

British Transport Police

8. **James Brokenshire** (Hornchurch) (Con): if he will make a statement on the proposed reorganisation of the British Transport police. [51248]

The Secretary of State for Transport (Mr. Alistair Darling): Last October, I told the House that I would review the role of the British Transport police, and I hope to announce the conclusions of that review before too long.

James Brokenshire: The review of the British Transport police comes at a sensitive time. As the Secretary of State knows, violent crime reported on the railways has increased by 40 per cent. in the past five years, and passengers in London are seriously concerned about safety because of unmanned stations and partially manned stations. Will the Secretary of State assure the House that passenger safety will be prioritised as part of the review, rather than the review being used to fit in with the Government's wider regionalisation agenda for police forces up and down the country?

Mr. Darling: The hon. Gentleman is right that what matters is providing effective police for the railways—despite its name, the British Transport police is essentially a railway police force. He is also right that we must ensure that the safety of passengers is paramount, which is why we have increased funding to the BTP—the number of officers has increased by about 300 in the past year alone, and more than 200 officers are due to be recruited in next three years. We have spent a lot more money on CCTV, and policing on London underground has been increased, too. It is important that the BTP focuses its efforts on tracking down the people who commit such crimes. We must ensure that people have the confidence to use the railways and the underground, and part of our review of the BTP is about making sure that policing is firmly focused on that objective.

Mrs. Ann Cryer (Keighley) (Lab): Is my right hon. Friend aware that many people responsible for the smooth running of our stations and trains have grave concerns regarding the possible demise of the British Transport police, with its very specialised experience?

Mr. Darling: Yes, the BTP does a very good job. We are having this review because, given the prospect of reducing the number of police forces in England and Wales, it makes sense to look at how the BTP is structured. It has to work very closely with police forces outside London because BTP officers tend to be more thinly spread in some areas and other forces need to help. In addition, the BTP is being asked to do an increasing amount of sophisticated work in relation to anti-terrorist activities in London, where it works with the Metropolitan police. The question that we are considering is whether it is best that it should remain as the BTP—[HON. MEMBERS: "Yes"]—or be firmly focused. I hope that the review will be completed fairly quickly. My hon. Friend is right to say that the BTP does a good job in different parts of the country, and its work is appreciated.

Stephen Hammond (Wimbledon) (Con): Whichever version of the Government's 10-year transport plan one reads, it states:

"We want people to travel safely and feel secure."

British Transport police statistics show a 43 per cent. increase in violent crime on trains since 1999–2000. Can the Minister confirm exactly when his review will be finished and what steps he will take as a result to ensure that people feel safer when travelling on our railways?

Mr. Darling: We will complete the review as soon as we can, but it is important to carry it out thoroughly to ensure that we get it right.

It is true, as has been said, that the amount of reported crime has gone up. That is partly because all crimes are reported and recorded more accurately, but it is also the case, as the House will know, that there has been an increase in the amount of crime against individuals generally. We have increased the amount of officers and the amount of money available to spend on measures such as CCTV—every single penny of which, I must tell the hon. Gentleman, was opposed by the Conservatives at every opportunity. The House should be in no doubt that we are committed to doing everything that we possibly can to ensure that the railways are safe. The fact that increasing numbers of people are using the railways every year tends to suggest that the vast majority have confidence in the system. That said, there is clearly a lot more to be done in relation to the fight against crime, and we will ensure that British Transport police and other police forces have the resources they need to do that.

Eurostar

9. **Chris Bryant** (Rhondda) (Lab): When he last reviewed security arrangements on Eurostar. [51249]

The Minister of State, Department for Transport (Dr. Stephen Ladyman): Security measures are in place that are designed to be proportionate and responsive to the prevailing level of threat. They have been jointly agreed with the French Government to ensure comparability of standards. The measures are kept under continuous review by both Governments.

Chris Bryant: I wonder whether the measures are proportionate. Someone who flies to Paris buys a ticket with their name on it, and before they get on the aeroplane the name on their ticket is checked against their passport at least three times. Someone who gets on Eurostar to go to Paris, Brussels, or wherever does not necessarily have a named ticket and all that is checked is whether they have a ticket. We therefore have no idea who is travelling on Eurostar. Should not we review that arrangement to ensure that our borders are secure?

Dr. Ladyman: The arrangements are very different as between Eurostar and the airlines. Airlines have named tickets because they must have a passenger manifest in case of an accident and because they must carry out a reconciliation between the hold baggage and the individuals on the plane. There is no hold baggage on Eurostar, and it is not necessary to have the same passenger manifest. Nevertheless, I have noted my hon. Friend's comments and will ensure that they are relayed to the people who keep security on Eurostar under review.

Light Transit Systems

10. **Greg Mulholland** (Leeds, North-West) (LD): If he will make a statement on the future of funding for light rail and trams. [51250]

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): Trams can be very effective in heavily trafficked areas. We remain prepared to support the introduction of trams when they are the right solution, but we must take account of the cost. In many cases, a well-designed and promoted bus-based system is likely to provide a more cost-effective solution.

Greg Mulholland: The Under-Secretary's answer is as enlightening as the Department's usual communications on light rail. In the light of the Government's decision not to fund the Leeds supertram scheme, and figures that show that three times as much money is spent per person on public transport in London and the south-east compared with Yorkshire and the Humber, does he agree that the Department is failing on public transport outside London, that the Government's regional economic policy is a sham and that all that shows an ever-increasing—

Mr. Speaker: Order. I call the Under-Secretary.

Derek Twigg: The answer is no, we are not failing on public transport policy. Indeed, we are doing well. Perhaps the hon. Gentleman should speak to his Front-Bench colleagues about getting Liberal Democrat policy on trams right. During a debate on 1 February, the hon. Member for Carshalton and Wallington (Tom Brake) said:

"All that needs to be underpinned by paying attention to value for money, which is why my Liberal Democrat colleagues in the London assembly are putting forward a proposal to replace the tram scheme for London with a trolleybus scheme that could do the same job for about a third of the price."— [*Official Report*, 1 February 2006; Vol. 442, c. 411.]

DUCHY OF LANCASTER

The Chancellor of the Duchy of Lancaster was asked—

E-government

21. **Dr. Roberta Blackman-Woods** (City of Durham) (Lab): If he will make a statement on the progress of e-government. [51261]

The Parliamentary Under-Secretary of State for the Cabinet Office (Mr. Jim Murphy): The Government have made good progress on e-government, with 96 per cent. of services estimated to be online. Our flagship website, Directgov, has more than 2 million visitors a month. We have set a clear forward strategy for transformational government.

Dr. Blackman-Woods: What steps are the Department taking to ensure that the lessons of e-innovation rounds 1 and 2, as they relate to local government service improvement and accessibility, are being rolled out to all councils in the country, including those that serve my constituency?

Mr. Murphy: First, may I pay tribute to my hon. Friend who, in the months that she has been a Member of Parliament, has taken a close interest in such matters, lobbied me and discussed how IT can help enable the transformation of people's lives in her constituency? She is right that IT crucially enables local government's delivery of public services and I believe that approximately 30 local authorities are involved in the initiative. Of course, we would like it to be rolled out much further so that best practice becomes common practice throughout the country.

Miss Anne McIntosh (Vale of York) (Con): What investment has North Yorkshire county council made in e-government? Does the take-up reflect the investment?

Mr. Murphy: I would assume that the hon. Member for Vale of York (Miss McIntosh) knew the position in North Yorkshire better than I do. Nevertheless, I can tell her that public services have been transformed and personalised throughout the country through changes in IT. In North Yorkshire, like the rest of the country, most of those services are highly effective and our constituents use them. For example, they may renew tax discs and pay tax online and visit Directgov. If the hon. Lady genuinely wishes to know the specific position in her constituency, I shall investigate and get back to her.

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend correctly said that e-government services are widely available. However, the uptake varies greatly by region, age group and social grouping, as the publication "Digital Strategy" acknowledged a year ago. What progress has been made in bridging the digital divide and extracting the full potential of IT in delivering government?

Mr. Murphy: My hon. Friend is absolutely right that IT has the potential to bridge the divide, which, left unchecked, would grow. There are excellent examples of that improvement throughout the country. I visited Eastserve in Manchester, a project in the western isles and another on an oil platform in the North sea halfway to Norway. They are excellent innovations and examples of the delivery of public services to people, regardless of their background and age. However, I agree that much more can be done and many comments and ideas are contained in our transformational government strategy, which was published in November last year.

Deregulation

23. **Mr. Henry Bellingham** (North-West Norfolk) (Con): What steps he is taking to enhance the Government's deregulatory initiatives. [51263]

Mr. Jim Murphy: We remain on track to deliver the radical programme of regulatory reform set out in the March 2005 Budget and the better regulation action plan published in May 2005. The Legislative and

Regulatory Reform Bill will make it quicker and easier to reform outdated, unnecessary or over-complicated legislation.

Mr. Bellingham: Is the Minister aware that one of the most regulatory measures around is the temporary agency workers directive, which the CBI has described as a job destroyer? It would certainly damage employment in my constituency. Labour MEPs are in favour of the directive. Are Her Majesty's Government still totally opposed to it?

Mr. Murphy: The United Kingdom Government support any initiative that must to protect the competitiveness of UK business and the UK economy, so our position has not changed on this matter. We have heard these siren calls before, not from the CBI but from the Conservatives. It was of course the Conservatives who said that the national minimum wage would cost 1 million jobs and be bad for British business. The fact is that nearly 2 million more people are now in employment. I can confirm to the hon. Gentleman that the position of the UK Government has not changed.

Andrew Miller (Ellesmere Port and Neston) (Lab): May I thank my hon. Friend for acknowledging the reason for my absence from last week's debate on the Legislative and Regulatory Reform Bill? I was attending an important funeral. May I ask him specifically when he expects to be able to reply to the substantive points made on the Bill by the Regulatory Reform Select Committee?

Mr. Murphy: The whole House accepted the reason why my hon. Friend could not attend last Thursday's Second Reading debate. May I again put on record the thanks of the whole House for the work that he and his Regulatory Reform Committee have done on this important issue? I confirmed on Second Reading that we would respond to the Committee's 17 specific and substantial recommendations before the Bill went into Standing Committee. I repeat that we remain open and sensitive to ways to offer further reassurances on the Bill.

John Bercow (Buckingham) (Con): Given the Minister's responsibility for deregulatory initiatives, and the merits of learning from successful experience in other countries, what assessment has he made of the merits of the Regulatory Flexibility Act 1980 and of the Small Business Regulatory Enforcement Fairness Act 1996 in the United States?

Mr. Murphy: As usual, the hon. Gentleman's questions are very precise. I am not in a position to provide the specific information that he requests, but I can confirm that, in regard to the Government's better regulation agenda, we are looking at experiences across the world, especially of administrative burdens. We are learning from the Dutch, the Danes and others who match our aspirations and ambitions on better regulation. Importantly, we shall know that we have succeeded—as we are beginning to do now—when other countries look at our example. I met some colleagues from the new German Government recently, and they are looking to us for ways in which to advance their own better regulation agenda to help their economy.

Keith Vaz (Leicester, East) (Lab): Clearly, this was one of the key matters pursued by the Government under the UK presidency. What meetings did my hon. Friend have with his European Union colleagues to ensure that regulatory reform was not just limited to one country but applied to the rest of the European Union as part of our ongoing agenda to make the European Union more competitive?

Mr. Murphy: My hon. Friend's analysis is correct. If the UK and the European Union are to succeed in the global economy, given the challenges from China and India, our ambitions for better regulation need to be much more robust. We hosted a conference in Edinburgh for regulatory reform Ministers from throughout the EU to further that agenda, and to determine how we could learn together from our best experiences in order successfully to create the dynamic European economy that we all wish to see.

Mr. Oliver Heald (North-East Hertfordshire) (Con): The Department of Trade and Industry has recently published its list of forthcoming regulations to be made this year. It runs to a whopping 30 pages, and that is just the list. The Minister has said that he favours the principle of one in, one out. That is, for every new regulation, an old one should be scrapped. So why has not he, as the Cabinet Office Minister charged with responsibility for deregulation, published a list of the regulations to be scrapped? Or is he content that there is now £40 billion-worth more regulation than there was in 1997 and that it is rising fast? What is he going to do about that?

Mr. Murphy: The hon. Gentleman has limited ambitions if all that he seeks to do is ensure that the DTI will publish simplification proposals and deliver on them. Not just the DTI but every Department is committed to publishing its simplification proposals by the time of the pre-Budget report, and the Bill will allow their implementation.

Labour Members make no apology for well-targeted, effective regulation that delivers protection for families, helps the working poor and protects our environment. It is a shame that the Conservative party has not yet flip-flopped on all those issues.

John Hemming (Birmingham, Yardley) (LD): Does the Minister not agree that the reason the Government have failed so dismally on regulatory reform is that regulatory reform orders are initiated by Ministers? Ministers do not wish to reduce their powers; they generally act to increase them. If we are to succeed in reducing regulation, we need orders to be initiated from outwith the ministerial structure.

Mr. Murphy: The hon. Gentleman plays an important part in the work of the Regulatory Reform Committee, chaired by my hon. Friend the Member for Ellesmere Port and Neston (Andrew Miller). I assume that he has signed up to the Committee's report and its 17 recommendations. The Government are minded to adopt many of those recommendations. If the hon. Gentleman wishes to bring specific matters to the Government's attention I shall be happy to listen, but I do not recognise the economic picture that he portrays. We have the lowest interest rates, the lowest unemployment and record levels of employment in our dynamic economy, but we must do more, and our agenda will help us to achieve that.

Point of Order

3.31 pm

Hugh Robertson (Faversham and Mid-Kent) (Con): On a point of order, Mr. Speaker. I seek your advice in your capacity as guardian of the rights and privileges of the House, as I believe that the House may have been misled.

On 12 January, in a point of order from this Dispatch Box, I drew attention to an inconsistency. The answer to a written parliamentary question that I had received on that date stated that UK Sport had not

"set an aspirational target for Olympic medals in ... 2012".—[*Official Report*, 12 January 2006; Vol. 441, c. 783W.]

That was inconsistent with remarks to the contrary in UK Sport's annual report. You replied, Mr. Speaker, that if that answer was incorrect, it should be corrected by the Department for Culture, Media and Sport.

I wrote to the Secretary of State immediately after your remarks, Mr. Speaker. I have yet to receive an answer. I also issued a freedom of information request for the documents relating to the issue. I received a reply this morning. It denied me access to those documents; however, owing to a mistake by a civil servant, the document that I sought was included in the reply. The summary states—some of it is in bold type—

"UK Sport's ultimate goal, in consultations with BOA"

—that is, the British Olympic Association—

"and our other partners, is to finish 4th in the 2012 Olympic medal table, finishing as top European nation".

There is clearly a massive inconsistency between that and the Minister's statement that UK Sport had not set an aspirational target for Olympic medals in 2012. You can see why I believe that the House has been misled, Mr. Speaker.

I have now raised the matter twice on points of order, and have received no response from the Department. I have written to the Secretary of State; she has not yet had the courtesy to reply to the letter. What further action can I take?

Mr. Speaker: The hon. Gentleman will recall that when he raised the matter on a point of order, I said to him "Keep asking questions". He got a reply, even if it was a mistake, and I am sure that now that the House has heard what he said, the Minister will reply. I have no doubt of that.

Mr. Eric Forth (Bromley and Chislehurst) (Con): It does not happen.

Mr. Speaker: The right hon. Gentleman says that it does not happen. I cannot instruct Ministers, but the hon. Member for Faversham and Mid-Kent (Hugh Robertson) should get a reply, and he will get a reply. I hope that the right hon. Gentleman is happy with that.

Disabled Children's Assessment and Services

3.34 pm

Ed Balls (Normanton) (Lab): I beg to move,

That leave be given to bring in a Bill to make provision about the assessment of disabled children's needs; to amend the law relating to children; to place duties on local authorities and the National Health Service in respect of disabled children and their carers; and for connected purposes.

In Britain today, there are some 770,000 disabled children—7 per cent. of all the children in our country. Despite medical advances, the prevalence of disability is increasing. Since 1975, there has been a 62 per cent. increase in the number of disabled children. At this point, I want to pay tribute to the many thousands of parents, carers and teachers of children with severe learning disabilities, who work tirelessly day in, day out to give children in their care all the opportunities, love and support that they need and deserve.

One test of a civilised society is how it supports the families in greatest need. We know that disabled children and young people face multiple barriers to achieving their potential, or to sharing similar life chances to everyone else. We know, too, that severe disabilities place great burdens on families and close friends. Surveys show that it costs three times as much to bring up a disabled child, while for many parents the barriers to work are insurmountable. More than half of disabled children in Britain today live in poverty.

Successive Governments have recognised our obligations to these families. The Government's recent report, "Improving the Life Chances of Disabled People", which was masterminded by the Under-Secretary of State for Education and Skills, my hon. Friend the Member for Liverpool, Garston (Maria Eagle), set out the overarching children's policy framework and how it has evolved in recent decades: from the Children Act 1989, to the "Every Child Matters" Green Paper and the subsequent Children Act 2004. That report highlights how the Government are doing more to support disabled children and their families through measures such as extra cash help in the form of the child tax credit, a network of special educational needs co-ordinators, and section 8 of the national service framework for children. But we know that there is still a long way to go.

Last December, I met the parents and teachers of Kingsland school in Stanley, in my constituency, to where younger children with severe and profound learning difficulties come from across the Wakefield district. Kingsland is truly a brilliant school. Highly praised by Government inspectors, it is the first special school in my district to receive the primary basic skills quality mark. As I have seen, the children have a great time every day, especially at lunchtime. But when I talked to a group of parents and teachers, I heard first hand how tough life can be. Head teacher Nitsa Wainwright explained to me how difficult the school finds it to access services such as speech therapy or physiotherapy outside the school term.

Parents' biggest concern is the lack of reliable respite care. They described to me the great stress that both parents and siblings endure, especially during the holidays, when there is no school and such families are

[Ed Balls]

caring for severely disabled children 24 hours a day, seven days a week. They told me how much they value the chance of an occasional break—to go to the pub or on a trip to meet friends—and they explained how much more difficult life becomes when, as happens too often, their respite care is delayed, curtailed or cancelled because of staff shortages or problems with transport. These parents need more support, and I have been in contact with my local authority and primary care trust to represent their concerns. There is a real will in our district to make things better.

I have also discovered that these families are not alone in their struggle. Contact a Family and Mencap tell me that thousands of parents across the country face similar problems. In Britain today, 3,000 children are on waiting lists for family-based short breaks; three out of 10 children wait more than a year for such a break; and six out of 10 of those in greatest need get no, or very few, breaks. It is no wonder that, according to a Mencap survey, eight out of 10 families with disabled children are at breaking point. Margaret Sparks, a school governor of Kingsland school, told me of her and her husband's huge struggle to get proper respite care for their daughter, Kathryn. As one parent said to me:

"Most of the time the organisational challenge of getting out together as a family can be too great and it's just too difficult. At least with respite care you have the hope of a chance of being able to go out and be a normal family and enjoy things like cinema or swimming which many people just take for granted. For us, respite care means the difference between doing normal things like this and actually cracking up as a family."

My Bill aims to improve the services for families such as the ones whom I met in my constituency. It is supported by Contact a Family, the Council for Disabled Children, Mencap and the Special Educational Consortium, which have been working together for several years to raise awareness of the issues that the Bill addresses. It is also supported by a number of backers and supporters from all parts of the House, many of whom have campaigned for years for a better deal for disabled children and their parents. They include Members such as my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke), who introduced disabled persons legislation in 1986, and who is chairman of the all-party group on learning disability.

I also wish to pay tribute to the late Rachel Squire, the former Member for Dunfermline and West Fife, who was a patron of Contact a Family and a tireless campaigner on behalf of carers and disabled children and adults. She will be sadly missed.

My Bill proposes three important changes that would improve the rights of disabled children and their families. First, it seeks to make clear in law for the first time that local authorities must assess disabled children and provide them with a range of services where those are assessed as necessary. Our research has shown that there is no duty to assess disabled children under the Children Act 1989 equivalent to that in the National Health Service and Community Care Act 1990, although that duty has been implied in case law and policy guidance.

The Bill would give disabled children the right to a local authority assessment and to receive services. It would do so by proposing amendments to section 17 of the Children Act 1989, and by drawing directly on a previous and pioneering private Member's Bill, which became the Chronically Sick and Disabled Persons Act 1970. I am sure that the whole House joins me in paying tribute to the work of Alf Morris, now Lord Morris, whose work radically improved the life chances of disabled people in our country.

Secondly, my Bill would give disabled children and their families an explicit right to short breaks and respite care. Under the community care regime, adult social service authorities are obliged to provide disabled adults with short breaks where the authority has assessed that such a need exists. However, no such obligation exists at present under the Children Act 1989. If enacted, the Bill would therefore empower parents in coming forward to ask for assessments and for the services and respite care they badly need.

Thirdly, my Bill would also require NHS bodies to work co-operatively with local authorities to promote the health and welfare of disabled children in England and Wales, and enhance the delivery of services such as speech and language therapy.

I know from my discussions with Ministers that they support the objectives of my Bill. I know that they intend to study its provisions in detail to see how and if it can be taken forward. I know, too, that Ministers are committed to using every lever at their disposal to deliver our manifesto commitment to

"ensure that services are designed to meet the additional needs of disabled children and their families".

I look forward to further discussions and, in the forthcoming spending review, I hope that the Government can bring forward a cross-cutting public service agreement for disabled children, which can match resources with greater co-ordination between local authorities and the NHS to deliver, for families with disabled children, the care and support they badly need.

I hope that we can make progress in giving parents with disabled children enhanced support—building on what has already been done—so that every child in our country has the best start in life. Parents of children at Kingsland School told me that they need more support. I hope that my Bill can make it happen, and I thank the House for giving me the opportunity to present it today.

Question put and agreed to.

Bill ordered to be brought in by Ed Balls, Liz Blackman, Mr. Tom Clarke, Annette Brooke, Peter Bottomley, Mr. Iain Wright, Mr. Jamie Reed, Mr. Mike Hancock, Mr. Brooks Newmark, Helen Goodman, Tim Loughton and Paul Burstow.

DISABLED CHILDREN'S ASSESSMENT AND SERVICES

Ed Balls accordingly presented a Bill to make provision about the assessment of disabled children's needs; to amend the law relating to children; to place duties on local authorities and the National Health Service in respect of disabled children and their carers; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 12 May, and to be printed [Bill 128].

Mr. Eric Forth (Bromley and Chislehurst) (Con): On a point of order, Mr. Speaker. I seek your guidance, because I hope that the House will be able to divide on

amendment No. 8 to the Health Bill. I say that for two reasons. First, I believe that the House should be given an opportunity to vote for the status quo, and my amendment would provide the only chance to do so. Secondly, if the House cannot vote on my amendment, some of us might be obliged to vote against the Bill on Third Reading, which would be most unfortunate, because it would mean a confusion between the smoking elements in part 1 and the rest of the Bill, which is—I have no doubt—admirable. I hope that you will give consideration to allowing a division on amendment No. 8, so that the House may take a distinct and separate view on that part of the Bill.

Mr. Laurence Robertson (Tewkesbury) (Con): Further to that point of order, Mr. Speaker. I endorse the comments made by my right hon. Friend the Member for Bromley and Chislehurst (Mr. Forth). You will note, Mr. Speaker, that my amendment No. 36 accepts that some places may be deemed smoke-free but that licensed premises would not be smoke-free and thus not caught by the legislation. Is it your intention to allow a vote on that amendment too, if we get to that point?

Mr. Speaker: I can tell the hon. Gentleman and the right hon. Member for Bromley and Chislehurst (Mr. Forth) that the key is new clause 5. I am not encouraging either Member to do this, but they would be advised to vote against the new clause, because if it is carried their amendments fall. Procedurally, that is the position—*[Interruption.]* The right hon. Member for Bromley and Chislehurst may be displeased but I can only tell him that that is the procedure. If new clause 5 is carried, the amendment mentioned in his point of order will fall.

Mr. Christopher Chope (Christchurch) (Con): Further to that point of order, Mr. Speaker. Does the same apply to amendment No. 6, in my name, which deals with the important issue of whether people should be allowed to smoke in their private motor vehicles?

Mr. Speaker: The Chair will take a view, after listening to the debate.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): On a point of order, Mr. Speaker. I ask for your help in ensuring that Members do not have the procedure of the House of Commons explained to them too clearly, because it will completely confuse them and they might actually use their own opinion to decide how to vote.

Mr. Speaker: The hon. Lady should worry about whether she is confused.

Health Bill (Programme) (No. 2)

3.47 pm

The Secretary of State for Health (Ms Patricia Hewitt): I beg to move,

That the Order of 29th November 2005 (Health Bill (Programme)) be varied as follows:

1. Paragraphs 4 and 5 of the Order shall be omitted.
2. Proceedings on consideration shall be taken in the order shown in the first column of the following Table.
3. The proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

TABLE

Proceedings	*Time for conclusion of proceedings*
New Clauses and new Schedules relating to Part 1 and to the age for sale of tobacco, and amendments relating to Clauses 1 to 12 and Schedules 1 and 2.	Three hours after the commencement of proceedings on the motion for this Order.
Remaining proceedings on consideration.	One hour before the moment of interruption on the day on which proceedings on consideration are commenced.

4. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the day on which proceedings on consideration are commenced.

I am delighted that we have reached the Health Bill's final stages in this place. The Bill had 12 constructive sessions in Committee, just over six of which were devoted to the smoke-free provisions, with the remaining time spent discussing other important parts of the Bill. With no programming at all, I was delighted that the Committee managed to discuss all the Bill's main provisions. I was even more pleased that there were only two Divisions during Committee, a reflection of the fact that this is a very good Bill indeed.

As time is more precious on Report, we decided to programme the proceedings, but only lightly. Although the smoke-free provisions are clearly an important part of the Bill, and have generated much interest, the measure contains many other significant provisions. Few amendments have been tabled in relation to other parts of the Bill, but there are amendments on the important provisions on infection control in part 2, and it is right that they should receive a hearing. We have thus proposed a generous three hours in which to conclude our discussions on the first two groups of amendments, which relate to smoking, after which we shall move through the remaining amendments. That is a sensible allocation of time and I hope that Opposition parties will not delay the start of what promises to be a lively debate.

3.48 pm

Steve Webb (Northavon) (LD): As time discussing the programme motion is time taken from the substantive issue, I shall not detain the House. However, I want to make one point.

In the three hours available, we are discussing two groups of amendments—those relating to the smoking ban and the completely separate provisions about the

[Steve Webb]

position of 16 to 18-year olds. As the first group is obviously contentious, with a wide range of related issues, it seems extremely likely that the whole three hours will be taken up by discussion of the smoking ban, which means that the provisions on 16 to 18-year-olds will not be debated at all, although I am aware that there was a short debate in Committee. Furthermore, as there is a Government new clause it will be voted on, even though it will not have been debated.

Will the Secretary of State confirm that even if we do not debate the new clause she will force a vote on it? She is nodding, so she must be happy for us to change the position for 16 to 18-year olds without debate in the House. It will thus seem that not enough time was available, but in fact the Government could have given us more than one day on Report. The Pensions Bill had three days on Report. If these important issues cannot be properly debated because there is not enough time this afternoon, the Government should allocate extra time and not make a quite major change without any debate. For that reason, I regard the programme motion as unsatisfactory.

Question put and agreed to.

Orders of the Day

Health Bill

[Relevant documents: Sixth Report from the Joint Committee on Human Rights, Session 2005–06, on Legislative Scrutiny: Third Progress Report, HC 787; Eleventh Report from the Joint Committee on Human Rights, Session 2005–06, on Legislative Scrutiny: Fifth Progress Report, HC 899; First Report from the Health Committee, Session 2005–06, on Smoking in Public Places, HC 485-I.]

As amended in the Standing Committee, considered.

New Clause 5

SMOKE-FREE PREMISES: EXEMPTIONS

'(1) The appropriate national authority may make regulations providing for specified descriptions of premises, or specified areas within specified descriptions of premises, not to be smoke-free despite section 2.

(2) Descriptions of premises which may be specified under subsection (1) include, in particular—

(a) any premises where a person has his home, or is living whether permanently or temporarily (including hotels, care homes, and prisons and other places where a person may be detained),

(b) except as mentioned in subsection (5), any premises in respect of which a club premises certificate (within the meaning of section 60 of the Licensing Act 2003 (c. 17)) has effect.

(3) The power to make regulations under subsection (1) is not exercisable so as to specify any description of premises in respect of which a premises licence under the Licensing Act 2003 (c. 17) authorising the consumption of alcohol on the premises has effect.

(4) But subsection (3) does not prevent the exercise of that power so as to specify any area, within a specified description of premises mentioned in subsection (3), where a person has his home, or is living whether permanently or temporarily.

(5) If both a club premises certificate and a premises licence authorising the consumption of alcohol on the premises have effect in respect of any premises, those premises are to be treated for the purposes of this section as if only the premises licence had effect in respect of them.

(6) The regulations may provide, in relation to any description of premises or areas of premises specified in the regulations, that the premises or areas are not smoke-free—

(a) in specified circumstances,

(b) if specified conditions are satisfied, or

(c) at specified times,

or any combination of those.

(7) The conditions may include conditions requiring the designation in accordance with the regulations, by the person in charge of the premises, of any rooms in which smoking is to be permitted.'.—*[Ms Hewitt.]*

Brought up, and read the First time.

3.50 pm

The Secretary of State for Health (Ms Patricia Hewitt): I beg to move, That the clause be read a Second time.

Mr. Speaker: With this it will be convenient to discuss the following: Amendment (a), in line 9, leave out paragraph (b).

Amendment (j), in line 11, at end insert—

'(c) premises of specialist tobacconists, as defined in section 6 of the Tobacco Advertising and Promotion Act 2002 (c. 36).'.

Amendment (b), in line 13, after first 'of' insert '(a)'.

Amendment (c), in line 15, at end insert—

'(b) premises in respect of which a club premises certificate (within the meaning of section 60 of that Act) has effect.'.

Amendment (d), in line 19, leave out subsection (5).

Amendment (i), in line 29, at end insert—

'( ) Regulations made under subsection (1) shall not provide for premises or areas of premises in respect of which a club premises certificate has effect if they are premises or areas of premises open to the public to which children have access.'.

Amendment (g), in line 30, after second 'conditions', insert '(a)'.

Amendment (h), in line 32, at end add—

'(b) requiring the physical segregation of rooms where smoking is permitted from those where it is not;

(c) stipulating what food or drink may be consumed in any rooms where smoking is permitted; and

(d) requiring all staff who enter such rooms to do so only on a voluntary basis.'.

Amendment No. 8, in page 1, line 1, leave out clauses 1 to 12.

Government amendments Nos. 18 and 19.

Amendment No. 36, in page 2, line 31 [Clause 3], leave out subsections (1) to (4) and insert—

'( ) Despite section 2, the following descriptions of premises, may not be smoke-free—

(a) premises where a person has his home, or is living whether permanently or temporarily;

(b) licensed premises;

(c) premises in respect of which a club premises certificate is in force.'.

Amendment No. 10, in page 2, line 33 [Clause 3], at end insert—

'(1A) The regulations may provide for local authorities to licence designated rooms in which smoking is to be permitted under appropriate conditions.'.

Amendment No. 5, in page 2, line 37 [Clause 3], leave out from 'hotels' to end of line 38 and insert

'and care homes, but not including prisons)'.

Amendment No. 27, in page 2, line 38 [Clause 3], at end insert—

'( ) premises in respect of which there are designated areas in which smoking is to be permitted.'.

Amendment No. 6, in page 4, line 3 [Clause 5], at end insert—

'(c) any private motor vehicle not available for hire or reward.

(d) any occupant of a private motor vehicle not available for hire or reward.'.

Government amendments Nos. 20 and 24.

Government motion, That clause 8 be transferred to end of line 38 on page 6.

Government amendment No. 21

Ms Hewitt: I am sure that, before we begin the debate, the whole House will join me in congratulating the right hon. Member for Witney (Mr. Cameron) on the birth of his third baby. We all wish him well, both as a parent and, of course, in his efforts to give up smoking.

The Bill will ban smoking in virtually every enclosed public place and workplace in England. As the director of Action on Smoking and Health said:

"This Bill will be a big step forwards for public health. If passed into law, it will save thousands of lives every year, as vulnerable people are no longer exposed to dangerous second-hand smoke at work, and as thousands of smokers are encouraged to cut down or quit altogether."

The medical evidence is absolutely clear—smoking is the principal avoidable cause of premature death. Almost 85,000 people die every year from lung cancer, respiratory illnesses and heart disease. We have acted to deal with that scourge. We have already banned tobacco advertising, strengthened health warnings on cigarette packets and introduced NHS stop-smoking programmes, which in 2004–05 alone have helped nearly 300,000 people to give up smoking.

Yesterday, the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley (Caroline Flint), launched our latest anti-smoking television and radio campaign. Now, with this Bill, we will ensure that from the summer of next year—18 months earlier than we originally proposed—smoke-free workplaces and public places will become the norm. Over time, we estimate that an additional 600,000 people will give up smoking as a result of this law and that millions more will be protected from second-hand smoke.

Patrick Hall (Bedford) (Lab): The public health case to make all workplaces smoke-free is very well established. Leaving aside the fact that many already are smoke-free, would it not boost the credibility of the House if the standards that we seek to impose on others were applied to ourselves?

Ms Hewitt: I entirely agree with my hon. Friend. Of course, that is a matter for the House authorities, rather than for the Government, but I believe that I am right in saying that several of the bars in the Palace of Westminster have already decided to go smoke-free, and I hope that others will follow. However, as I say, that is a matter for the House, not for me as a Minister.

John Hemming (Birmingham, Yardley) (LD): I hope to refer later to licensed smoking areas. We effectively have a licensed smoking area in the Committee Corridor. Should we not be doing something similar nationwide?

Ms Hewitt: As I have already indicated, the arrangements that we make in the Palace of Westminster are matters for the House, not for the Government, nor for the Bill.

Dr. Ian Gibson (Norwich, North) (Lab): Is my right hon. Friend astonished that a prominent Opposition Member who extols tobacco smoking across the world and makes a tidy sum from the products of that industry is not present today?

Ms Hewitt: I do indeed share my hon. Friend's surprise at that. All Labour Members believe that it is right to legislate to ban smoking in the vast majority of workplaces and public places, and I welcome the fact that at least some—perhaps many—Opposition Members now agree with us. However, there are different views inside and outside the House on exactly how far smoke-free legislation should extend and on where the balance should be struck between protecting people from harm and protecting people's freedom of choice.

Dr. Howard Stoate (Dartford) (Lab): My right hon. Friend is right to say that a balance must be struck, but does she agree that the most important thing is to protect all workers in bars, whether food is served in them or not, and to protect the whole public, whether they are smokers or not? Therefore, we should give people the opportunity to be able to eat and drink in a non-smoky atmosphere. Those who wish to smoke can always do so outside.

Ms Hewitt: My hon. Friend makes a very important point. I shall come to those precise issues in just a moment.

As I was saying, there are different views on exactly where the balance should be struck. I am particularly grateful to the Select Committee on Health, led so capably by my right hon. Friend the Member for Rother Valley (Mr. Barron), which has made a very important contribution to the debate. The Government have therefore introduced amendments to the Bill to enable the House to express its view on exactly how the balance should be struck.

Mr. John Redwood (Wokingham) (Con): Can the Secretary of State explain the difference between a worker in a normal place of employment, a worker who goes to carry out a job in a private home where there are smokers, and a worker who goes into a club to carry out a job?

Ms Hewitt: I am not sure whether the right hon. Gentleman is saying that there should be a smoking ban in people's own homes or whether he is saying that there should not be a smoking ban at all. No doubt, he will make his views clear in the debate. However, his question reflects the confusion that we know exists among Conservative Members.

New clause 5 replaces the existing clause 3 of the Bill.

Mr. Andrew Turner (Isle of Wight) (Con): Will the Secretary of State give way?

Ms Hewitt: Let me make a little progress before I give way again.

The new clause provides a general power to make exemptions from the smoking ban. This is necessary to exempt from the ban people's own homes and places that are, in effect, someone's home, at least temporarily—in other words, long-term adult residential care homes, hospitals and mental health hospitals for adults, prisons and hotel bedrooms. We are taking the power to make the limited exemptions not only because we believe that it is right in principle, but to fulfil our obligations under the Human Rights Act 1998 on respect for private life.

Mr. Christopher Chope (Christchurch) (Con): If it is wrong for prisoners to be able to drink alcohol in prison, why is it right under the Government's legislation for them to be able to smoke?

Ms Hewitt: We believe that it is right for prisoners, who quite properly have no choice about where they live, to be able to exercise choice in the matter of smoking within appropriate restrictions. My Department and the Home Office are discussing with the prison authorities precisely the nature of the limited exemption that should apply in prisons.

Mr. Jeremy Browne (Taunton) (LD): I do not understand the Secretary of State's answer to the right hon. Member for Wokingham (Mr. Redwood). If the purpose of the Bill is to protect people in the workplace, why are au pairs and other people who work in homes not protected under it? That is a straightforward question that deserves a straightforward answer.

Ms Hewitt: I note that the manifesto policy of the Liberal party is for a total ban. That is not, of course, the policy of most of the contenders for the leadership of the hon. Gentleman's party. I do not believe, and nor do Labour Members, that it would be right to legislate to ban people from smoking in their own homes.

Dr. Tony Wright (Cannock Chase) (Lab): Under new clause 5(7), would it be possible to have designated smoking rooms in all kinds of premises by regulation?

Ms Hewitt: No, it would not. I am grateful to my hon. Friend for raising that point but, as I shall explain in a moment, new clause 5 provides only quite limited powers to make exceptions to the general ban on smoking in enclosed public places that we have introduced in the Bill.

Mr. Andrew Lansley (South Cambridgeshire) (Con): Just so we are absolutely clear about what the Secretary of State is now proposing, as opposed to what she outlined on Second Reading, will she confirm that new clause 5 would not only prevent the designation of smoking rooms—although the original proposals would have allowed that, and she said on Second Reading that the Government would consult on the matter—but not permit pubs that did not serve prepared food along with drink to be exempt? Is it not the case that as distinct from when she gave evidence to the Health Committee, she has expressly moved away from the manifesto position that she extolled on Second Reading?

4 pm

Ms Hewitt: As I shall explain, new clause 5 is expressly designed to include under the smoking ban all pubs and licensed premises, including those that do not serve food. The details of the limited range of exemptions for long-term residential homes, hospices, mental health

hospitals for adults and so on will be consulted on and set out in regulations. All such regulations will be subject to the affirmative procedure.

David Taylor (North-West Leicestershire) (Lab/Co-op): I am grateful to my right hon. Friend and neighbour for giving way. Would she consider it unjust, or merely ironic, if the 120 or so Members who have been returned from Scotland, Wales and Northern Ireland were to vote for the weaker framework to protect our employees in pubs and clubs in England and thus impose on the 520 or so English Members weaker protection in every sense? Surely that would be not only ironic, but unjust.

Ms Hewitt: My hon. Friend makes his point and I am sure that he will develop it during the course of the debate.

Mr. David Clelland (Tyne Bridge) (Lab): Will my right hon. Friend give way?

Ms Hewitt: I will make a little more progress before I take further interventions.

We have begun to explore two controversial issues. There is the question of whether all pubs and licensed premises should be covered by the smoking ban, or whether, as we originally proposed, those that do not serve food should be exempt. Unlike clause 3, new clause 5 would not allow any exemption to be made for licensed premises. In other words, all pubs, bars, discos and night clubs, including those that do not serve food, would be entirely smoke-free. It is right to have a complete ban on smoking in public places, including all licensed premises, so I hope that my hon. Friends and other hon. Members will join me in voting for new clause 5.

Mr. Lansley: Will the Secretary of State explain whether she thought the opposite on Second Reading on 29 November? Did she believe at the time that it was right to exempt pubs that did not serve food? Who in the Government believed that the policy that she presented to the House then was the right approach?

Ms Hewitt: I said on Second Reading that I was delighted to be bringing forward a Bill that is an enormous step forward for public health, regardless of the question of non-food-serving pubs. As I indicated, the issue is how we strike the right balance between protecting people from harm on the one hand and protecting people's freedom of choice on the other. One such balance is reflected in clause 3, but I and many of my hon. Friends believe that it would be better to achieve the balance of imposing a smoking ban on all licensed premises, regardless of whether they serve food.

Mr. Laurence Robertson (Tewkesbury) (Con): Will the Secretary of State confirm that a mass murderer in prison will be able to exercise his right to have a cigarette, even though prison staff will inhale his smoke, yet law-abiding people who go into pubs will not be able to do so?

Ms Hewitt: As I have already indicated, we are working with the Home Office on the precise nature of the limited exemption that should be permitted for prisoners. The regulations on prisons and other matters will come before the House. If the hon. Gentleman takes the view—*[Interruption.]*

Mr. Speaker: Order. Hon. Members must allow the Secretary of State to be heard.

Ms Hewitt: Thank you, Mr. Speaker. If the hon. Member for Tewkesbury (Mr. Robertson) believes that there should not be an exemption for prisons, he is perfectly entitled to take that view and he can vote against the regulations when we introduce them.

Mr. Quentin Davies (Grantham and Stamford) (Con): The Secretary of State is quite right to listen to the consultation and to propose to amend the original Second Reading formulation. However, new clause 5 contains a potential anomaly, as it says:

"The appropriate national authority may make regulations"

to provide for exemptions. Theoretically, if the Bill is enacted and comes into force before the national authority makes those regulations the absurd prospect arises that it would be illegal to smoke in one's own home. Can the Secretary of State assure us that she will make sure that those regulations are made in time to prevent that anomaly from arising?

Ms Hewitt: Yes. I am grateful to the hon. Gentleman for his courteous remarks.

The second issue on which there are genuine differences of opinion both inside and outside the House is that of private membership clubs. Government new clause 5 would exempt genuine private membership clubs from the ban. To allow hon. Members to express their views on that issue separately from the question of licensed premises generally my hon. Friend the Under-Secretary has tabled amendments (a) and (b) to (d) to the new clause. Those amendments, taken together, would not allow any exemption to be made for private clubs—in other words, the smoking ban would extend to them as well. By "membership clubs" we mean only the qualifying clubs operating with a club premises certificate under the specific rules of the Licensing Act 2003, including the stipulation that the club is not open to the general public and that it is run on a not-for-profit basis.

Steve Webb (Northavon) (LD): The Secretary of State pointed out that for procedural reasons her ministerial colleague has tabled amendments to the new clause. She will have talked to her colleagues about their intentions this evening so, lest the House is confused and thinks that there is division between Ministers, can she confirm that all the Ministers in her Department will vote in the same way on these issues?

Ms Hewitt: I strongly advise the hon. Gentleman to talk to the candidates for the leadership of his own party. The hon. Member for North Southwark and Bermondsey (Simon Hughes) said:

"Personally, I won't be voting for the smoking ban."

The right hon. and learned Member for North-East Fife (Sir Menzies Campbell) said that it is entirely sensible to make some places available for people to smoke in. However, he also thought that we should not necessarily

[Ms Hewitt]

extend the ban to private clubs. The hon. Member for Winchester (Mr. Oaten), when he was a candidate for the leadership, said:

"A lot of my colleagues would support a ban on smoking"—

indeed, his manifesto said so—

"but as a liberal I'm uncomfortable with that".

It appears to be only the hon. Member for Eastleigh (Chris Huhne) among the Liberal leadership candidates who supports his party manifesto on the subject.

Mr. Robert N. Wareing (Liverpool, West Derby) (Lab): Would my right hon. Friend clarify the question of private membership clubs? If, in fact, they are exempt under the Bill, would it be possible for such a club to have a small bar on the premises, where drink would be allowed and smoking would be permitted?

Ms Hewitt: My hon. Friend makes an important point and I will come to it in a moment.

There are about 18,500 registered membership clubs in England, representing a wide range of interests. There are working men's clubs, political clubs, military and sporting clubs and so on. I believe that the arguments on membership clubs are very finely balanced. On the one hand, there is a case for making even more places smoke-free and establishing a level playing field for pubs, licensed premises and membership clubs. On the other, there is the case, strongly put to me by many of my own constituents, that a genuinely private membership club that is not for profit and is effectively owned and run by the members themselves should be treated in the same way as people's own homes, where people decide for themselves. I believe that that is a very strong argument, but I will listen to the debate extremely carefully, and on this point in particular.

Andrew Selous (South-West Bedfordshire) (Con): Is it the case that there are no fewer than 165,000 workers who work in the private members' clubs that would be exempted under new clause 5?

Ms Hewitt: Let me make it clear that if Parliament should decide to exempt private members' clubs, the regulations that follow—which will be subject, as I said, to the affirmative resolution procedure—will require members to have an annual vote on the smoking issue, and in order to fulfil our manifesto commitment to protect employees even in those exempt premises, smoking will be banned in the bar. Furthermore, we will review those and other provisions of the new law within three years.

Mr. Clelland: As my right hon. Friend knows, I have added my name to her new clause 5. However, I am a little concerned about what she has just said. I heard her say the same thing on the radio this morning. When she says that smoking will permitted in the bar, does she mean any room with a bar or just the main bar of the club? Will she clarify that?

Ms Hewitt: What I have just said to the House, and what I said this morning, is that even if membership clubs are exempt following the vote in the House and the final decision of Parliament on that point, in the regulations we will ensure that smoking cannot take place in the bar itself. We will want to consult widely on the precise details of the regulations, and those will come to Parliament through the affirmative resolution procedure.

Mr. Jim Devine (Livingston) (Lab): Is this not a simple health and safety issue? Passive smoking kills. Full stop. It does not matter whether it takes place in private members clubs or in public bars. Is that not the case?

Ms Hewitt: My hon. Friend is right. It is also the case that about 95 per cent. of the deaths that result from passive smoking occur as a result of passive smoking in people's homes, not in public places or in membership clubs.

Mr. Doug Henderson (Newcastle upon Tyne, North) (Lab): Further to the points raised by my hon. Friend the Member for Livingston (Mr. Devine) and the hon. Member for South-West Bedfordshire (Andrew Selous) about workers in private clubs, can my right hon. Friend confirm that all workplace health and safety legislation will still apply in private clubs, that workers compensation legislation will still apply in private clubs, and that all those requirements will be the responsibility of the private club, regardless of what happens in the House today?

Ms Hewitt: Of course. Health and safety legislation is not affected by the Bill.

Sir Patrick Cormack (South Staffordshire) (Con): I intend to vote for private clubs to have the freedom proposed. Does the right hon. Lady intend to do the same?

Ms Hewitt: As I have already said, I think that the arguments are extremely finely balanced. In the spirit of the free vote that we on the Government Benches will have, I intend to listen to the debate very carefully.

If both the amendments and the new clause are passed, the smoking ban will cover all public places and workplaces, including all licensed premises and private membership clubs. Only a few specific exemptions will be made, mainly for places that are essentially a person's home or personal space. If the amendments fall but the new clause is passed unamended, the smoking ban will cover all public places and workplaces, including licensed premises, but not genuine private members' clubs. If the new clause falls, the smoke-free provisions that are set out in the current draft of the Bill will remain—in other words, in that situation we will introduce regulations to exempt both membership clubs and licensed premises that do not prepare and serve food.

I stress that in order to fulfil the promises that we made to the public in our manifesto, the Government are not prepared to accept any smoke-free provisions that are less comprehensive than those set out in the Bill when it was first published. I wish that there was similar clarity on the Conservative Benches, where the hon. Member for South Cambridgeshire (Mr. Lansley), who speaks on health, said 10 months ago that he favoured

self-regulation and opposed a ban, but has I think now decided that he supports a ban—no doubt he will tell us—while the leader of the Conservative party continues to say that he opposes a ban, unless, of course, the hon. Member for South Cambridgeshire is going to tell us that there has been a further flip-flop since this morning.

4.15 pm

Whatever the outcome of the votes on these two specific issues, this Bill marks a huge step forward for public health. It will make smoke-free the norm. It will protect non-smokers from passive smoking, make it easier for smokers to give up and save thousands of people's lives. I look forward to a fruitful debate and to hon. Members making their views known on exactly how far the smoke-free legislation should extend. I commend new clause 5 to the House.

Sir Patrick Cormack (South Staffordshire) (Con): On a point of order, Mr. Speaker. I rise just for clarification, which we did not get from the Secretary of State. She has just commended new clause 5 to the House. There is, of course, a rule in the House that the voice and the vote must go together, so do we infer from that that she will indeed vote for new clause 5?

Mr. Speaker: I am reliably informed that that is what the right hon. Lady would shout, because she has recommended the new clause. *[Interruption.]* Order. This is a confusing day, so let us not push our luck.

Mr. Lansley: I am sure that the Secretary of State has added very little to the clarity, so let us see where we get to.

I should like to give the Secretary of State our thanks for the kind remarks that she directed to my right hon. Friend the Member for Witney (Mr. Cameron) and to Samantha. Opposition Members are delighted at the safe arrival of a baby boy for Samantha and David at St. Mary's, Paddington, this morning. If I may, I shall trespass a moment and also express our good wishes to the family of my hon. Friend the Member for Windsor (Adam Afriyie) and their baby boy; to my hon. Friend the Member for Hammersmith and Fulham (Mr. Hands), who has a baby girl; and, in expectation, to my hon. Friend the Member for Monmouth (David T.C. Davies). Opposition Members are doing our bit to defuse the demographic time bomb.

David Taylor: They are all in labour wards.

Mr. Lansley: Better than the Labour party.

I am sure that the House is pleased to see the Secretary of State here after her indisposition last week, although I think that she might have preferred to be diplomatically ill today. As I said on Second Reading, I believe that the Bill can contribute to a significant reduction in smoking. On Second Reading, the House resolved to achieve that reduction by means of a legislative ban. We did indeed debate on Second Reading and in Committee the question of whether it could be achieved on a self-regulatory basis. Of course, there is evidence of a significant increase in the number of smoke-free places that are being established without legislation being enforced, but the issue before us today is in practice not whether we should have a ban, but what its extent should be.

Let me be clear: smoking kills and it remains the largest cause of avoidable deaths in this country, and that mortality includes several thousand people each year who we believe die as a consequence of exposure to second-hand smoke. The greatest element of that problem is exposure to second-hand smoke in the home, to which the Secretary of State referred. The figures were clearly set out in November 2004 in the Scientific Committee on Tobacco and Health report: there is a 24 per cent. increase in the risk of developing lung cancer for non-smoking women whose partners are smoking men; there is a 37 per cent. increase in the risk of developing lung cancer for non-smoking men whose partners are smoking women; and there is a 19 per cent. increase in the risk of developing lung cancer for those who are exposed to passive smoke in the workplace.

The risk of lung cancer is well understood; the risk of cardiovascular disease is less well understood, but arguably much more significant. The risk of developing lung cancer increases in direct proportion to the number of cigarettes smoked and the duration of smoking. Damage to the heart and arteries, however, seems to occur disproportionately at lower exposures, such as those experienced through exposure to second-hand smoke. Although passive smokers may have an uptake of tobacco smoke equivalent to only about 1 per cent. of that of an active smoker, the risk of their developing heart disease increases by 25 per cent.

Last year, a study in the *British Medical Journal* estimated on that basis that more than three times as many people die from ischemic heart disease as a result of passive smoking as die from lung cancer. Evidence produced in the past four or five years suggests that small amounts of exposure to second-hand smoke can lead to substantial increases in the risk of developing cardiovascular disease.

Hugh Bayley (City of York) (Lab): Will the hon. Gentleman remind the House what that article said about the number of people who die each year because of passive smoking in the workplace—can he remember?

Mr. Lansley: The BMJ report refers to some 1,500 people dying from passive smoking as a result of the increased risk of lung cancer, some 5,500 people dying from passive smoking as a result of the increased risk of cardiovascular disease and about 4,000 people dying from the increased risk of stroke—interestingly, the Scientific Committee on Tobacco and Health did not find on the evidence that there is an established relationship between exposure to second-hand smoke and an increased risk of stroke.

Hugh Bayley: Perhaps I can remind the hon. Gentleman that it has been estimated that more than 600 people a year die from inhaling second-hand smoke in the workplace, which is significant given that only 130 people a year die from asbestosis.

Mr. Lansley: I recall the figure to which the hon. Gentleman has referred, although I think that it

[Mr. Lansley]

appeared in a different BMJ study. I do not dispute that a significant number of deaths have been and continue to be associated with exposure to second-hand smoke in the workplace, which is one of the reasons why we have always supported protection in the workplace. As we set out in our manifesto, the objectives of policy should be to reduce the incidence of smoking, to ensure that non-smokers are not exposed to smoke unless they want to be, to protect workers in the workplace and to ensure that children are not exposed to second-hand smoke. We set out that position in our manifesto; I said it again on Second Reading and I have not departed from it. We are debating how those objectives will be achieved and the balances to be struck, which I shall discuss in a moment.

As shadow Secretary of State for Health, I must say—not least to my hon. Friends—that it is imperative on health grounds to stop unwanted exposure to second-hand smoke and potentially reduce the prevalence of smoking, especially among young people whose smoking habits tend to become entrenched in the workplace. The Secretary of State accepted that point when she introduced the Bill at the end of last year, but she then made a perverse and bogus distinction between pubs that serve food and those that do not. On Second Reading, we asked her to explain the health grounds for making such a distinction, but she offered no evidence on that point. However, given the effect of that on health inequalities, which was subsequently exposed in great detail by the Select Committee on Health, we knew that it was wrong when it was presented. I think that most Labour Members knew that it was wrong and, frankly, that the Secretary of State knew that it was wrong, but she would not admit it. Her acquiescence in the Airdrie and Shotts provisions was a failure on her part. She is condemned by the fact that she would not stand by her own instincts and, as Secretary of State for Health, by the views and recommendations of the chief medical officer.

We now have the utter humiliation of the Secretary of State voting against her own legislation. Never before has a Government Minister brought forward a measure and voted against it in this way.

Steve Webb: The hon. Gentleman spoke strongly in support of the importance of the views of the chief medical officer. What are his views on private clubs?

Mr. Lansley: I shall come to that in a moment. *[Interruption.]* Well, I will do better than the Secretary of State, because I will tell the House how I am going to vote. A few minutes ago, she appeared to extol the fact that she is giving a free vote to Labour Members—or her Whips are. We gave a free vote on Second Reading. The Liberal Democrats did not, but have been persuaded to do so by the changes that we have brought about. I recall that on Second Reading Labour Members endorsed our view that this matter should be governed by a free vote because of the contrary views and evidence that needed to be listened to.

The Secretary of State would not listen, and now she has had to learn. Curiously, however, we do not know quite how far she has gone. In new clause 5, she has abandoned the prospect of an exemption for non-food pubs. Whereas previously she was prepared to consult on whether there should be smoking rooms in licensed premises, she now seems to have concluded that there cannot be such a consultation and must not be such smoking rooms. I did not hear her express a view on the remaining central question relating to clubs. Presumably we can have a debate about that, and in two and a half hours we will all be very excited to see whether she is for or against it. On Second Reading, she said:

"It is . . . right to exempt membership clubs".

She said of members of the public:

"They clearly view membership clubs as private clubs run by members for members. Such clubs have always been treated differently from other licensed premises because they are non-profit-making organisations."—[*Official Report*, 29 November 2005; Vol. 440, c. 156.]

That was the Secretary of State's advice on Second Reading, but given the handbrake turn that we have seen since then, what point is there in taking her advice? Even her own junior Minister, the Under-Secretary of State for Health, the hon. Member for Don Valley (Caroline Flint), is not going to do so—or perhaps it is vice versa; we simply do not know.

Mr. Edward Garnier (Harborough) (Con): If the Secretary of State has a point of principle to deploy in relation to non-profit-making private clubs, does my hon. Friend understand what it is?

Mr. Lansley: I make a distinction between licensed premises and private members' clubs—

Mr. Garnier: Non-profit-making.

Mr. Lansley: I do not understand the distinction as regards non-profit-making, but the Secretary of State might like to explain it, as she brought it up on Second Reading. In my book, the distinction is that they are membership clubs run by members for members.

Mr. Greg Knight (East Yorkshire) (Con): Does my hon. Friend accept that the scope of amendment (a) is unprecedented and that if passed it would result in a massive shift of public policy? Does he agree that since 1863, when Sir George Grey was Home Secretary, this House has taken the view that the rules in force in private members' clubs should be matters for them, not us?

Mr. Lansley: As it happens, I did not know that it had been true since 1863, but I take advice from my right hon. Friend, who might like to expand on that point.

My point is that as shadow Secretary of State for Health, I will say that I am trying to secure as successfully as we can a reduction of smoking and the incidence of people being exposed to second-hand smoke, consistent with the principle that we should not interfere with people's private space.

Several hon. Members *rose*—

Mr. Lansley: I want to make some progress, and then I will give way by all means.

It is now up to Members to make up their minds. In my view, we are considering not the nuisance value but the health effects of second-hand smoke. Those health effects demand that non-smokers should not be exposed to second-hand smoke. However, we must balance that objective with the principle that we should not interfere disproportionately in people's right to choose how to behave in their homes or private space. That distinction between public and private space is vital.

4.30 pm

Mr. Devine: Let me summarise the hon. Gentleman's case: it is acceptable to kill people who work in private clubs but not those who work in public licensed premises.

Mr. Lansley: I do not accept that and I shall explain why. Freedom to choose whether to smoke in one's private space must be respected. That liberty does not extend to exposing other people to harm in a public place. On that basis, exemptions to the requirement for premises to be smoke-free should include private homes and private vehicles, as amendment No. 6 proposes—I hope that we shall have an opportunity to press that to a Division. Places that are one's home on a temporary basis and private members' clubs should be exempt.

I understand the case about employees but, as was said from the Liberal Democrat Benches, I do not believe that we could or should require people not to smoke in their homes when staff or employees are present. I therefore do not support the argument that private homes or private members' clubs should be smoke-free on the ground of the presence of employees.

Mr. Sadiq Khan (Tooting) (Lab): The intellectual basis for the hon. Gentleman's justification of a ban in a public space but not in a private club is choice in private space. Does he wear a seat belt in his car?

Mr. Lansley: Yes, I do because I obey the law. Parliament took a view, as it will this afternoon, and that is acceptable. However, Parliament must take a view on the basis of principle. I believe that we should adhere to the principle that private members' clubs constitute private space and we should respect that.

I do not dispute that clubs will have to be subject to regulations. That might require mitigation or a no-smoking-at-the-bar rule, similar to that of the British Beer and Pub Association.

Richard Ottaway (Croydon, South) (Con): It is open to private clubs to install ventilation equipment. Does my hon. Friend agree that that issue has not been aired yet? [HON. MEMBERS: "Oh dear."] That could be tackled in regulations so that people could work in private clubs without danger to their health.

Mr. Lansley: Yes. That was a timely intervention. If we give clubs an exemption, we should not necessarily exclude them from regulations. Through their desire not to expose themselves to litigation, they will have to consider ventilation. Changes in technology may have an impact on that. I do not believe that it is currently sufficient to rely on ventilation because of the persistence of toxins in the air, but it may be possible in future.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Does the hon. Gentleman recall that the Roy Castle international centre for lung cancer research in Liverpool was founded by Roy Castle's widow, Fiona, because the renowned comedian had died from second-hand smoke through performing in clubs? He had never smoked. Does not that suggest that the ban should extend to clubs?

Mr. Lansley: I have received a letter from Fiona Castle and I fully understand that point. I would prefer clubs to be non-smoking but I hold to the principle that a private club is an extension of people's private space, and, just as I would not try to legislate to intervene directly in what people do in their home, I do not propose to vote for a measure that does that.

Several hon. Members *rose*—

Mr. Lansley: We have only three hours. It is a pity that we do not have longer but I must try to conclude and I hope that hon. Members will forgive me for not giving way.

The Government were not willing at any stage, including Committee, to make special provision to protect children from exposure to second-hand smoke. The evidence of the effects in asthma and respiratory conditions suggests that we should offer additional protection. Parents must take responsibility in their own homes, but in clubs we should provide that smoking should not be allowed in areas to which children have access.

Mr. Redwood: Is there a way, under the provisions before us, for someone to vote for a less restrictive position in pubs, as with clubs, while at the same time ensuring some protection for workers in pubs? The Secretary of State seems to believe that there will be protection for workers in clubs.

Mr. Lansley: I am not aware of any way of securing additional protection for such workers using the votes available to us this afternoon. The way in which the votes are structured will either impose a smoking ban in those premises or not. Conditions could be applied in regulations, to make distinctions about where smoking would be permitted within premises. For example, the recommendation in the Beer and Pub Association's code about smoking at the bar could be incorporated into regulations relating to clubs.

Mr. Humfrey Malins (Woking) (Con): I understand the thinking behind a smoking ban in clubs where children are present, but does my hon. Friend realise that most sports clubs are private members' clubs—rugby clubs, golf clubs and football clubs, for example—and that they now have a junior membership? Does the amendment that my hon. Friend is discussing envisage a ban in all such clubs?

Mr. Lansley: Yes, it does.

Chris Bryant (Rhondda) (Lab): Will the hon. Gentleman give way?

Mr. Lansley: No. I do not want to take up any more of hon. Members' time than I have to.

My colleagues and I have tabled amendment (i), the purpose of which is to provide that smoking should not be allowed in certain places to which children have access. It would also have the benefit of offsetting any market distortion between pubs and clubs that might otherwise result. Pubs that are non-smoking and open to the public would also offer a smoke-free environment for families and children. Clubs would have to choose whether to accommodate children or smoking, as my hon. Friend the Member for Woking (Mr. Malins) must understand if he chooses to vote for the amendment.

Let me turn to the voting. I will support the motion that new clause 5 be read a second time. The new clause will have the beneficial effect of getting rid of the Government's discredited partial ban. I will then vote against amendment (a), tabled in the name of the Under-Secretary of State for Health, the hon. Member for Don Valley, so that the exemption for clubs can be maintained. If amendment (a) is defeated, I will then—with your permission, Mr. Deputy Speaker—seek to press amendment (i) to a vote, so as to prevent children from being exposed to second-hand smoke in clubs. I hope that amendment No. 6 will be pressed to a vote by my hon. Friend the Member for Christchurch (Mr. Chope). If so, I will support it, to ensure that the ban in clause 5 of the Bill could not be extended to private vehicles not being offered for hire.

The voting might be complex, but the principles involved are pretty straightforward. We must reduce smoking and the exposure to second-hand smoke. We should not permit people's liberty to choose whether to smoke to extend to a licence to cause harm to others, but we cannot allow legislation to intrude into the choices that people make in their private space. I hope that these explanations have been of some assistance to hon. Members across the House.

Stephen Pound (Ealing, North) (Lab): I admire greatly the work that my right hon. Friend the Secretary of State has done on these matters. It is important, as we approach the last gasp of the process, to reiterate her earlier point that, if much of the proposed legislation—particularly the provisions on infection control and pharmaceutical services—is non-contentious, that is because it has been thoroughly worked on in Committee and comes to the House in a state of such purity that the majority of us will be only too keen to support it.

I should like to respond to some of the comments made by the right hon. Member—is he right hon.?—for South Cambridgeshire (Mr. Lansley).

Mr. Lansley *indicated dissent.*

Stephen Pound: Well, the imminently right hon. Member, then. I associate myself with his congratulations on the extraordinary fecundity of those on the Conservative Benches. If Conservative Members keep producing children at this rate, I will be seriously worried that the Labour Government could be threatened in about 18 years. For the moment, however, I think that congratulations, and possibly a cigar, to the right hon. Member for Witney (Mr. Cameron) would be entirely appropriate.

We have the unaccustomed and rather intoxicating luxury of a free vote on this subject. A number of my colleagues are already asking how the Whips want them to vote on the free vote, but for once we are able to make a decision without any of the normal party-political baggage. It does credit to right hon. and hon. Members that much of the discussion that has taken place has been non-partisan, and I genuinely believe that we are trying to do what is best.

Let us start from the assumption, revolutionary though it may seem, that tobacco is not actually good for one, and that were it to be discovered today it would be a dangerous drug and we would not have a great deal to do with it. The temptation to take the simplistic approach, however, seems to have gone to the heads of a number of right hon. and hon. Members.

I would suggest that it is not possible to uninvent something. We must look at the sheer practicalities. It is entirely understandable that we wish to stand as sea-green incorruptibles on a snow-capped peak and say "There shall be no tobacco: let a thousand children breathe uncluttered air"—unless, of course, they happen to live in a city or a village or a town, or anywhere where there is a motor car, or anywhere where there is any ancillary industry. But will new clause 5 and the amendments tabled by the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley (Caroline Flint), achieve that?

We have the chance to benefit from some empirical evidence. Purely for the purpose of my parliamentary duties, I was in Dublin the week before last. As dusk settled over that wondrous city, I took the opportunity to wander the streets in search of licensed premises—in an investigative role. I had been told that Ireland was the exemplar of the new legislation, as it is an exemplar in so many ways. This was the place where the smoking ban had been imposed, and by heaven, the proud Celts had stepped back and said "That's it: no more cigarettes."

What a vision I observed in Temple Bar! What an extraordinary sight greeted me when, with a number of my parliamentary colleagues and several Members of the Dail, I visited a number of pubs to find that all fell into one or other of two categories. In one category, the entire perimeter area was covered with patio heaters and armchairs, so that anyone who wanted to go into the admittedly smoke-free pub had to fight his way through a tangible fug of nicotine-soaked air to get into the damn place to start with, which made something of a nonsense of the arrangement. If it was not possible to find a pub ringed with patio heaters—there may be some hon. Members, possibly on the Conservative Benches, who are not entirely averse to making a profit from time to time, and I say to them "Buy patio heater shares now"—there were other pubs which, to my amazement, had somehow managed to fit a false ceiling and to claim that part of the pub was no longer part of the integral structure. It was possible to stand where my hon. Friend the Member for Bedford (Patrick Hall) is sitting now and smoke away to one's heart's content beneath a false

ceiling, while my right hon. Friend the Member for Rother Valley (Mr. Barron) would be on the other side thinking that he was in a smoke-free pub.

The fact remains that people smoke. Admittedly, we want to stop them smoking.

Lynne Jones (Birmingham, Selly Oak) (Lab): Will my hon. Friend give way?

Stephen Pound: Hang on a second. I am just getting going. I am a little short of breath, and what little I have I try to make the most of.

Having listened to the hon. Member for South Cambridgeshire, I consider it a miracle that any of us have survived, given his talk of an apocalyptic Armageddon of nicotine poisoning that is somehow threatening to decimate the nation.

Every morning I used to rise and have a reflective cigarette; then I would have breakfast and a cigarette; then I would say my prayers, but remember what my good Jesuit confessor said: "You should never ever smoke while you are praying, but you can pray while you are smoking." I would then get on a bus and leap like a lithe gazelle to the upper deck, where I would have a couple of Players Weights before jumping off. By the time I got to primary school, I could, as ashtray monitor, go to the staff room and pick up a few dog-ends.

4.45 pm

Lynne Jones *rose*—

Stephen Pound: On the subject of fag-ends, I will certainly give way to my hon. Friend.

Lynne Jones: No doubt my hon. Friend will regard me as something of a spoilsport when I point out the following to him. Last Friday, my parliamentary assistant went to the Bill Office to try to table amendments that would have banned smoking in the outside spaces of establishments where people are served food and drink and in outside spaces where people are required to gather to use public transport or as spectators for sporting or cultural events. She was told by the Clerk that the measures I wanted to include in the Bill are in fact already included under clause 2. It refers to

"areas which are enclosed or substantially enclosed",

and states that the

"appropriate national authority may specify in regulations what 'enclosed' and 'substantially enclosed' mean."

I very much hope that the Clerk is right and that the regulations will prevent smoking in those spaces, as per my intention.

Stephen Pound: I am grateful to my hon. Friend, as is, I believe, the whole House. So it is "Goodnight Irene" for the walled city of York. However, it must be said that those of us in the wide open spaces of west London seldom consider ourselves enclosed, and very seldom restrained.

There is a desperately serious point. We are trying to do something about public health, and the group of people about whom we are most worried—young people aged between about 11 and 13 who are taking up this habit—are the very people who do not go to pubs. To a large extent, discussing pubs in the context of stopping smoking is nonsense, because in doing so we are not dealing with the people whom we actually want to address. We must never forget the Oscar Wilde quote:

"As long as war is regarded as wicked, it will always have its fascination. When it is looked upon as vulgar, it will cease to be popular."

As long as tobacco smoking is seen as this dreadful, wicked thing that film stars do and there are people in pubs doing it, it will be attractive to children. We must address the issue of role models and public practice. Were I a role model, I would plead guilty in this regard, but fortunately I am not. So this is a very serious issue and the question is how we best deal with it. Frankly, as with so many things, there are three different options.

The first is the pure libertarian view, eloquently expressed by the hon. Member for Rutland and Melton (Mr. Duncan) in his famous book, which is compulsory bedside reading for many of us, that everything should be allowed. That is a legitimate intellectual argument.

The second option is the counter-argument that everything should be banned. Tobacco is bad for people—ban it. Cars are bad for people—ban them. Alcohol is bad for people—ban the lot. Ban everything, and we will subsist on a milk toast diet of muesli as we shuffle through the empty streets of our city, looking for a little stimulation where we may find it.

Those are both perfectly legitimate intellectual arguments: everything bad is banned; everything bad is allowed. Or, we can opt for—dare I say it?—co-existence and compromise. Instead of concentrating on what divides us, let us concentrate on what unites us. Would it not be possible—

Frank Dobson (Holborn and St. Pancras) (Lab): To become a Cameronian?

Stephen Pound: I am more of a Cameroonian—a fan of Samuel Eto'o.

Why should it not be possible for those of us who wish to do so to go to our Royal British Legion, where the staff are happy and prepared to work, and where the members are happy and prepared to enter, to have our cigarette and our pint? Others prefer the smoke-free sushi bars of—I was going to say Primrose Hill, but my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson) is in his place, and I do not wish to embarrass him. Why cannot we have the choice? It would be sensible to step back a little as putative legislators and accept that sometimes simply banning something does not make it disappear.

Lembit Öpik (Montgomeryshire) (LD) *rose*—

Stephen Pound: On the subject of those things that one would not wish to ban, I give way to the hon. Gentleman.

Lembit Öpik: I would say that the hon. Gentleman has my full support, but that would probably be the kiss of death to his argument, and perhaps to his career.

I suggest a middle way—a fourth way, perhaps—that has not been much discussed. Why do we focus on the process of smoking, rather than on the outcome of clean

[Lembit Öpik]

air? Does he agree that we should be willing to entertain the challenge of an indoor clean air Act and leave technology the challenge of finding a solution? A multimillion pound business such as smoking surely has the creativity and willingness to make the investment to find that solution, instead of our taking away people's freedom of choice.

Stephen Pound: I am grateful for that intervention, although by and large the Liberals should resist making too much legislation, because it can be habit-forming.

I was about to mention the practicalities of the ban. Amendment No. 8 has been tabled by the right hon. Member for Bromley and Chislehurst (Mr. Forth), with whom I seldom have much in common, but on this occasion I trail behind him. He is not in his place at the moment, but I am sure that he is not having a cigarette outside. The amendment recognises a way in which we can co-exist. To see that way, one does not need to search out some distant nirvana or go to some distant nation that has somehow managed to structure the perfect legislative process. One need go only to the Upper Committee Corridor, where one will find an oasis, capped with graceful brushed aluminium, beneath which the discerning man or woman may stand, enjoy a cigarette, do whatever damage to themselves they will, and do no damage to anyone else. The tobacco smoke is swept up into the cowl, where it is filtered and exuded—

John Hemming: Will the hon. Gentleman give way?

Stephen Pound: Possibly it is exuded in the hon. Gentleman's constituency. I shall give way to him so that he may correct me.

John Hemming: The hon. Gentleman makes a very good point about Ireland. The issue is where people smoke. There is evidence that since the ban there has been a 5 per cent. drop in the consumption of tobacco in Ireland, but if 95 per cent. of deaths from passive smoking occur from smoking in the home, the number of deaths from passive smoking may increase as a result of a ban on smoking in public places.

Stephen Pound: The hon. Gentleman is an expert in many fields. I was coming to the point that Ireland has seen a considerable increase in off-sales, which leads one to believe that those people who do not recognise the reality of the patio heater and the false ceiling are taking six-packs and 40 fags back to their homes, where their children will be. We need to think about that.

Mr. Kevin Barron (Rother Valley) (Lab): Will my hon. Friend give way on that point?

Stephen Pound: Well—[HON. MEMBERS: "Go on!"] I will give way, but my right hon. Friend is nearly always right and I am nearly always wrong, so I am always reluctant to give way to him. I wish to finish my point, and then I will give way to him.

Technology is our friend on this issue. It is possible to scrub and clean the air. We have an example on the Upper Committee Corridor—

Michael Fabricant (Lichfield) (Con): It does not work.

Stephen Pound: It does work, and all independent air testing verifies that. However, I have a terrible suspicion gnawing at my vitals that my right hon. Friend may be about to prove me wrong.

Mr. Barron: The press release of 17 October last year from the Under-Secretary of State for Northern Ireland, my hon. Friend the Member for St. Helens, South (Mr. Woodward), made it clear that ventilation does not work.

My hon. Friend the Member for Ealing, North (Stephen Pound) spoke about people in Ireland moving from pub to home to smoke. The Select Committee on Health took evidence from numerous organisations in Ireland, and was told on three occasions that what a senior politician on this side of the Irish sea had said was not true. There is no evidence that more people in Ireland are smoking at home. That was confirmed by the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley (Caroline Flint), who has responsibility for public health, when she gave evidence to the Committee during our inquiry.

Stephen Pound: I am grateful for my right hon. Friend's contribution.

Frank Dobson: Withdraw.

Stephen Pound: I would withdraw my remarks, but the reality is that off-sales have increased in Ireland. I was structuring an exegesis on that, and assumed that the off-sales would be consumed.

Mrs. Iris Robinson (Strangford) (DUP): Will the hon. Gentleman give way?

Stephen Pound: In a second. I know that the hon. Lady knows more about off-sales in Ireland than I do, but I was assuming that they were being consumed in the home. It is entirely possible that people are thronging to Phoenix park and drinking in the open air, but my assumption is that an increase in off-sales implies an increase in home consumption.

Mr. Barron: There is no evidence.

Stephen Pound: The evidence is of an increase in off-sales.

Untypically, I shall turn to a more serious matter before I finish. However, on the subject of seriousness, I give way to the hon. Member for Strangford (Mrs. Robinson).

Mrs. Iris Robinson: I thank the hon. Gentleman. In the Irish Republic, one person in three used to smoke, but that has fallen to fewer than one in four. That significant change shows that the ban has been a deterrent. If a ban is good enough for the Irish Republic and for Northern Ireland, I do not see why we should differentiate on the mainland.

Stephen Pound: It is clear that two of us here read the Irish Medical Journal. The figures show that there has

been a continuing decline in the numbers of smokers over the past five years. There is no statistical evidence to suggest that the numbers have risen since the smoking ban was introduced. The long Kondratiev cycle has to be borne in mind, but five years is statistically significant.

I do not want to detain the House, but I appeal to hon. Members to think about the practicalities. A total ban will not make tobacco disappear, but coexistence is possible. I accept that we would prefer not to have either tobacco or smokers, but in fact we have both.

Earlier, I mentioned the smoke-free cowl on the Upper Committee Corridor, but now I refer the House to the dystopic hell—"Hernando's Hideaway"—that is the smoking room on the Library Corridor. It is like the "Raft of the Medusa" most nights, with great groups of people crammed into it. The air there is a little much even for my fragile lungs.

We need sanity and sense. This debate has stirred great emotions, but talking about dead bodies littering the streets, adopting an absolute position and saying that smoking will disappear if it is banned are not good ways to approach the matter. We must accept the reality of tobacco's existence and try to mitigate the nuisance and annoyance that it causes. We must protect young people from tobacco smoke and stop them taking up smoking, but for heaven's sake we must not make matters much worse by introducing legislation that Draco the lawgiver would have felt was too extreme.

Steve Webb: The hon. Member for Ealing, North (Stephen Pound) is a tough act to follow. Although I have been the butt of his humour, I think that the Standing Committee might have been greatly enhanced by his presence.

At the heart of this debate are the health and safety of people working in pubs, clubs and enclosed public spaces. That has to be our starting point. It is welcome that the Government have got rid of the absurd distinction between food and non-food pubs.

5 pm

In the Standing Committee, on which I served, and on Second Reading, the House was told why a gradualist approach was the thing to do: any country that introduced a ban had done so gradually, so the food/non-food distinction was a vital part of the effective implementation of the policy. Some weeks later, it is apparent that that was nonsense and that the Government knew it all along, so at least we have made some progress on that front.

I am trying to work out what constitutes a rebel nowadays, because we seem to have reached a never-never world. The Secretary of State has tabled an amendment in defiance of her party's manifesto and her junior Minister has tabled an amendment to the right hon. Lady's amendment, while the Department of Health press release, issued on 2 February, stated:

> "Although the New Clause has been tabled in Patricia Hewitt's name and the Amendment in Caroline Flint's name, this is simply in order to facilitate a free vote and does not necessarily indicate which way either will vote themselves."

That is an incredible situation and, even today, in response to an intervention, the Secretary of State said that she had not made up her mind. One can understand the merits of a free vote, but the idea that the Secretary of State, who is responsible for the health of the nation and thus, to some extent for the health and safety of workers, does not know what she thinks is extraordinary. Indeed, the whole sequence of events has shown a lack of leadership by the Government. They tried to discern and follow public opinion, realised that they were running behind it and so they are trying to play catch-up. That is no way to set a health policy.

The principal bone of contention is the position of private members' clubs. If we consider the matter, as I have done throughout, in terms of the health and safety of people who work in those environments, the fact that I am breathing in the second-hand smoke of someone who happens to have a membership card is irrelevant. The fact that they have agreed with other club members that they have the right to smoke, and I am expected to breathe it in, is irrelevant. The club is not home and people are inflicting smoke not on themselves or their loved ones, but on other people.

Sir Patrick Cormack: The hon. Gentleman is not obliged either to join a club or to go to one as a guest. If he knows that there is smoking in the club and he does not want to go there, he has no need to do so.

Steve Webb: I am not sure that the hon. Gentleman was listening to what I said. The point that I am making is not about other customers or members of the club but about the health and safety of the people who work there. It is not about whether I choose to patronise the club, but the workers. As the hon. Member for South-West Bedfordshire (Andrew Selous) said, we are talking about not one or two people but a large number—about 166,000.

Andrew Selous: Does the hon. Gentleman agree that many of our constituents in many parts of the country may not have a choice about where they work? Jobs may be in short supply, especially for young people—16 to 17-year-olds—for whom getting a first job is extremely difficult. They are often jolly lucky to be offered anything at all.

Steve Webb: The hon. Gentleman makes a good point and I admire his courage in standing up for his principles. It is an extraordinary notion of health and safety that we should tell people who are working in an environment that is bad for their health, "Tough. Go and work somewhere else." If asbestos was found in the roof of a private members' club, we would not tell the staff to work somewhere else. We would sort out the health and safety problem, which is exactly what we should do in this case.

Mr. Devine: Is the hon. Gentleman aware of the British Medical Association report produced at the end of 2005, which compared the respiratory function of bar staff in the Irish Republic and Northern Ireland before and after the introduction of the ban? The respiratory function of bar staff in the Republic after the ban was significantly better.

Steve Webb: I am grateful to the hon. Gentleman for making that point. There is also evidence from the land of the free—California—showing precisely the same

[Steve Webb]

thing over a much longer period: the lung and respiratory function of bar staff has substantially improved since bans were introduced.

Mr. Peter Bone (Wellingborough) (Con): I understand the hon. Gentleman's argument, but can he explain why smoking will be allowed in prisons? I do not follow the logic of that.

Steve Webb: I understand the hon. Gentleman's point. I suspect that the reason is more to do with pragmatism than anything else, but I am making an argument about private clubs. The Secretary of State says that 95 per cent. of passive smoke comes from the home, as though the other 5 per cent. is somehow inconsequential, yet we have heard that we are talking about a very large number of people whose health is clearly adversely affected and, probably, thousands of premature deaths over a period of years. Although I enjoyed the comments of the hon. Member for Ealing, North, perhaps we need not be apocalyptic, but such things are fundamentally important to each individual case.

Mr. Andrew Turner: Of course, such things are fundamentally important to each individual case but, if only 5 per cent. of those who have died of passive smoking acquired that outside the home—that seems to be the figure that the Secretary of State was quoting—will the hon. Gentleman explain on what basis we are supposed to make a judgment? Of course, if that was 100 per cent. likely, the case for banning it might be better than if it was nil per cent. likely. What we seem to be hearing is that that is relatively unlikely. Is not passive motoring a great deal more dangerous?

Steve Webb: No. The hon. Gentleman is getting confused between a certainty of 5 per cent. and a probability of five in 100. In other words, as we have just heard, no one doubts that the health of people who work in bars where people smoke suffers and that some of them die prematurely. That is certain, inasmuch as these things can ever be proven with certainty. There is not a 5 per cent. chance that that is true; it is pretty much 100 per cent. true for that 5 per cent. That is the distinction that I am making. A set of people who work in such environments suffer and that is pretty much proven empirically.

Irrespective of whether we are talking about private space, the issue is about the welfare of the people who work there. If we exempt private members' clubs, do we risk driving a coach and horses through the exemption altogether? I am not sure whether I am clear about the answer. Will the Rose and Crown turn itself into a private members' club?

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): The hon. Gentleman is making a compelling point. I got involved in this campaign many years ago, because I believed in the protection of workers' health. I joined the Labour party because I thought that protecting workers' health was one of our fundamental principles. Is not this also about changing the culture? That is why it is important to take the clubs out as smoking venues: we want to change the culture of how people perceive their leisure and their fun. It is important to have smoke-free leisure and smoke-free fun.

Steve Webb: The hon. Gentleman is right in the sense that a total ban would have that effect—total bans have done so where they have been implemented—but that is not where I am coming from. Clearly, a total ban is much easier to enforce than a partial one. I want to return to the loophole point, because the profit-making issue has been raised. Again, I cannot understand the relevance to someone who works in a smoky environment of whether or not they are making more or less money from the sales than it is costing them to sell the goods. That seems to be a red herring.

Chris Bryant (Rhondda) (Lab): May I push the hon. Gentleman in a different direction on loopholes and private members' clubs? A private members' club such as the Garrick in London is a very different beast from a private members' club such as Treorchy working men's social club, because the working men's clubs in constituencies such as mine are, to all intents and purposes, the place that people normally go to do their drinking, as if it were an ordinary pub. If we exempt working men's clubs, we will do nothing for the vast majority of the poorest people in my constituency who are equally affected.

Steve Webb: The hon. Gentleman raises an important issue about, for example, communities with one members' club and one pub. To the extent that a set of people will vote with their feet, a pub that is prevented from allowing anyone to smoke could lose business and thereby possibly be undermined. Again, it would be unfair to introduce such a distortion using legislation.

The Secretary of State spoke about space around the bar. If we do not pass the ban on smoking in private members' clubs, I am not sure whether people must chalk lines on the floor or use white tape to show that people can smoke on one side of the line but not the other. A distance criterion has been suggested, as though the smoke will come to a screeching halt at the line. That is a strange basis on which to protect people's health. Will we say that people can smoke if they face away from the bar but not if they face towards it? It seems incredible that ministerial comments so far have suggested a distance criterion. People can smoke if they stand away from the bar, but not if they are close to it. The Secretary of State shakes her head, but that is exactly what was said on Second Reading, as the record will show. In a sense, the proposal is a fudge that accepts that passive smoke is bad for the people who work in such clubs.

Anne Milton (Guildford) (Con): Does the hon. Gentleman agree that, whatever our views—there have been heated exchanges across the Floor and within the parties—it is crucial that there is clarity and not confusion? We must be clear exactly what we will end up with. If we are not, the law will be unenforceable and unworkable.

Steve Webb: I very much agree with that point. We may have clarity for pubs, but applying the rules will be much more difficult in clubs if there is a distance

requirement or the rules apply only to parts of the building. Enforcement is much more difficult if there is a lack of clarity.

Michael Fabricant: Will the hon. Gentleman give the lie to what someone said about it being a huge breach of tradition in this place if there were legislation for private members' clubs? That is not the case. We all know that health and safety regulations apply equally to private members' clubs, pubs and factories. Would it not be sane for legislation such as this to apply also to private members' clubs?

Steve Webb: Not only is the hon. Gentleman right, but that might be the outcome even if the House tried to make such a distinction. The idea that there would be a set of workers who had second-class protection seems unsustainable. Even if that were the will of the House today, I have a feeling that the issue would return here via the courts very soon.

I wish to make further observations about some of the arguments that are used for exempting private members' clubs. The first is that we have some sort of carriage in which people would not have to work. People would presumably have to get in and out of such rooms and smoke goes to and fro. People would also have to clear the glasses in such rooms and sort out any scuffles that might take place. Smoke will remain in such areas, especially if they are sealed, for a considerable time. Without the ventilation found in a jumbo jet—I gather that it is what it would take completely to purify the air—there will be residual toxins in the air. The well-being of the workers cannot be protected just by having a partitioned-off room.

We have made progress on the Bill, but clearly we have not gone far enough. There is a balance of liberties to consider. People want to be able to smoke and they will still be able to do so in their own homes and out of doors, but it is the job of the House to protect the liberty of people to work in an environment that does not potentially fatally damage their health. That is why I have argued consistently throughout—I will again vote for this in the Lobby tonight—that a total ban is the only proper approach to the issue.

Mr. Barron: I thank my Front-Bench colleagues and the Government for giving me and all Labour Members, both Front and Bank Benchers, the opportunity of a free vote.

When I and my colleagues on the Health Committee began to consider the issue, we did not know what the outcome would be. It is fair to say that some of us held widely differing views, while others had not yet made up their minds. We did what the House and the Select Committee system asked us to do. We took evidence and heard from witnesses. We heard from doctors, public health experts, the tobacco industry, the hospitality trade, trade unions, the Health and Safety Commission, the chief medical officer at the Department of Health and others. Having heard and read all the evidence, we reached a conclusion without dissent. Labour, Conservative, Liberal Democrat and independent Members signed the report and the subsequent amendment tabled for Report that was withdrawn when the Government tabled new clause 5 and amendments (a) to (d).

It is relatively unusual for such a clear view to emerge from a Select Committee. I say that as I look at my hon. Friend the Member for Huddersfield (Mr. Sheerman), whose Committee has presented a report to the House in recent weeks. Because our Committee took such a clear view, I believe that what it said is worthy of careful consideration by the House tonight. I am grateful to my colleagues on the Committee—from all parties and none—for their hard work and willingness to consider the evidence fairly before reaching an objective decision.

5.15 pm

Michael Fabricant: The right hon. Gentleman has campaigned on the issue for a long time. Did his Committee consider the possibility of using air conditioning? Does he think that it is a practical proposition or that it is impractical, as the Californians and those in New York city have found?

Mr. Barron: I said earlier that when the Under-Secretary of State for Northern Ireland, my hon. Friend the Member for St. Helens, South (Mr. Woodward), made a statement on comprehensive legislation on the matter for Northern Ireland, which will be considered in the House because of the suspension of the Assembly, he said that ventilation did not work. We examined ventilation and found no evidence to support its use. An academic from the university of Wales could supply us with no evidence that air conditioning works. It might work if there is a system such as that in a hospital theatre, but opening windows and doors does not protect bar workers.

If, as I expect and hope, this proves to be a good day for Parliament, I suggest that it will also be a good day for the Select Committee system. Let me summarise what the Committee found. First, scientific evidence on the health effects of second-hand smoke is clear and overwhelming. We accept the verdict of the Government's advisers from the Scientific Committee on Tobacco and Health—SCOTH—that exposure to second-hand smoke increases the risk to non-smokers of heart disease and lung cancer by about a quarter.

In most, although not all, cases, the tobacco industry continues to deny such evidence. Representatives of the industry continued to pursue that line when they gave evidence to the Committee. However, it should not be forgotten that for many years the industry denied in public that direct smoking was a cause of cancer, although its private view was very different. Indeed, action that was taken in the United States meant that it opened its archives, which gave us evidence that it knew about the consequences of direct smoking years ago, but hid those facts.

Dr. Gibson: Will my right hon. Friend acknowledge the work of Sir Richard Doll, who sadly died a year ago at the age of 90? In 1954, he produced the first paper that showed the increased mortality of heavy smokers. He also showed that people could live longer depending on the age at which they gave up smoking.

Mr. Barron: I acknowledge what Richard Doll did in not only the United Kingdom, but worldwide. His authority on the matter was denied for many years, mostly due to the connivance of the tobacco industry, which tried to hide the fact that deaths were caused by tobacco here and throughout the world.

[Mr. Barron]

Using the estimates of risk in the SCOTH report, Professor Konrad Jamrozik calculated in a paper published in the *British Medical Journal* that exposure to second-hand smoke in the workplace caused about 600 deaths a year, which is about three times the number of people in this country killed in industrial accidents each year. Second-hand smoke is also responsible for thousands of episodes of illness. For example, Asthma UK reports that it is the second most common trigger of asthma attacks at work.

Of course, workers who are routinely exposed to other people's smoke are those who are most at risk. Bar workers are thus top of the list, but we should not forget that the Government's figures show that about 2 million people work in places in which smoking is allowed throughout and that more than 10 million people work in places in which smoking is allowed somewhere on the premises—that is not a small number. I suggest that there are thus sufficient health and safety justifications for ending smoking in the workplace. I deeply regret that the Bill is seen as a measure of public opinion, rather than a measure to protect people in the workplace, which is how other such legislation that we pass is thought of.

Mr. Sheerman: My right hon. Friend and I have been companions in arms on the matter for a long time and have been called a lot of names—I suppose that "puritans" was one of the nicest. Hon. Members have called the Bill a ban on smoking. It is not a ban on smoking, but a line in the sand that says that we will from now start a new culture in our country in which people realise that smoking kills them, or seriously affects their health.

Mr. Barron: I could not agree more and will come on to that point.

Health and safety concerns are sufficient reason for resisting the Government's original plans to exempt from smoke-free legislation pubs that do not serve food. Why should workers in such pubs be denied the protection that other workers are to be given? It is nonsense to think that we should pass such a measure in the House. Health and safety concerns are sufficient reason not to exempt membership clubs from the law. Licensed clubs employ bar staff, who are routinely exposed to other people's smoke. The fact that the clubs in which they work are owned by members does not afford them any protection from lung cancer or heart disease. The notion that club members should be able to vote to continue to expose their workers to such risks is unacceptable. I came to the House after working for 18 years in one of the most dangerous industries in the United Kingdom. It would be unacceptable for Parliament to pass legislation on that industry by ignoring fundamental facts, but the Bill attempts to do so on smoking.

It is farcical to suggest that a private members' club is an extension of the home. I have been a member of a club for many years, but clubs are not as private and secluded as my right hon. Friend the Secretary of State suggested on the radio this morning. A member of a club in the Club and Institute Union can affiliate to the wider union for £3 a year, and can go to 2,600 clubs and buy a drink without anyone preventing them from doing so. Royal British Legion clubs, too, are not exclusive—a member of the British Legion can walk into any of its clubs and be served a drink.

The hon. Member for South Cambridgeshire (Mr. Lansley) raised the issue of children. Clubs differ marginally from public houses, because there are often many children inside them. They are family-oriented and many hold weekly discos for young children. They organise Easter bonnet parades, Christmas functions and so on for families and young children, so the proposal to exempt clubs from the smoking ban is ludicrous.

If Members do not believe that it is reasonable and practicable to protect people in the workplace under the Health and Safety at Work, etc. Act 1974, they should wait until the House passes the smoking legislation and see what the no win, no fee lawyers do to clubs trying to secure indemnity insurance. In its evidence to the Select Committee, the Health and Safety Commission clearly recommended that pubs, bars and clubs should be covered by the law in the same way as every other workplace. That view is shared by the TUC, which passed a motion nem. con. in congress in September to ban smoking in all workplaces. The Union of Shop, Distributive and Allied Workers, which represents more than 640 bar workers in clubs, wants a ban, and issued a press release on Friday—I am sure that Members have seen it—in which general secretary John Hannett said:

> "Our members are already reporting that they can get a lot of abuse when asking club members to stop smoking at the bar, which is already illegal".

That is not, in fact, illegal in private clubs but only illegal in public bars. Mr. Hannett continued:

> "So we think this amendment will make sure our members can work free of abuse from customers and free from abuse of their lungs."

Why should club bar staff have to try to enforce the farcical measure whereby someone is not supposed to smoke near the bar?

When the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley gave evidence to the Health Committee, I asked her about clubs that offer entertainment. If someone is working on the stage, will the Government say that we should stop people smoking near the stage? At a reception earlier today, I was talking to Fiona Castle, the widow of Roy Castle, who we all know contracted lung cancer without ever smoking a cigarette in his life. Many people think that that was because of the secondary smoke that he inhaled in his career as a club entertainer. It is nonsense to think that we can protect people from secondary smoke if exemptions such as the one proposed are made.

Let me offer one more quote from somebody who works behind a bar—not somebody who goes into a bar by choice, but somebody who gets a living behind a bar. Another of the staff whom USDAW represents says:

> "If we are exempt from this ban, even more smokers are going to come in, and the smoke will get even worse."

What have they done to deserve that? If a person can move from a pub in my village to a club over the road to smoke, that will make matters even worse not just for bar workers, but for other people in the club.

Patrick Hall: Those who argue that private members' clubs should be exempt accept that they should not be exempt from health and safety legislation. They rely, therefore, on the analogy between a private members' club and a person's private home. My right hon. Friend has already mentioned that, but does he agree that it cannot be emphasised enough that that analogy is entirely false and has no basis in reality?

Mr. Barron: The analogy is absolutely false. I hope the House will see it for what it is and vote accordingly after the debate.

Mr. Clelland: Although I accept that the analogy is not a good one, does my right hon. Friend accept that the Bill does not make smoking in private illegal?

Mr. Barron: Indeed. I shall come to that, if I do not have to take any further interventions. I am keen to finish my speech because others want to speak.

Labour Members gave a pledge in our manifesto about what we would and would not exempt. As an MP for more than 20 years, I have always taken manifesto commitments extremely seriously and I still do, but we must consider the matter logically and ask whether it would be practical to apply an exemption. The answer is no. It is not practical in respect of pubs that do not serve food or in respect of clubs.

Ed Balls (Normanton) (Lab): My right hon. Friend makes a powerful case for the full ban and for it to apply to private members' clubs as well, but he recognises that, because of the manifesto position, some people might have thought that the Government or the House would take a different view and that there would be time for them to adjust. Is he rigidly advocating the timetable as previously set out or is there a case for allowing people more time to prepare before the full ban comes in, applying both to bars and to private members' clubs?

Mr. Barron: That is a matter for the Government. If a comprehensive ban is agreed tonight, it is crucial that it is enforced in a way that means that everybody understands where one may smoke and where one may not smoke. Unfortunately, my hon. Friend the Member for Ealing, North (Stephen Pound) is not with us. I had one or two things to say to him about that.

If hon. Members are not persuaded by the health argument, what about the economic argument? To force some pubs to make a choice between stopping people smoking and stopping serving food would create a gross and unjustified market distortion, as well as making a mess of the Government's alcohol strategy and worsening health inequalities. To force pubs that cease to allow smoking to compete with bars and clubs in the same street that still permit it would be unfair and unreasonable.

Like many other hon. Members, I have received representations not just from the industry, but from local publicans. I have one from Steve Smith and Wendy Edwards of The Thurcroft, a public house in one of the villages in my constituency. I know that public house very well. Five hundred yards down the road is Thurcroft Miners Welfare, and five hundred yards up the road is the Unity club, or the "top club", as it is known in the village. The income of those people will be threatened directly if the ban suggested in new clause 5 is introduced.

I received a letter from Mr. Jan Sowa, who runs a small company that runs three pubs, one of which is The Blue Bell in Aston, another village in my constituency. That pub, too, will be under threat if smoking is allowed in clubs. I do not want to see small businesses such as pubs close because of what the House does. I hope that other hon. Members do not want to see that either. That is why the British Beer and Pub Association, the British Hospitality Association and many others in the leisure and tourism industry now support comprehensive legislation. They see the dangers to businesses.

5.30 pm

Mrs. Iris Robinson: I want to underpin what the right hon. Gentleman is saying about the economy suffering. Is he aware that one year after New York's smoke-free air act was introduced in 2003, tax receipts for restaurants and bars had risen by 8.7 per cent.? Over the same period, jobs in bars and restaurants increased by more than 10,000.

Mr. Barron: I agree with the hon. Lady, who will also know that Ireland's retail sales figures now show that bar sales rose sharply, by more than 5 per cent., in the year to October 2005. Such legislation is good for business.

David Lepper (Brighton, Pavilion) (Lab/Co-op): Does my right hon. Friend agree that there is a point at which economics and health are linked? The landlord of a pub in my constituency, Chris Beaumont of The Greys, which is the only Egon Ronay-listed pub in Brighton, points out to me that he wants to carry on serving food, but there are 17 other pubs and two clubs within a square mile of his premises. If the measures suggested in new clause 5 are not introduced, people will either leave his pub to drink elsewhere or he will have to stop serving food. He points out to me, however, that if there were a total ban on smoking in all pubs, his customers would simply have to get used to it and possibly stop smoking—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. To set an example to others, let me say to the hon. Gentleman that a very short time is left, and long interventions really do not help.

Mr. Barron: My hon. Friend read out almost the whole e-mail, but not quite. Small businesses ask hon. Members on both sides of the House for a level playing field every day of the week. They want any legislation that gives them a level playing field and say, "Let us know that next week is predictable." We should not introduce exemptions that could throw small businesses into chaos and which would have major effects in constituencies such as mine that have many small villages and pubs.

David Taylor: Did not our hon. Friend the Member for Ealing, North (Stephen Pound) make a particularly vacuous point in suggesting that an increase in sales in off-licences was evidence that more people were going to

[David Taylor]

drink at home? In fact, a pre-existing trend was in place well before the banning of smoking in Irish pubs, and it was not affected by the ban.

Mr. Barron: That is true, but as I have already intervened on that matter, I shall not go any further.

The new clause and amendments (a) to (d) would bring England into line with the law that is soon to come into effect in Scotland, that has now been promised in two votes by the National Assembly for Wales and that the Government have announced for Northern Ireland, on which I suspect we will legislate in the next few months. I hope that hon. Members from all three countries will see no difficulty in joining us in giving the same protection to workers and members of the public in England as the rest of the United Kingdom is getting.

The tobacco industry and its allies often argue that smoke-free laws are an infringement of liberty, but I suggest that, once it is accepted that breathing in other people's smoke is dangerous to health, we will recognise that we are really dealing with a conflict of interest. I recognise people's right to smoke and that tobacco is a lawful product. Smoking may be self-destructive, but it is ultimately a matter of choice. I say to people, including my hon. Friend the Member for Ealing, North, that people in the Irish Republic make that choice. They step outside into unconfined spaces and still enjoy drinks and cigarettes as well without affecting other people in the pub, including bar workers. That view is certainly widely shared by the general public. Recent polling shows that about 70 per cent. of the public back comprehensive smoke-free legislation, including all pubs and bars.

Finally, I want to mention the enormous public health benefit offered by smoke-free legislation. One in four adults in our country still smoke, and more than 100,000 of them will die as a result. It is by far the greatest cause of preventable deaths and the biggest single contributor to health inequalities and the difference in life expectancy between social classes. I see that my hon. Friend the Member for Ealing, North has found some fun in the matter, but I have great difficulty in making jokes about it.

The Government's figures in the regulatory impact assessment suggest that a comprehensive smoke-free law would reduce smoking prevalence rates by 1.7 per cent. That would mean 700,000 people giving up smoking across England, which would lead as night follows day to thousands fewer dying each year from cancer, emphysema, peripheral vascular disease and other illnesses that can be caused by smoking. Over time, that would decrease health inequalities, which are far too great in many parts of this country.

Last night, the House debated ID cards, including how useful they will be in preventing terrorism and saving lives. Tomorrow, we will debate the Terrorism Bill, and again the question will be how useful the legislation is in saving lives. Tonight, if hon. Members vote for amendments (a) to (d), they will do so in the certain knowledge that the legislation will save lives and drastically improve the health of our constituents.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. The two Back-Bench contributions to this debate have averaged 21 minutes. I appeal for brevity if we are to get the breadth of opinion across the House.

Mr. Roger Gale (North Thanet) (Con): Amendment No. 8 would delete part 1 of the Bill in its entirety, which would force the Government and—dare I say it?—Her Majesty's official Opposition to think again.

This evening, we have heard a series of arguments shot full of inconsistencies. In his peroration, the hon. Member for Northavon (Steve Webb) said that he would vote for a total ban. Oh no he will not—a total ban is not on the agenda. If hon. Members on both sides of the House believe that smoking is so bad for one's health, that those who work bars, restaurants and private clubs suffer so much, and that 95 per cent. of the damage done by secondary smoking is done in the home and only 5 per cent. in other locations, surely, without looking too closely at the emperor's clothes, the argument must be that smoking should be banned altogether. People who do not adopt that approach are a little bit pregnant, and they must decide how far they are prepared to go down that ludicrous road.

I do not smoke and I am asthmatic, but I believe that while the law of the land says that smoking is legal, the British public—the English public—should have the choice whether to smoke in smoking clubs, pubs and restaurants. They should also have the choices not to smoke in non-smoking clubs, pubs and restaurants and whether to work in such establishments. I do not know a single employee who has had a gun held to their head and been told, "You must go and work in that pub, where they allow smoking."

There is an answer but it is not on offer, which is why those Members who support amendment No. 8 want to delete part 1 of the Bill and make the House think again. The answer is that every drinking establishment, club, restaurant and pub is licensed to sell alcohol, and it does not take a great leap of imagination to work out that it is possible to licence every pub, club and restaurant to be either smoking or non-smoking. The public and employees would then choose which type of establishment they want to patronise, and they will choose smoke or smoke-free. I have no problem with making the installation of cleansing equipment a condition of obtaining a smoking licence. It has been said in this House this evening that air conditioning does not work, but we are not talking about air conditioning—we are talking about air purification. Air purification systems do work. It is eminently reasonable to say that if a publican wants to have a smoking pub he should invest in the machinery that will keep the air clean for the benefit of the staff.

We know perfectly well that the Exchequer could not bear the cost of banning smoking, which is why there will be no smoking ban. We know that prison staff could not control prisons, which is why there will be no ban on smoking in prisons—it has nothing to do with the health

of the prison staff. The debate to date has reeked of hypocrisy, and we need to get some common sense and consistency into it. I urge the House to dismiss this whole package and think again.

Mr. Clelland: I support the case for excluding private members' clubs from the ban. I am grateful to Ministers for giving all Members the opportunity to vote for a number of options, but I want to emphasise that clubs are different. That was outlined in the guidance issued under section 182 of the Licensing Act 2003, which states at paragraph 9.2:

"The 2003 Act recognises that premises, to which public access is restricted and where alcohol is supplied other than for profit, give rise to different issues for licensing law than those presented by commercial enterprises selling direct to the public."

It says that those premises include

"Labour, Conservative and Liberal Clubs, the Royal British Legion, other ex-services clubs, working men's clubs, miners welfare institutions, social and sports clubs."

Every one of us has several such establishments in our constituencies. The guidance acknowledges that

"the premises are considered private and not generally open to the public".

It goes on to say:

"The Secretary of State wishes to emphasise that non-profit making clubs make an important and traditional contribution to the life of many communities in England and Wales and bring significant benefits. Their activities also take place on premises to which the public do not generally have access and they operate under codes of discipline applying to members and their guests."

I am not a smoker, but I do not like smoke blowing in my face from smokers sitting nearby any more than anyone else does. Nor am I opposed to a ban on smoking in private members' clubs. However, I believe that the decision on whether to ban it should be for the members of that club to make. That is the important principle that I wish to pursue.

I do not refute the health arguments, although there is a great deal of exaggeration in that regard, particularly when hon. Members accuse club members of killing their staff. That is a little over the top. As the hon. Member for North Thanet (Mr. Gale) pointed out, the Bill does not make smoking illegal. Smoking in private will still be legal. Unless we want to take the bull by the horns and ban smoking completely, some of the arguments smack of hypocrisy.

We have long maintained in this country the right of people to form private clubs in which they—the members—decide what legal activities go on. Clubs must be allowed to make those decisions for themselves and in their own time. They are democratic, non-profit-making organisations, and many of them are struggling. If this is forced upon them and they cannot make these changes in their own way and in their own time, many will close, and their staff, far from being in a smoke-free environment, will be in a work-free environment.

Hugh Bayley: We have heard that passive smoking in the workplace kills four times as many employees a year as asbestosis. My hon. Friend would not support for one minute a club that refused to remove flaking asbestos that posed a hazard to its staff. That would not be a matter for democratic decision for club members—it would have to be done. Why does he not apply the same standards to a health hazard that is more dangerous to the staff of clubs?

Mr. Clelland: We are not considering the Health and Safety at Work, etc. Act 1974, but the Health Bill. If the Government want to pursue the issue in the way that my hon. Friend suggests, the health and safety legislation should be amended. I repeat that if smoking is so lethal, it should be banned completely. What is the case for not doing that other than perhaps the case for the Revenue, which is important to any Government?

5.45 pm

Chris Bryant: My hon. Friend said that he was not opposed in principle to private members clubs banning smoking. The Secretary of State said that if an exemption were made for private members clubs, an annual vote would be insisted upon. If such a vote is held annually, should it be conducted by a postal ballot of all club members or at an annual general meeting? In the case of such a vote, should people be able to reverse the decision that they made the previous year? Should they be able to change year after year?

Mr. Clelland: I shall consider the annual vote shortly, but I will not discuss the complexities of how the ballots should take place. That is for another day. Today, we are debating the principle of the matter.

The licensed trade has argued that the Bill will sound the death knell of many pubs because people will move from pubs to clubs. Pubs have open access and far more freedom than clubs to introduce attractions that will bring in the public and lead to their continuing patronage. The bingo clubs and casinos claim that people will flock from them to private clubs. That is nonsense because people who patronise bingo clubs and casinos go for much bigger prizes than any working men's club could offer. They would certainly not be attracted merely by the ability to have a cigarette.

If, as we are told, the non-smoking population is growing and the smoking population is declining, the non-smokers may migrate from the smoking to the non-smoking establishments. Banning smoking in pubs and restaurants may benefit rather than cause problems for those places. I do not therefore accept the trade's arguments. It is worried because it erroneously believes that the measure will give non-profit-making clubs an advantage. It is concerned about its profits, not anyone's health.

The hon. Member for Northavon (Steve Webb) claimed that if exemptions were made, the Rose and Crown might turn itself into a private club. If he believes that, he does not understand the Licensing Act 2003. To become a private club, a pub has to satisfy all the conditions, including becoming a non-profit-making members' club. I do not believe that the Rose and Crown wants to be a non-profit-making establishment, so it is unlikely to become a club.

Many clubs already take action to restrict and even ban smoking on their premises. The annual ballot, which my hon. Friend the Member for Rhondda (Chris Bryant) mentioned, will accelerate the process. They will have to consider the matter annually and I am sure that the smoking restrictions will continue. Let us not use a good Bill to erode the traditional freedoms of our private clubs and, in too many cases, threaten their existence.

I hope that when my hon. Friend the Under-Secretary responds to the debate she will clarify something that the Secretary of State said earlier. My right hon. Friend

[Mr. Clelland]

appeared to imply in a radio interview this morning, and in an answer that she gave me earlier, that there will be regulations to restrict smoking in any room where there is a bar. Today is the first time that we have heard that. The letter that the Secretary of State sent to clubs when the point was first queried stated:

"we will uphold our manifesto commitment to protect employees by prohibiting smoking in the bar area".

That is completely different. If we are to impose a ban on smoking in every room in a club where there is a bar, we may as well include clubs in the overall ban.

Mrs. Ellman: Does my hon. Friend accept that the complexity and lack of clarity to which he refers are an indication of the problems that will arise unless there is a comprehensive ban?

Mr. Clelland: I am not sure what the lack of clarity is. Clubs are dealing with those issues as we speak. There are already restrictions on smoking in the bar area and most club members uphold them. If they do not, they will not be club members for long. Clubs discipline their members if they do not stick to the rules.

I do not oppose—and I shall support—a smoking ban in public places, but I cannot accept that we should legislate against private members' clubs in that way. It is against all our traditions. The best answer, as in so many cases, is education rather than legislation.

Sir George Young (North-West Hampshire) (Con): I want to make an extremely brief speech, as many other Members wish to speak in the debate. It was disappointing that the Secretary of State was unable to share with the House how she plans to vote on this matter. She is the Secretary of State for Health and this is one of the most important public health issues that this Parliament will debate. It would have been helpful if, under the protection of a free vote, she could have indicated to the House what her preference was among the options available to us. She said that she would listen to the debate. I have been listening to this debate for 30 years, and it would be astonishing if some new and decisive argument were to emerge in these two hours to clinch the debate one way or the other. The last time we debated this matter, she put forward a view, constrained by collective responsibility, with which we know she disagreed. Against that background, and with the protection of a free vote, it would have been helpful if she had been able to tell us her views on this occasion.

I want to pay tribute to the work of the Select Committee. It was courageous of the Committee to confront head on a pledge in the Government's manifesto, six months after the general election. The role of the Select Committee has been decisive in this debate and it is a model of what Select Committees should do. It detected an argument that had unsound foundations, exposed it, then produced a clear, unambiguous, unanimous report that has been of enormous assistance to the House.

I want to pick up a point made by the hon. Member for North-West Leicestershire (David Taylor), and I make no apology for raising the West Lothian question. In the Standing Committee, we had a vote on whether the distinction between pubs that serve food and those that do not should be removed. The Government won by one vote, that of a Scottish Member whose constituents will have the benefit of a comprehensive ban. His vote was decisive at that stage in ensuring that my constituents would not have the benefit of such a ban. At some point, the Government will have to address that issue, because it is going to recur time and again.

I hope that, at the end of this debate, Parliament will send out the clear signal that smoking is a harmful activity that it wishes to discourage. My concern, however, is that we are about to remove one indefensible distinction, namely, the distinction between pubs that serve food and those that do not, with another indefensible distinction, namely, that between pubs and clubs. As the right hon. Member for Rother Valley (Mr. Barron) has just explained in his excellent speech, no public health argument, no employment argument and no public nuisance argument can be used to distinguish private clubs from pubs. He also explained that the barrier between a private club and a pub is a very narrow one—a £3 subscription will give access to a wide range of clubs. The tobacco industry wants a confused signal to emerge from Parliament that smoking is an activity that can be validated in certain circumstances. It would be much better to send a clear message that people can, of course, smoke in private but that smoking in a public place is something that Parliament wishes to discourage.

Mr. Clelland: Will the right hon. Gentleman give way?

Sir George Young: I will not, if the hon. Gentleman does not mind, because I want other people to get in.

Finally, I want to make a point to my right hon. and hon. Friends who feel that there is something about being in the Conservative party that means that they should not vote for a ban. The Conservative party has a long history of taking public health seriously. Crash helmets were made compulsory for motor cyclists under a Conservative Government. Seat belts were made compulsory for rear passengers by a Conservative Government. A Conservative Government were in favour of putting fluoride in the water supply—

John Bercow (Buckingham) (Con): And the Clean Air Act 1956.

Sir George Young: Indeed.

It is perfectly consistent to be a member of the Conservative party and to take public health seriously by voting for a smoking ban in public places. Of course people should have the freedom to smoke, but that freedom needs to be balanced by the freedom of other people to enjoy clean, fresh air. When the Divisions are called, I shall, without any hesitation at all, vote with the right hon. Member for Rother Valley.

Dr. Tony Wright: It is always a great pleasure to follow the right hon. Member for North-West Hampshire (Sir George Young). I wish that he had also mentioned the historic connection between the beer industry and the Conservative party, but apart from that he made some excellent points. I do not want to repeat them, but I want to emulate him by being brief.

We should celebrate the fact that this matter is being decided on a free vote. That is good for Parliament. I know that we cannot resist the temptation to revert to type by teasing Ministers about this, but it is good that we should approach issues in this way and that Ministers should, quite legitimately, take different views on a matter of judgment. We cannot both celebrate the free vote and attack Ministers for doing that. The more that we can decide issues in this way, the better it will be for Parliament, and not just because it is sometimes politically convenient.

It is a good thing that we are going to ban smoking in public places tonight, but it is extraordinary that we did not do it a long time ago. It is such an obvious public health measure and Parliament should have turned its attention to it long ago. My only dissent from what is being proposed—I do not think that it will be tested in the Division Lobby—is that we could have taken a much simpler approach from the beginning. We should simply have proposed to separate the smokers from the non-smokers. The distinctions that the Government originally introduced were not sustainable. The idea that we should distinguish between pubs that served food and those that did not had no foundation in any public health argument. Nor do I believe that the distinction between pubs and clubs is sustainable. Some hon. Members have argued forcefully about the freedom involved in private members' clubs being allowed to do their own thing, but that argument is trumped by the view that basic protections should be afforded to the workers involved, and that overrides the distinction. Those workers would not have the freedom not to be exposed to other people's smoke.

Those distinctions must fall away, but it would have been easier to carry public opinion with us on this by adopting a simpler approach, such as the introduction of some kind of physical segregation in all kinds of premises between the smoking area and the small non-smoking area. I would have imposed onerous conditions on the smoking area involving physical separation and the sealing of rooms, and allowing no children, food or drink. I might have added provisions about sophisticated ventilation equipment—

Lynne Jones: And padded walls.

Dr. Wright: Some people would have put in padded walls and thrown away the key.

The approach that I have just outlined would have met the public health objectives that underpin what we are attempting to achieve, while ensuring that we retained a certain amount of freedom to exercise a legitimate activity. That approach would have carried public opinion with it. What we do tonight must have clarity and enforceability, and it must have public support. There would have been a simpler way of doing this, as I have just outlined, and we must ensure that clarity, simplicity and enforceability are at the heart of these provisions.

Mr. Chope: I wish to speak to amendment No. 6, on which I hope we shall have the chance to vote later. I am delighted that my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) is lending his support to it. The amendment has come as quite a surprise to many of my right hon. and hon. Friends, because they did not realise that the coercive powers that the Government are taking under clause 5 include the power to ban smoking in private motor vehicles. It would be wrong in principle to do such a thing, as well as totally impractical. I have yet to hear the Government offer any defence for taking this power, and, in the absence of any such defence, I hope that the whole House will support my amendment.

I also want to address the issue of prisons. The Government line is that smoking is bad for our health and that of those around us. If that is so, why is smoking still to be allowed in prisons under the Bill? I asked the Secretary of State, in an intervention, why there was a rule about prisons that was different from the rule proposed for clubs and other licensed premises. I did not really receive an answer.

Mr. Barron: Will the hon. Gentleman give way?

Mr. Chope: I will not, because the right hon. Gentleman spoke for an inordinate length of time, and I want to allow others to speak.

6 pm

The issue of smoking in prisons has been related to the issue of what a person can do in his or her own home, but there is a big distinction. At present people cannot drink alcohol in prison: thereby the Government accept that being a prisoner is different from being in an equivalent, or an extension, of one's own home.

Mr. Laurence Robertson: Prisoners cannot vote either.

Mr. Chope: That is true, although we hear that the Government want to allow it in order to try to save a few seats at the next election.

If prisoners cannot drink alcohol, why should they be allowed to smoke? It strikes me as totally inconsistent to take freedom to smoke away from those who are not prisoners, while allowing it to remain for those who are. Apart from anything else, we know that smoking in prison is the means by which much illegal drug-taking can take place.

Anne Milton: Will my hon. Friend give way?

Mr. Chope: No, I am afraid I will not.

My hon. Friend the Member for North Thanet (Mr. Gale) referred to amendment No 8, which I support enthusiastically. It seems that those of us who feel as he does about the legislation will have to vote against new clause 5. The important point is that health and safety law already applies to secondary smoke in workplaces, and the Bill is therefore unnecessary if it is designed to look after the health and well-being of people in the workplace.

The market is already operating to provide a range of options for the general public of smoke-free and smoke-filled premises. In a hotel, it is possible to stay in a smoke-filled bedroom or in one that is non-smoking. That shows that the market is working. The tyranny of the intolerant should not be allowed to prevail over the freedoms of the minority.

[Mr. Chope]

I have never smoked, and despite the provocation from the Government, I do not intend to start now; but smoking is a legal activity. If hon. Members want to outlaw it, let us have a prohibition Bill. Until that time, let us trust the people and the market.

Dr. Alasdair McDonnell (Belfast, South) (SDLP): I too will be brief, or as brief as I can be. I think we could generate an awful lot of nonsense. Perhaps I should apologise, as someone from Northern Ireland, because the Under-Secretary of State for Northern Ireland, the hon. Member for St. Helens, South (Mr. Woodward), has relieved us of responsibility: he has done the wise thing, and provided for a total ban in a few months' time. I hope that the right hon. Member for North-West Hampshire (Sir George Young) will allow my vote tonight in favour of a stronger ban to cancel out the irresponsible vote of someone else.

Smoking is a killer. Smoking maims people. Smoking cripples people. There is a whole spectrum of damage that smoking cigarettes—smoking tobacco—does to people. It is the single greatest cause of serious morbidity and mortality, and one of the single greatest burdens on the national health service owing to the illness that it causes. Others have spoken on the subject, and I do not want to go into the details of the damage to lungs, chronic obstructive pulmonary disease and emphysema. Smoking does even more damage to the cardiovascular system. There is brain damage, stroke damage and all the rest. We could split hairs on whether we stop that a little bit, a bigger bit or completely, which is as far as we can go. By "completely" I mean stopping smoking in public places completely; I do not accept that there can be an absolute ban on smoking, although I should like to see the day when that might happen.

Excuses are being made in relation to private spaces: clubs, private homes and vehicles. I do not think that anyone would suggest that people should be allowed to grow cannabis in their private homes or private spaces, and put it to whatever use they like, including the corruption of younger people. The reality is that smoking is damaging, and we in the House have a responsibility to ensure that the amount of damage it is allowed to do is limited.

Apart from the damage that smoking does to people, the cost to the national health service is awful. Smoking is crippling the NHS. As a result of the smoking that has taken place over the past 25 or 30 years, we shall have a legacy—a mortgage—of debt hanging over us for the next 30 years, until we remove smoking, reduce smoking or control smoking.

Before I came to the House I was a GP. Smoking, the damage done by it and the challenges involved in stopping presented me with one of my own greatest challenges. Trying to stop smoking is a difficult issue: it all comes down to individuals. A GP can do anything he likes to help people, but the biggest pitfall is what happens on a Friday or a Saturday night, or at the football match at the weekend. When there is a social occasion, people slip back on to the cigarettes. We must ensure that we give those people as much support as possible.

The southern Irish experience has been extremely positive. Faults can be found in it: there are breaches of the law, and people stand outside bars smoking—but even that has turned into a benefit, because matches are now being made outside the pub rather than inside. There is a smokers' club outside the door. Let us be serious, however. The Irish experience has worked. Smoking is down, and good public health is rising. It will be many years before that shows its full benefit, but I appeal to Members for God's sake to give people a chance. People are struggling to give up cigarettes. Most sensible people who are smokers want to stop smoking, and want us to help them to stop. We should not put any further obstacles or difficulties in their way.

Dr. Richard Taylor (Wyre Forest) (Ind): It is a great pleasure to follow the hon. Member for Belfast, South (Dr. McDonnell), another member of the medical profession.

I pay tribute to the right hon. Member for Rother Valley (Mr. Barron), who chaired the Health Committee while it produced two extremely strong and useful reports. I am delighted to see that the Secretary of State has returned. She said that she had not yet made up her mind. I am rather more naive than the right hon. Member for North-West Hampshire (Sir George Young), and I believe that we could persuade some Members who have the luxury of a free vote to change their mind.

I speak as unofficial, unappointed, unelected medical adviser to the House. Even the youngest Members may have the beginning of coronary artery atheroma, that terrible condition that narrows the coronary arteries and leads relentlessly to heart attacks, usually in later life but often in relative youth. I think everyone knows that the risk factors we recognise are smoking, diabetes, a poor family history and hypertension; but we all know people in none of those categories who, out of the blue, have dropped dead of a heart attack, or have had a severe heart attack. Without those risk factors, each one of us could be sitting on our own particular time bomb.

Those of us who have reached my age do not play squash and the like because it is known that sudden exertion is one of the precipitating factors, but it is not generally known that passive smoking is also an acute precipitating factor. The atheroma builds up over the years. We have in our blood things called platelets, which normally help the blood to clot in the right place; but, according to a booklet from the Royal College of Physicians,

> "Platelets are very sensitive to the effects of tobacco smoke, and experimental studies have shown that smoking one or two cigarettes per day has a similar effect on platelet aggregation to that seen in non-smokers exposed to environmental tobacco smoke for 20 minutes."

Platelets aggregate. They lump together. They increase the atheroma, increase the blockage, and possibly cause a complete occlusion. As has been said, the risks of cancer of the lung are linear, but that does not apply to the risks of coronary artery disease. So the ban on smoking in public places must be extended to all workplaces. It is no good saying that 99 per cent., or even 99.9 per cent., of people are protected; the last fraction of a per cent. deserve equal protection.

I want briefly to consider particulates—the tiny bits held in the smoke exhaled by smokers and, even worse, in the side-stream smoke that drifts away from the end of a cigarette as the smoker wafts it casually in the hand. A particle labelled as PM2.5—the label denotes its size,

which is 2.5 microns—can get right into the lungs and is responsible for a lot of damage. Dr. Richard Edwards, a senior lecturer in public health from Manchester, told the Health Committee on 20 October about a study in the north-west that compared the level of PM2.5 found on heavy traffic roads with that found in smoky pubs. Some 20 to 50 micrograms per cu m were found on heavy traffic roads, but 1,400 micrograms per cu m were found in smoky pubs—28 times the former level. He concluded:

"So when you are talking about exposure from particles which are known to affect health, and there are plenty of studies to show that particulate matter affects health, some of the places where you get the very greatest exposure is in the indoor environment in smoky pubs".

If we exempt clubs, we will drive smokers to them and they will become even more lethal.

Dr. Stoate: I am very grateful to my esteemed medical colleague for giving way on this important point. Does he therefore agree that because ventilation systems cannot remove these particulates in sufficient quantities, simply ventilating a pub's atmosphere will not reduce them to a safe level? He is therefore right to say that a total ban is the only credible way forward.

Dr. Taylor: I thank my hon. Friend—I will call him my hon. Friend, even though he is on the other side of the House—for that intervention, with which I entirely agree. The Health Committee heard conclusive evidence to suggest that it is not possible to ventilate pubs in an affordable way. The comparison was made with operating theatres, but they have air conditioning systems with positive pressure, which blows everything out to prevent germs from coming in. Such a system cannot be replicated in pubs and clubs.

I conclude with two quotes. When, at last November's "Britain against cancer" conference, the head of Glasgow university's centre for oncology was asked what his single greatest wish was in respect of cancer prevention, he said:

"The key long-term priority is to limit smoking—everything else is lip service."

Professor Dame Carol Black, the president of the Royal College of Physicians, told the Health Committee:

"There is nothing that this government could do for health that would be better than to actually bring in this ban, absolutely nothing."

Mr. John Grogan (Selby) (Lab): It is a great pleasure to follow the hon. Member for Wyre Forest (Dr. Taylor); I was feeling quite healthy until he spoke.

Once in a political generation, one gets the chance, if one is lucky enough to sit on these Benches, to vote for a public health measure that will affect the health of thousands—perhaps hundreds of thousands—of members of our society. As the right hon. Member for North-West Hampshire (Sir George Young) reminded us, no political party in this House has a monopoly on such measures. I am thinking here of the public health Acts of the 19th century, of the sewerage legislation, and of the clean air legislation of the 1950s and 1960s. The most successful of the Acts passed by our predecessors ended discussion about that topic for a generation. The legislation was clear and simple and it established a political settlement. We have a similar opportunity before us today.

I share the ambition of the hon. Member for Wyre Forest to persuade the Secretary of State to go that little bit further and to complete what is unfinished business. I hope to speak directly to her today, because the issue is clubs against pubs: should we extend the ban to members' clubs, as well as pubs? We have heard that 150,000 people, if not more, work in members' clubs, and I have always felt that the health of a bar worker in a club is every bit as important as that of a bar worker in a pub. Some Members have suggested that perhaps bar workers should change jobs if they do not like the premises that they work in. That shows a lack of understanding of the bars and clubs in our communities. In some communities, it is not easy for such workers to get another job.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): Much has been made of the employee's ability to choose whether or not to work in a pub or a club. If private clubs are excluded from this legislation, when someone who is offered a job in a club refuses to take it, they would rightly be denied any social security benefits whatsoever. So where is the choice?

6.15 pm

Mr. Grogan: I agree entirely with my hon. Friend. The House has a responsibility to provide some certainty tonight. If we exempt clubs, we will be faced with years of legal action. Indeed, the Joint Committee on Human Rights suggested that if we distinguish between members' clubs and pubs, we may face legal action from bar workers in clubs, trade unions and so on. Businesses and clubs need certainty.

I have been telephoned, in my role as chairman of the all-party group on beer, by licensees from all over the country. I shall give just two examples, which happen to come from Doncaster and Leicester. The licensee of the Rockingham Arms, in Doncaster, told me that his pub is opposite the Comrades club, which is a social club near Doncaster race course, and that all he wants is a fair bat and ball—the chance to compete with it on equal terms. Of course, many of his regulars are also members of the club. We have to face the fact that the likely flow of traffic will be smokers shifting from pubs to the clubs of which they are a member. If we pass an exemption for clubs in this House tonight, it will constitute a St. Valentine's day massacre of many pubs. Pubs will close up and down the land and Members will have to face not just their licensees, but the darts team and the football team that has nowhere to go. Some pub charity Christmas raffles will no longer take place. Pubs are a vital part of our local community.

Mr. Laurence Robertson: Has the hon. Gentleman considered the logical conclusion of his argument, which is that there is great demand for pubs in which people can smoke?

Mr. Grogan: On health and safety grounds alone, we must face the reality of the situation. According to an American study, a non-smoking bar worker in a pub has a 20 times greater risk of developing cancer than a non-smoking bar worker in a non-smoking environment. We must be cognisant of that fact.

I want to address the remarks made by the hon. Member for South Cambridgeshire (Mr. Lansley), in case I can persuade him, as well as my own Front

[Mr. Grogan]

Benchers, of my argument. I have always regarded him as the epitome of modern Conservatism, which involves a belief in simple regulation and market forces. It therefore beggars belief that he is advocating a very complicated regulatory system involving local authority inspectors visiting clubs to see whether children are present, and which will lead to many of our pubs being unable to compete on equal terms with clubs.

Martin Horwood (Cheltenham) (LD): Does the hon. Gentleman not agree, however, with the Royal College of Physicians that one answer to the point made earlier by the hon. Member for Tewkesbury (Mr. Robertson)—my constituency neighbour—is that a truly comprehensive ban would reduce demand for smoking overall? The RCP pointed out that the comprehensive ban in Ireland led to a

"statistically significant increase in the percentage of smokers who banned smoking in their own homes after the smoke-free law was introduced".

So the more comprehensive the ban, the fewer the people who smoke, even at home, which is outside the scope of the ban.

Mr. Grogan: We all know people who, having given up smoking, are tempted to start again every time that they go into a club or a pub. In Dublin and elsewhere in Ireland, the number of households with a smoker has decreased considerably since the ban was imposed. So I appeal to all Members to go the extra step and pass a historic public health measure that bans smoking in all workplaces. I appeal especially to my hon. Friends, who have an instinct towards public health and the protection of staff. Do they really want to go back to their constituencies and say that on one of the only genuinely free votes that we are likely to have in this Parliament, they took the advice of my right hon. Friend the Secretary of State for Defence—someone for whom I have great respect? I urge hon. Members to vote for a comprehensive ban and a smoke-free England.

John Hemming: I have thrown away my speech and will aim to speak for less than five minutes. We need to focus on one point. It is accepted that secondary smoke is dangerous. Workers need to be protected from that, so a comprehensive ban is necessary. However, we also accept that workers will be exposed to some secondary smoke, when they go outside pubs to collect the glasses.

Amendment No. 10 is a probing amendment to see whether the Government wish to consider whether it is possible to license, through local authorities, rooms—I accept that it is not possible to ventilate a whole pub—that could be ventilated to keep the level of secondary smoke below that outside the pub. Apart from the hon. Member for Birmingham, Selly Oak (Lynne Jones), we accept that people will smoke outside pubs, in the gardens. The question is whether it is possible to bring the level of secondary smoke in a room in the pub below the level found outside.

Unintended consequences will arise from a comprehensive ban. The evidence from Ireland is that the consumption of tobacco fell by some 5 per cent. as a result of the ban. The actual fall was some 9 or 10 per cent. but the trend is downwards anyway. However, smoking is still going on somewhere. By introducing the ban we will move people around, but we will mostly not stop people smoking. If we could achieve a situation in which the concentration of secondary smoke in the atmosphere is below a certain level under certain circumstances—as we accept it will be outside the pub—why not allow smoking rooms, on a licensed basis, within the pub?

Hugh Bayley: In November, I wrote to my right hon. Friend the Secretary of State for Health and said that I could not in conscience support the then Government position of a partial ban that would not allow smoking in licensed premises where food was served. I sent a copy to my right hon. Friend the Chief Whip. I congratulate both of them on the decision that we should have a free vote on an issue that may be the most important public health decision that will be made by the Government in this Parliament.

I have tried to assess the number of lives that could be lost if we had a partial rather than a full ban. The Jamrozik article in the *British Medical Journal*, mentioned by the hon. Member for South Cambridgeshire (Mr. Lansley) and my right hon. Friend the Member for Rother Valley (Mr. Barron), states that 617 people die from passive smoking in the workplace each year on average and that some 54 of them work in the hospitality industry. If around one in three licensed premises were exempt from a smoking ban, around 20 people would lose their lives every year. That loss of life can be avoided if we choose a full ban.

I have spoken to the Health and Safety Executive to try to make comparisons with other industrial hazards. Some 37 people die each year from falling from a great height, such as building workers falling from inadequately erected scaffolding. A club would not use the freedom of individual members to make a decision to agree to save money by putting up faulty scaffolding, thus putting at risk the lives of people who work for that club. They should not do the same with their employees by permitting smoking to continue.

On the railways, seven workers died in line-side accidents in the most recent year for which I have been able to obtain figures. One would not say that wearing an orange bib and abiding by the railway inspectorate's safety regulations should be a matter of personal choice for a railway company or employee. We have health and safety rules to protect people, and we should protect people working in private clubs in the same way as we propose to protect those working in other licensed premises, such as restaurants and pubs.

To those private clubs that wish to retain the right for people to smoke—by no means all of them, since two private bingo clubs in my constituency have asked me to support a comprehensive ban—I would say that they will put off more people coming in through the smoky atmosphere than will be encouraged in by permitting smoking. The legal pressures that are likely to come on club committee members from the families of employees who suffer illness or death as a result of passive smoking should make them think again. I urge all hon. Members, including my right hon. Friend the Secretary of State for

Health, to choose a consistent policy, protect employees in restaurants, pubs and clubs in the same way, and vote for amendments (a), (b), (c) and (d).

Mr. Laurence Robertson: Amendment No. 36 accepts that there may be a case for banning smoking in certain public places, but excludes pubs, restaurants and clubs and, indeed, the home. I declare that I am a smoker, but I consider myself to be a considerate smoker. I would not want to smoke in anyone's car, house or office, or even in their company, unless they were happy with that or smoked themselves. It is because I am a considerate smoker that I find the proposed measures intolerant, not to mention illiberal and belonging to the nanny state.

I understand the right of people not to inhale the smoke that I exhale, but there is no reason why the rights of both smokers and non-smokers cannot be accommodated. We already have non-smoking pubs springing up all over the place: there are some in my constituency. We have many pubs that are mixed, with smoking areas and non-smoking areas, and we have pubs that are smoking throughout. We hear from hon. Members on both sides that there is a great demand for non-smoking pubs, and if that is so, the free market, which I thought new Labour believed in these days, will deliver those pubs and everybody will be happy.

It is my contention that the person best placed to decide whether or not to have smoking in his establishment is the pub landlord or the restaurateur, with due regard to his staff and customers. I do not accept that a ban would not lead to an increase in smoking at home, and I am disappointed that so much concern is rightly expressed for the welfare and health of workers, but that few of those who make such protestations have talked about the rights of children in the home. Are they not to be protected? I am convinced that more people will smoke at home than at present, but we do not seek to protect the rights of children.

Mr. Devine: Will the hon. Gentleman give way?

Mr. Robertson: I am sorry, but I do not have time.

Many staff in pubs smoke themselves and many small country pubs will be threatened by the ban. We hear, especially from Labour Members who oppose an exemption for private clubs, that people will flock from the pubs into such clubs. The logical conclusion of that argument is that there is a great demand for pubs that allow smoking, and many of them are small pubs in country areas. Along with the post offices and shops in country areas, they will be under threat. The landlord and landlady of the local inn in my home village of Twyning both smoke. They do not employ any staff, so why should they be covered by the ban? That would be totally intolerant.

6.30 pm

The logical conclusion of the health argument is that the Government should ban smoking altogether. Smoking-related diseases cost the NHS £1.8 billion year. That is a fair amount, but rather insignificant when compared with the £8.1 billion that smokers put into the Exchequer every year. That explains the Government's hypocrisy in refusing to ban smoking entirely—it is due to money.

Of course I share concerns about staff who work in smoky establishments when they do not want to. However, jobs in the catering industry are very difficult to fill. That is why so many illegal immigrants are employed in catering. Other people have the option to go and work elsewhere. We talk about people working in smoky atmospheres, but what about those who work in coal mines or with dangerous chemicals or hazardous waste? Those problems have all been ignored today, and that is because they are difficult to deal with. However, if we were being consistent, we would be considering them as well.

I have been asked to keep my remarks brief—*[Interruption.]* It is a pity that Labour Members did not do the same and that their arguments were not more consistent. I shall end by saying that this is a very illiberal and totally unnecessary measure. We can protect people's health without this draconian legislation.

I shall vote against the new clause. If we get that far, I hope that the House will vote for amendment No. 36, which is far more tolerant.

The Parliamentary Under-Secretary of State for Health (Caroline Flint): It has been quite a journey over the past eight months or so. This afternoon's debate has paralleled the discussion of the matter that has gone on in the public domain over that period. Speeches have been made by the hon. Member for Northavon (Steve Webb), my right hon. Friend the Member for Rother Valley (Mr. Barron), the right hon. Member for New Hampshire—*[Interruption.]* I mean the right hon. Member for North-West Hampshire (Sir George Young). In addition, my hon. Friend the Member for Cannock Chase (Dr. Wright), the hon. Members for Belfast, South (Dr. McDonnell) and for Wyre Forest (Dr. Taylor), and my hon. Friends the Members for Selby (Mr. Grogan) and for City of York (Hugh Bayley) all argued that the legislation on restricting smoking in public places should go as far as tonight's votes allow.

However, my hon. Friends the Member for Ealing, North (Stephen Pound) and for Tyne Bridge (Mr. Clelland), and the hon. Members for South Cambridgeshire (Mr. Lansley) and for Birmingham, Yardley (John Hemming), all felt that there should be more compromise on the matter. If I heard them correctly, the hon. Members for Christchurch (Mr. Chope), for North Thanet (Mr. Gale) and for Tewkesbury (Mr. Robertson) said that there should not be legislation in this area at all.

This is an historic debate. We are celebrating this week the 100th anniversary of the parliamentary Labour party. It is fair to say that many of the most challenging pieces of health legislation over the past century have been introduced in the short periods of Labour government. We hope to serve for much longer in the 21st century, but I am pleased and proud to be here this evening to endorse and put into law for the first time proposals that will restrict smoking in public places. As far as I am aware, the Opposition, despite what they say, had no intention of introducing similar measures if they had won the general election.

David Taylor: My hon. Friend has described the long path that we have followed over the past decade and

[David Taylor]

more. Is she aware that it is 40 years since the lead story in the *Daily Mirror* was headlined "Shock plan to ban smoking in public"? There was a Labour Government at the time, and there have been at least two others in our progress to this point. It is an historic matter to get from that headline to the public health improvements that the Bill will secure.

Caroline Flint: It is another triumph of this new Labour Government.

I turn now to the specifics of the amendments. Amendment (b) deals with specialist tobacconists, for which I said in Committee I was minded to include an exemption. However, that should be tackled in regulations. I reject amendment No. 8, which would remove clauses 1 to 12, as that would effectively kill the premise on which the Bill is based. The view of the public is increasingly that we should take legal measures to restrict smoking in public places.

The hon. Member for Christchurch mentioned prisons. We are working with the Home Office to determine how to make progress in that respect, but I remind the House that some prisons are smoke-free. Prisons are places of detainment and also residence, so we must strike a balance.

The hon. Member for Birmingham, Yardley tabled amendment No. 10, which would permit local authorities to license and designate premises. The Government believe that a piecemeal approach is inappropriate, as we want a national approach to creating smoke-free places. That is the ideal, but I give credit to those local authorities around the country who have campaigned strongly and made their views known to the Government.

Several hon. Members spoke about amendment No. 6, which deals with private vehicles. Six Standing Committee sittings were devoted to the smoking parts of the Bill, and I made it clear that there was no intention to require vehicles in exclusively private use to be smoke-free. Clause 5(2)(d) makes provision for regulations that may exempt classes of vehicles, including private or rental cars hired for private use. The Bill's regulation-making powers are more than adequate to exempt vehicles for private use.

Mr. Chope: Will the Minister give way?

Caroline Flint: No, but the hon. Gentleman can see me later. We can talk about the regulations. *[Laughter.]*

Amendment No. 36 is hard to understand. It seems to be intended to limit the premises that may be exempted from smoke-free legislation to those where a person has his home, or licensed premises and membership clubs. I am worried that it would remove the general regulation-making power in clause 3(1), which takes account of the fact that people who, for example, work on oil rigs are not able to smoke outdoors for reasons of safety. Likewise, if the amendment were adopted, no exemption could be made for laboratories concerned with testing tobacco products. That would mean that the tobacco companies would not be able to test their products, as the law requires.

Government amendment No. 24 extends the fixed-penalty notice provisions in part 1 of the Bill to the offence of failing to display no-smoking signs, in accordance with the requirements set out in regulations. However, in light of the responses that we received last year, we will add the option of a fixed-penalty notice for the offence of failing to display those signs.

After the debate in Committee, and as a result of lobbying from various organisations and groups, I am minded to propose that the fines for failing to display no-smoking signs should be raised from a maximum of £200 to a fine not exceeding level 3, which has a maximum of £1,000. I propose to raise the fine for the offence of failing to prevent smoking in smoke-free places from a maximum of £200 to a maximum of £2,500. That sends the strong message to those responsible for enforcing the law that they should make sure that they do so.

The hon. Member for South Cambridgeshire tabled amendment (i), aimed at protecting children from second-hand smoke in private members' clubs. However, I am perplexed by his argument: first he said that the members of those clubs should be able to decide what happens in their space, but then his amendment seemed to want to tell parents what they should do with their children in those private spaces. That is another demonstration of how the Conservatives are all over the place on this issue.

I shall finish by recapping on how the new clause and our amendments will work and the choice they offer Members—*[Interruption.]*

Mr. Deputy Speaker (Sir Michael Lord): Order. I am finding it increasingly difficult to hear the Minister against the buzz of conversation, which seems to be growing by the minute. May we please listen to the Minister in the last few minutes of the debate?

Caroline Flint: Conservative Members were shouting, "Boring"; I suppose that it is boring to try to save lives—[HON. MEMBERS: "Oh!"] I thought that we were in a new Cameron era that was not about yah-boo politics, but there we go.

We have heard a wide range of arguments about the merits of the various options that the Government have proposed in the new clause and the amendments. I hope that the second reading of new clause 5 will be a formality. We shall then turn to the amendments to the new clause. As it stands, the new clause allows exemptions for membership clubs but not for licensed premises. Members who believe that private members' clubs should also be smoke-free should vote to accept the amendments tabled in my name. Those who want them to be exempted should vote against.

Once the amendments to the new clause have been dealt with, we shall vote on the new clause itself, either as drafted or as amended. Regardless of any amendments that may be passed, the main point of the new clause is to prevent any exemption for licensed premises so if Members believe that all pubs, bars, nightclubs and so on should be smoke-free, they should vote for new clause 5. However, if they support clause 3, they should vote against it. Amendments Nos. 18, 19, 20 and 21 are consequential to new clause 5.

The debate has represented a huge range of views on both sides of the House and has reflected the views held by the public.

Lynne Jones: Will my hon. Friend explain whether the Government's definition of "substantially enclosed" would include the outside areas of an establishment that served food and drink?

Caroline Flint: We discussed that issue in Committee, and it was felt that it could be dealt with in regulations. We considered whether some areas—for example, the concourse of a railway terminus—which are substantially but not wholly enclosed, should be smoke-free. There are other examples, but we felt it right that such issues should be sorted out through regulation. They have been raised with me and others, and we shall look at them case by case.

Mr. Lansley: Will the Minister give an undertaking that regulations made under subsection (2) of the new clause, which defines enclosed and substantially enclosed, should be made by the affirmative rather than the negative procedure?

Caroline Flint: The hon. Gentleman raised points about substantially enclosed and semi-enclosed premises in Committee, and I am still considering whether some of those areas, including vehicles, should be subject to affirmative resolution. We shall hold full public consultation on all aspects of the regulations, so there will be a chance for everybody in the House and outside to make their views known.

This week, we launched a new advertising campaign to show the impact of smoking on people's lives, especially the relatives of smokers. I am grateful that Trudi and her daughters were willing to take part in our campaign. Trudi is dying from lung cancer and, with her daughters of 17 and 11, is already making plans for her funeral. It is important that we realise that smoking affects not only the individual who smokes but those who have to breathe in their smoke as well as those who suffer the devastation of losing someone because of a smoking-related illness.

The adverts are harrowing and challenging, but alongside them we have launched a series of adverts to bring to our screens examples of two ordinary people who have taken up the NHS "stop smoking" services, which have never previously been available in that form. The Government realise that the issue is not simply about restrictions in public places, but about providing our health service with funds to help people give up in difficult circumstances, because for many of them smoking is an addiction.

I am proud that since 1997 we have not only taken measures to control cigarette advertising but, for the first time, provided, through the health service, opportunities for people to give up not just once but to try again if they fail. Today, we are debating legislation that will make a huge contribution to the public health of our nation. If the Bill is successful in the other place, I look forward to working with every Member of the House to ensure that in every constituency, there will be opportunities for people to take advantage of the restrictions to make choices about changing their smoking habits that will affect not just them but everybody they work or live with and everyone they care for.

6.45 pm

Most Members share that aim and there is no doubt that our debates over the past eight months have contributed to a huge public debate, which is good. Often, there is not much discussion in the public domain of what we do in this place, so if that is a sign of positive democracy it is to be welcomed.

However, the task does not end with passing the Bill and introducing restrictions; 95 per cent. of deaths from cancer are among people exposed to smoking in the home. The Bill is not the end of something, but the start of trying to persuade smokers to give up and to give them every possible support.

I am pleased that Members on the Opposition Front Benches have moved on the issue—*[Interruption.]* The Tory manifesto was against bringing in legislation, so there has been another period of reflection and consultation. It is always pleasing when the Tories chase Labour to catch up on progressive politics.

Mr. Lansley: Our manifesto was clear. We wanted a voluntary, self-regulatory solution but with legislative back-up, so it actually presaged legislation on our part.

Caroline Flint: A voluntary self-regulation system. We have heard it from the hon. Gentleman's own mouth.

Tonight, we have the opportunity to do the right thing, to do the Labour thing: to vote for health and progress, to show that the Labour Government are always at the forefront of issues that mean something to everybody in the country. As it is 14 February, I wish everyone a happy Valentine's day. If they smoke and they love someone, give up—

It being three hours after the commencement of proceedings on the motion, MR. DEPUTY SPEAKER *put forthwith the Question already proposed from the Chair, pursuant to Order [this day].*

The House divided: Ayes 453, Noes 125.

Division No. 163] **[6.47 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Ainsworth, Mr. Peter
Alexander, Danny
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Amess, Mr. David
Anderson, Mr. David
Anderson, Janet
Arbuthnot, rh Mr. James
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baldry, Tony
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Baron, Mr. John
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blunkett, rh Mr. David

Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Bradshaw, Mr. Ben
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brennan, Kevin
Brokenshire, James
Brooke, Annette
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Browning, Angela
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butler, Ms Dawn
Butterfill, Sir John
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cable, Dr. Vincent
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clappison, Mr. James
Clark, Greg
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clegg, Mr. Nick
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crabb, Mr. Stephen
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Curry, rh Mr. David
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donaldson, Mr. Jeffrey M.
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Domes, Mrs. Nadine
Dowd, Jim
Drew, Mr. David
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ellwood, Mr. Tobias
Engel, Natascha
Ennis, Jeff
Evennett, Mr. David
Fabricant, Michael
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Michael Jabez *(Hastings and Rye)*
Fox, Dr. Liam
Francis, Dr. Hywel
Gapes, Mike
George, Andrew
Gerrard, Mr. Neil
Gibb, Mr. Nick
Gibson, Dr. Ian
Gidley, Sandra
Gillan, Mrs. Cheryl
Gilroy, Linda
Goggins, Paul
Goldsworthy, Julia
Grayling, Chris
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hague, rh Mr. William
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Harman, rh Ms Harriet
Harris, Dr. Evan
Harvey, Nick
Havard, Mr. Dai
Heald, Mr. Oliver
Hemming, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horam, Mr. John
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Hughes, Simon
Huhne, Chris
Humble, Mrs. Joan
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jack, rh Mr. Michael
Jackson, Glenda
James, Mrs. Siân C.
Jenkin, Mr. Bernard
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Mr. Kevan
Jones, Lynne
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Keetch, Mr. Paul
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Mr. Charles
Kennedy, rh Jane
Key, Robert
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kirkbride, Miss Julie
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laing, Mrs. Eleanor
Lamb, Norman
Lammy, Mr. David
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Letwin, rh Mr. Oliver
Levitt, Tom
Lewis, Mr. Ivan
Lidington, Mr. David
Linton, Martin
Lloyd, Tony
Loughton, Tim
Love, Mr. Andrew
Lucas, Ian
Luff, Peter
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Main, Anne
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McCrea, Dr. William
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McLoughlin, rh Mr. Patrick
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Murrison, Dr. Andrew
Newmark, Mr. Brooks
Norris, Dan
O'Brien, Mr. Stephen
O'Hara, Mr. Edward
Osborne, Sandra
Owen, Albert
Paisley, rh Rev. Ian
Palmer, Dr. Nick
Penning, Mike
Penrose, John
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken

Purnell, James
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Redwood, rh Mr. John
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Rennie, Willie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rooney, Mr. Terry
Rosindell, Andrew
Rowen, Paul
Ruane, Chris
Ruddock, Joan
Russell, Bob
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Sarwar, Mr. Mohammad
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shapps, Grant
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simpson, Alan
Simpson, David
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spelman, Mrs. Caroline
Stanley, rh Sir John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Streeter, Mr. Gary
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thurso, John
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vara, Mr. Shailesh
Vaz, Keith
Viggers, Peter
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Willetts, Mr. David
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wills, Mr. Michael
Wilson, Mr. Rob
Wilson, Sammy
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Jeremy
Wright, Dr. Tony
Wyatt, Derek
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Claire Ward and
Tony Cunningham

NOES

Afriyie, Adam
Atkinson, Mr. Peter
Bacon, Mr. Richard
Barker, Gregory
Bellingham, Mr. Henry
Binley, Mr. Brian
Brady, Mr. Graham
Browne, Mr. Jeremy
Burns, Mr. Simon
Burrowes, Mr. David
Campbell, Mr. Ronnie
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clarke, rh Mr. Kenneth
Clelland, Mr. David
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Cummings, John
Cunningham, Mr. Jim
Davies, Philip
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Duddridge, James
Dunne, Mr. Philip
Etherington, Bill
Evans, Mr. Nigel
Fallon, Mr. Michael
Field, rh Mr. Frank
Field, Mr. Mark
Forth, rh Mr. Eric
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, rh Mr. Bruce
Godsiff, Mr. Roger
Goodman, Helen
Goodman, Mr. Paul
Gove, Michael
Green, Damian
Gummer, rh Mr. John
Hamilton, Mr. David
Harper, Mr. Mark
Harris, Mr. Tom
Hayes, Mr. John
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hoey, Kate
Hollobone, Mr. Philip
Holloway, Mr. Adam
Howard, rh Mr. Michael
Howarth, Mr. Gerald
Hutton, rh Mr. John
Jackson, Mr. Stewart
Jenkins, Mr. Brian
Johnson, Mr. Boris
Jones, Mr. Martyn
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Leigh, Mr. Edward
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Mackay, rh Mr. Andrew
Maclean, rh David
Malins, Mr. Humfrey
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McDonagh, Siobhain
McIntosh, Miss Anne
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Mountford, Kali
O'Brien, Mr. Mike
Oaten, Mr. Mark
Olner, Mr. Bill
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pearson, Ian
Pelling, Mr. Andrew
Prescott, rh Mr. John
Prisk, Mr. Mark
Reid, rh John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Ruffley, Mr. David
Simmonds, Mark
Simpson, Mr. Keith
Smith, Geraldine
Soames, Mr. Nicholas
Spellar, rh Mr. John
Spicer, Sir Michael
Spring, Mr. Richard
Steen, Mr. Anthony
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Thornberry, Emily
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Winterton, Sir Nicholas
Woolas, Mr. Phil
Yeo, Mr. Tim

Tellers for the Noes:
Mr. Dave Watts and
Mr. Frank Roy

Question accordingly agreed to.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the remaining Questions necessary for the disposal of the business to be concluded at that hour.*

Amendment proposed to the proposed new clause: (a), in line 9, leave out paragraph (b).—*[Caroline Flint.]*

Question put, That the amendment be made:—

The House divided: Ayes 384, Noes 184.

Division No. 164] **[7.4 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Amess, Mr. David
Anderson, Mr. David
Anderson, Janet
Arbuthnot, rh Mr. James
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baldry, Tony
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart

Benn, rh Hilary
Benton, Mr. Joe
Bercow, John
Beresford, Sir Paul
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blunkett, rh Mr. David
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brake, Tom
Brazier, Mr. Julian
Brennan, Kevin
Brokenshire, James
Brooke, Annette
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cable, Dr. Viricent
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Greg
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clwyd, rh Ann
Coaker, Mr. Vernon
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crabb, Mr. Stephen
Creagh, Mary
Cryer, Mrs. Ann
Curry, rh Mr. David
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donaldson, Mr. Jeffrey M.
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dorries, Mrs. Nadine
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ellwood, Mr. Tobias
Engel, Natascha
Ennis, Jeff
Evennett, Mr. David
Fabricant, Michael
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
George, Andrew
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Gilroy, Linda
Goggins, Paul
Goldsworthy, Julia
Greening, Justine
Greenway, Mr. John
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Hancock, Mr. Mike
Harman, rh Ms Harriet
Harris, Dr. Evan
Harvey, Nick
Heald, Mr. Oliver
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Huhne, Chris
Humble, Mrs. Joan
Hunter, Mark
Irranca-Davies, Huw
Jack, rh Mr. Michael
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Lynne
Jones, Mr. Martyn
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Keetch, Mr. Paul
Kemp, Mr. Fraser
Kennedy, rh Mr. Charles
Key, Robert
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laing, Mrs. Eleanor
Lamb, Norman
Lammy, Mr. David
Lancaster, Mr. Mark
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Lidington, Mr. David
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Luff, Peter
Mackinlay, Andrew
MacShane, rh Mr. Denis
Main, Anne
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McCrea, Dr. William
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Milton, Anne
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Hara, Mr. Edward
Osborne, Sandra
Owen, Albert
Paice, Mr. James
Paisley, rh Rev. Ian
Palmer, Dr. Nick
Penning, Mike
Penrose, John
Pope, Mr. Greg
Prentice, Bridget
Prentice, Mr. Gordon
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Rennie, Willie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rooney, Mr. Terry
Rosindell, Andrew
Rowen, Paul
Ruane, Chris
Ruddock, Joan
Russell, Bob
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shapps, Grant
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simpson, Alan
Simpson, David
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spelman, Mrs. Caroline
Stanley, rh Sir John

Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Streeter, Mr. Gary
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Timms, Mr. Stephen
Tipping, Paddy
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vara, Mr. Shailesh
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wills, Mr. Michael
Wilson, Mr. Rob
Wilson, Sammy
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Jeremy
Wright, Dr. Tony
Wyatt, Derek
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Claire Ward and
Tony Cunningham

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Atkinson, Mr. Peter
Bacon, Mr. Richard
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Binley, Mr. Brian
Blunt, Mr. Crispin
Bradshaw, Mr. Ben
Brady, Mr. Graham
Breed, Mr. Colin
Browne, Mr. Jeremy
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Butterfill, Sir John
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clarke, rh Mr. Kenneth
Clelland, Mr. David
Clifton-Brown, Mr. Geoffrey
Coffey, Ann
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crausby, Mr. David
Cummings, John
Cunningham, Mr. Jim
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Etherington, Bill
Evans, Mr. Nigel
Fallon, Mr. Michael
Field, rh Mr. Frank
Field, Mr. Mark
Fisher, Mark
Forth, rh Mr. Eric
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, rh Mr. Bruce
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Godsiff, Mr. Roger
Goodman, Helen
Goodman, Mr. Paul
Gove, Michael
Grayling, Chris
Green, Damian
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hamilton, Mr. David
Hammond, Mr. Philip
Hammond, Stephen
Harper, Mr. Mark
Harris, Mr. Tom
Hayes, Mr. John
Heathcoat-Amory, rh Mr. David
Henderson, Mr. Doug
Hendry, Charles
Herbert, Nick
Hill, rh Keith
Hoban, Mr. Mark
Hoey, Kate
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Mr. Boris
Jones, Mr. Kevan
Jowell, rh Tessa
Joyce, Mr. Eric
Kelly, rh Ruth
Kennedy, rh Jane
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Lansley, Mr. Andrew
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Mackay, rh Mr. Andrew
Maclean, rh David
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malins, Mr. Humfrey
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McAvoy, rh Mr. Thomas
McDonagh, Siobhain
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Meale, Mr. Alan
Miller, Mrs. Maria
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Mountford, Kali
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Mike
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Olner, Mr. Bill
Opik, Lembit
Ottaway, Richard
Paterson, Mr. Owen
Pearson, Ian
Pelling, Mr. Andrew
Plaskitt, Mr. James
Pound, Stephen
Prescott, rh Mr. John
Redwood, rh Mr. John
Reid, rh John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mr. Geoffrey
Ruffley, Mr. David
Sanders, Mr. Adrian
Simpson, Mr. Keith
Smith, Geraldine
Soames, Mr. Nicholas
Spellar, rh Mr. John
Spicer, Sir Michael
Spring, Mr. Richard
Steen, Mr. Anthony
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Thornberry, Emily
Thurso, John
Todd, Mr. Mark
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vaz, Keith
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Winterton, Sir Nicholas
Woolas, Mr. Phil
Yeo, Mr. Tim

Tellers for the Noes:
Mr. Dave Watts and
Mr. Frank Roy

Question accordingly agreed to.

Amendments made: (b), in line 13, after first 'of' insert '(a)'.

(c), in line 15, at end insert—

'(b) premises in respect of which a club premises certificate (within the meaning of section 60 of that Act) has effect.'

(d), in line 19, leave out subsection (5).—*[Caroline Flint.]*

Motion made, and Question put, That the clause, as amended, be added to the Bill:—

The House divided: Ayes 413, Noes 129.

Division No. 165] **[7.19 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Amess, Mr. David
Anderson, Mr. David
Anderson, Janet
Arbuthnot, rh Mr. James
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baldry, Tony
Balls, Ed

Banks, Gordon
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh Mr. Alan
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Bercow, John
Beresford, Sir Paul
Berry, Roger
Betts, Mr. Clive
Binley, Mr. Brian
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blair, rh Mr. Tony
Blears, rh Hazel
Blunkett, rh Mr. David
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Bradshaw, Mr. Ben
Brake, Tom
Brazier, Mr. Julian
Brennan, Kevin
Brokenshire, James
Brooke, Annette
Brown, rh Mr. Gordon
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butler, Ms Dawn
Butterfill, Sir John
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cable, Dr. Vincent
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Greg
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clwyd, rh Ann
Coaker, Mr. Vernon
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crabb, Mr. Stephen
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Curry, rh Mr. David
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Quentin
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donaldson, Mr. Jeffrey M.
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dorries, Mrs. Nadine
Dowd, Jim
Drew, Mr. David
Duncan Smith, rh Mr. Iain
Dunwoody, Mrs. Gwyneth
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Elwood, Mr. Tobias
Engel, Natascha
Ennis, Jeff
Evennett, Mr. David
Fabricant, Michael
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
George, Andrew
Gerrard, Mr. Neil
Gibb, Mr. Nick
Gibson, Dr. Ian
Gidley, Sandra
Gillan, Mrs. Cheryl
Gilroy, Linda
Goggins, Paul
Goldsworthy, Julia
Greening, Justine
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. Fabian
Hancock, Mr. Mike
Harman, rh Ms Harriet
Harris, Dr. Evan
Harvey, Nick
Heald, Mr. Oliver
Hemming, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Holmes, Paul
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, David
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Huhne, Chris
Humble, Mrs. Joan
Hunter, Mark
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jack, rh Mr. Michael
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Keetch, Mr. Paul
Kemp, Mr. Fraser
Kennedy, rh Mr. Charles
Key, Robert
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laing, Mrs. Eleanor
Lamb, Norman
Lammy, Mr. David
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Lidington, Mr. David
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Luff, Peter
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Main, Anne
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McCrea, Dr. William
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McLoughlin, rh Mr. Patrick
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Mercer, Patrick
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Milton, Anne
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Murrison, Dr. Andrew
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Osborne, Sandra
Owen, Albert
Paisley, rh Rev. Ian
Palmer, Dr. Nick
Penning, Mike
Penrose, John
Plaskitt, Mr. James
Pope, Mr. Greg
Prentice, Bridget
Prentice, Mr. Gordon
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Rennie, Willie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris

Robinson, Mr. Peter
Rogerson, Mr. Dan
Rooney, Mr. Terry
Rosindell, Andrew
Rowen, Paul
Ruane, Chris
Ruddock, Joan
Russell, Bob
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shapps, Grant
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simpson, Alan
Simpson, David
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spelman, Mrs. Caroline
Stanley, rh Sir John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Streeter, Mr. Gary
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swinson, Jo
Syms, Mr. Robert
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vara, Mr. Shailesh
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wills, Mr. Michael
Wilson, Mr. Rob
Wilson, Sammy
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Jeremy
Wright, Dr. Tony
Wyatt, Derek
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Claire Ward and
Tony Cunningham

NOES

Afriyie, Adam
Bacon, Mr. Richard
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Blunt, Mr. Crispin
Brady, Mr. Graham
Browne, Mr. Jeremy
Burns, Mr. Simon
Burrowes, Mr. David
Campbell, Mr. Ronnie
Carswell, Mr. Douglas
Chope, Mr. Christopher
Clarke, rh Mr. Kenneth
Clelland, Mr. David
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Cummings, John
Cunningham, Mr. Jim
Davies, David T.C. *(Monmouth)*
Davies, Philip
Dorrell, rh Mr. Stephen
Duddridge, James
Dunne, Mr. Philip
Etherington, Bill
Evans, Mr. Nigel
Fallon, Mr. Michael
Field, rh Mr. Frank
Field, Mr. Mark
Forth, rh Mr. Eric
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, rh Mr. Bruce
Godsiff, Mr. Roger
Goodman, Helen
Gove, Michael
Green, Damian
Gummer, rh Mr. John
Hamilton, Mr. David
Hammond, Stephen
Harper, Mr. Mark
Harris, Mr. Tom
Hayes, Mr. John
Heathcoat-Amory, rh Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hoey, Kate
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, Mr. Gerald
Hurd, Mr. Nick
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Mr. Boris
Joyce, Mr. Eric
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lait, Mrs. Jacqui
Leigh, Mr. Edward
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Mackay, rh Mr. Andrew
Maclean, rh David
Malins, Mr. Humfrey
Mates, rh Mr. Michael
May, rh Mrs. Theresa
McAvoy, rh Mr. Thomas
McDonagh, Siobhain
McIntosh, Miss Anne
Miller, Mrs. Maria
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oliver, Mr. Bill
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pearson, Ian
Pelling, Mr. Andrew
Pound, Stephen
Redwood, rh Mr. John
Reid, rh John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Ruffley, Mr. David
Sanders, Mr. Adrian
Simmonds, Mark
Soames, Mr. Nicholas
Spellar, rh Mr. John
Spicer, Sir Michael
Spring, Mr. Richard
Steen, Mr. Anthony
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Tapsell, Sir Peter
Thornberry, Emily
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Wareing, Mr. Robert N.
Watkinson, Angela
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Winterton, Sir Nicholas
Woolas, Mr. Phil
Yeo, Mr. Tim

Tellers for the Noes:
Mr. Dave Watts and
Mr. Frank Roy

Question accordingly agreed to.

Clause, as amended, added to the Bill.

New Clause 6

POWER TO AMEND AGE FOR SALE OF TOBACCO ETC

'The Secretary of State may from time to time by order amend the following enactments by substituting, in each place where a person's age is specified, a different age specified in the order—

(a) section 7 of the Children and Young Persons Act 1933 (c. 12) (sale of tobacco etc to persons under 16),

(b) section 4 of the Children and Young Persons (Protection from Tobacco) Act 1991 (c. 23) (display of warning statements in retail premises and on vending machines).

(2) But the age specified in an order under subsection (1) may not be lower than 16.'. —*[Caroline Flint.]*

Brought up, read the First and Second time, and added to the Bill.

Clause 2

SMOKE-FREE PREMISES

Amendment made: No. 18, in page 2, line 25, leave out 'Section 3' and insert

'Section (*Smoke-free premises: exemptions*)'.—*[Caroline Flint.]*

Clause 3

EXEMPTIONS

Amendment made: No. 19, in page 2, line 30, leave out Clause 3.—*[Caroline Flint.]*

Clause 7

OFFENCE OF SMOKING IN SMOKE-FREE PLACE

Amendments made: No. 20, in page 5, line 31, leave out '3' and insert

'(Smoke-free premises: exemptions)'.

No. 20, in page 5, line 31, leave out '3' and insert '(Smoke-free premises: exemptions)'.—*[Caroline Flint.]*

Clause 8

FIXED PENALTIES FOR OFFENCE OF SMOKING IN SMOKE-FREE PLACE

Amendment made: No. 24, in page 6, line 3, after 'section' insert '6(5) or'.—*[Caroline Flint.]*

Ordered,

That Clause No. 8 be transferred to end of line 38 on page 6. —*[Caroline Flint.]*

New Clause 7

ENFORCEMENT

'In section 108 of the Medicines Act 1968 (c. 67) (enforcement in England and Wales)—

(a) in subsection (1), at the beginning insert "Subject to the provisions of subsection (6C) of this section,",

(b) after subsection (6) insert—

"(6A) The Pharmaceutical Society shall be under a duty, concurrently with the appropriate Minister, to enforce the provisions of subsections (4) and (5) of section 72A of this Act in their application to England and Wales.

(6B) The Pharmaceutical Society shall be under a duty to enforce the other provisions of section 72A of this Act, and any regulations made under them, in their application to England and Wales.

(6C) The appropriate Minister shall be under no duty to enforce those other provisions, or any regulations made under them, in their application to England and Wales.

(6D) Notwithstanding subsection (6C) of this section the appropriate Minister is to be treated for the purposes of sections 111 to 114 of this Act—

(a) as empowered by this section to enforce those other provisions, or any regulations made under them, in their application to England and Wales, and

(b) to that extent as an enforcement authority in relation to those other provisions or those regulations in their application to England and Wales.",

(c) in subsection (9)(a), after "hospital" insert "(except in relation to so much of the hospital premises as is a registered pharmacy)",

(d) in subsection (10), for "(4) to (8)" substitute "(4) to (6A), (7) and (8)".

(2) In section 109 of the Medicines Act 1968 (c.67) (enforcement in Scotland), in subsection (1), at the beginning insert "Subject to the provisions of section 108(6C) of this Act as applied by subsection (2) of this section,".

(3) In section 110 of the Medicines Act 1968 (c. 67) (enforcement in Northern Ireland)—

(a) in subsection (1), for "subsection (4)" substitute "subsections (3C) and (4)",

(b) after subsection (3) insert—

"(3A) The Pharmaceutical Society shall be under a duty, concurrently with the Minister, to enforce the provisions of subsections (4) and (5) of section 72A of this Act in their application to Northern Ireland.

(3B) The Pharmaceutical Society shall be under a duty to enforce the other provisions of section 72A of this Act, and any regulations made under them, in their application to Northern Ireland.

(3C) The Minister shall be under no duty to enforce those other provisions, or any regulations made under them, in their application to Northern Ireland.

(3D) Notwithstanding subsection (3C) of this section the Minister is to be treated for the purposes of sections 111 to 114 of this Act—

(a) as empowered by this section to enforce those other provisions, or any regulations made under them, in their application to Northern Ireland, and

(b) to that extent as an enforcement authority in relation to those other provisions or those regulations in their application to Northern Ireland.",

(c) in subsection (5)(a), for "and (3)" substitute "to (3D)",

(d) in subsection (5)(b), for "(4) to (8)" substitute "(4) to (6A), (7) and (8)".'. —*[Jane Kennedy.]*

Brought up, and read the First time.

The Minister of State, Department of Health (Jane Kennedy): I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss Government amendments Nos. 25, 30 to 32 and 26.

Jane Kennedy: We come to a number of minor and consequential amendments. I know that there will be interest in later debates, so I hope we need not spend too long on them but my experience in Committee was that Opposition Members liked a brief Government explanation of the purpose of amendments.

New clause 7 and amendments Nos. 30 to 32 have a simple objective: to ensure full and proper enforcement of the responsible pharmacist provisions. They do so by placing a specific duty on the Royal Pharmaceutical Society of Great Britain and the Pharmaceutical Society of Northern Ireland to enforce those elements of section 72A of the Medicines Act 1968 that are not subject to an offence as a matter of professional misconduct.

Clause 28, by inserting a new section 72A into the Medicines Act 1968, sets out the detailed provisions in respect of the responsible pharmacist. We debated this at some length in Committee. The responsible pharmacist has a statutory duty to ensure the safe and effective running of the pharmacy for which he or she is responsible. Breach of certain conditions in respect of the responsible pharmacist is an offence, such as the failure to keep a record of who is the responsible pharmacist for a pharmacy at all times.

Other aspects of the responsible pharmacist requirements are less clear. For example, it is less clear where responsibility lies for the content of the standard operating procedures and how those requirements

would be enforced. These more readily lend themselves to enforcement by the pharmaceutical societies through professional regulation. The amendments make it clear on the face of the Bill that the pharmaceutical societies have that duty of enforcement, and that it applies wherever the registered pharmacy is located, whether in a hospital or in the community. Furthermore, the amendments to sections 108 for England and Wales, 109 for Scotland and 110 for Northern Ireland of the Medicines Act clarify that the appropriate Minister in those areas does not have a duty to enforce those provisions that are not subject to offences. However, they give the appropriate Minister a right of entry to inspect and investigate in relation to the other provisions in section 72A.

Amendment No. 25 on controlled drugs is minor and technical. Amendment No. 26 on ophthalmic services is a minor and consequential amendment. With those few words of introduction, I hope that the House will be minded to accept the amendments, so that we can move on and spend longer on the more pressing debates later.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

Clause 13

CODE OF PRACTICE RELATING TO HEALTH CARE ASSOCIATED INFECTIONS

Dr. Andrew Murrison (Westbury) (Con): I beg to move amendment No. 12, in page 9, line 18, at end insert—

'(c) require the nomination in each NHS Trust of a Trust Director responsible for cleanliness and health care associated infection control ("the Trust Director");

(d) provide for the senior infection control nurse to report directly to the Trust Director;

(e) indicate action to be taken by the Trust Director and Trust Board in respect of ward closures on receipt of an adverse report from the senior infection control nurse;

(f) require pre- and post-discharge surveillance for a person undergoing a surgical procedure;

(g) contain requirements relating to infection control nurses;

(h) contain requirements relating to isolation facilities;

(i) define standards relating to cleaning services;

(j) require hospital infection data to be recorded by clinical department.'.

Mr. Deputy Speaker: With this it will be convenient to discuss the following amendments:

No. 35, in page 9, line 18, at end insert—

'( ) require all medical staff who have direct contact with patients not to travel to and from work in work uniform.'.

No. 37, in page 9, line 18, at end insert—

'( ) define standards relating to the home laundering of staff uniforms.'.

Dr. Murrison: I think that the Minister was expecting me to hold forth on the previous group of amendments and I am sorry, especially after our experience in Committee, to disappoint her on this occasion, but it is Valentine's day, after all.

This is an important group of amendments. We discussed health care-acquired infections, particularly MRSA, at some length in Committee, though we were disappointed that the time available did not allow us to explore as fully as we would have liked all the clauses following those related to the ban on smoking. Nevertheless, we covered a great deal of ground.

The Minister is, I expect, acutely aware of the toll that health care-acquired infections take in the United Kingdom. We reckon that about 5,000 people are killed every year and the statisticians tell us that that is more than the number killed on our roads, so it is a substantial problem. In addition, there are the people whose recovery is impeded as a result of health care-acquired infections but who, fortunately, do recover. The cost to the national health service is enormous. Some estimate that it is around £1 billion a year, so this is a big issue, and it is appropriate that Ministers should take the opportunity to try to improve matters in the course of the Health Bill.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on the words that he has just uttered. Is there not a third category of people who need hospital treatment—I am thinking of elderly people in particular—but who are very worried about the reports that they read about MRSA and other hospital-acquired infections? Such people may not pick up any infections, but the stress and strain they undergo as they await their hospital appointment is often intolerable.

Dr. Murrison: My hon. Friend is correct. Like me, he will have had constituency experience of the worry involved. People who face the possibility of going to hospital often volunteer the fact that they are worried about it. As I pointed out in Committee, I usually go to some lengths to put the matter in some sort of perspective. Although it is a substantial problem—I hope that the figures that I have given underscore that—the chances of somebody succumbing to such an infection are small. It is important for those of us who try to be responsible to try to reassure people wherever we can.

The figures speak for themselves, however, and in public health terms, 5,000 deaths a year are significant, so Ministers need to address the problem as a matter of urgency. The way in which they have chosen to do that is to introduce a code. In Committee, we were not particularly happy with the draft code, of which we were heavily critical. I am more than happy to tell the Minister that the version that has been provided more recently—very recently, I have to say; it was placed in the Library unheralded and unannounced yesterday, where we found it—is an improvement, and I am grateful for it. When we met a little while ago, the Minister said that she would let hon. Members have the revised copy as soon as possible, and she has at least given us sight of it before this debate. We must be thankful for that, although it would have been nice to have had the opportunity to examine it more closely and at a more leisurely rate.

Last week, we saw some updated figures for MRSA bacteraemia, of which the Minister will be well aware. The raw data for the six-month reference periods since 2001 run at 3,616, 3,584, 3,749 and 3,525. The figure for

[Dr. Murrison]

April to September 2005 is 3,580. The best interpretation of those figures is that there has been little or no change during that period; the level seems to have been pretty well flat-lining. The overall rate per thousand bed days is not entirely clear from the data, only in so far as it is specific for individual trusts. The overall rate for the health service is a little opaque. On the basis of eye-balling the results from trusts, I suspect that the overall rate per thousand bed days would probably give a worse impression of our success or otherwise with MRSA than the raw data that I have just quoted. Sadly, my statistical skills are not quite what they were, so I struggled with the figures presented to me by the Health Protection Agency, but I believe that that is a fair reflection.

The disparity between trusts that is apparent from the Health Protection Agency data is grounds for alarm but also hope, because it suggests that health care-acquired infection, and MRSA in particular, can be controlled. For example, the fact that Cambridgeshire and Yorkshire can do so well against the record in Somerset and London suggests that infection rates will be reduced by the adoption of best practice. Presumably, that is why the Minister has introduced the code, which is the burden of part 2, and it is also certainly the reason for our insistence that the code should be robust.

The question is whether the code is robust. In the short period that we have had to examine it, we have formed the view that while it is better than the draft version, it is not quite as robust as we might have liked. On comparing amendment No. 12 and what we have said in Committee with what has transpired, we have found bits that we would commend and that improve the original draft, on which we congratulate the Minister, although we are disappointed by some elements.

7.45 pm

We were pleased to note that one or two of the elements in amendment No. 12 have been reflected. Notably, there are improved lines of accountability, but we note that there is no categorical mention of a board member with specific responsibility for health care-acquired infection control. Perhaps the Minister will clarify that point, as we felt that it was important to nominate at board level somebody with specific responsibility for the matter, perhaps among other duties, and to whom those who carried out hospital policy on health care-acquired infection were responsible. That board-level responsibility is not entirely clear, although we accept that some of the changes in the revised code would improve the prominence of health care-acquired infections at such a level.

We have also noted that the code now refers to pre-admission screening, which we said in Committee was important, as the Minister will remember. Indeed, there is also some reference to post-discharge surveillance in certain circumstances. I imagine that that has been informed by the University College hospital work in the area, which I am happy to say has found its way into the revised draft code.

Other good things have appeared, such as a strong reference to occupational health in hospitals. I freely admit to my interest in the matter, as before I was elected I was a locum consultant occupational physician at the Gloucestershire Royal hospital, so I have a particular interest in occupational health. I am convinced that the health service has traditionally not done particularly well on occupational health, and I am pleased that it has a relatively high prominence in the revised code.

I struggled to find much reference to dealing with locum casual and agency staff in the health service. It relies heavily on such personnel, so it is important that any occupational health service captures them adequately. My experience as a locum is that people often simply come and go, and that occupational health and any control mechanisms do not touch them at all. It is important that we deal specifically with such staff. As I said in Committee—I was perhaps rather too graphic—we do not want any Typhoid Marys wandering around the health service, potentially spreading infection through bad practice or whatever. That is an omission from the code, and perhaps the Minister could reflect on it in her remarks.

We remain concerned about the lack of clear standards relating to a model cleaning contract, a point that we raised in Committee. Despite the strengthening of lines of accountability that I have mentioned, we are concerned about the fact that managers are still not clearly and indisputably in charge of everything that happens at ward level. I know that the Minister will regard that as a constant Opposition refrain, but we believe in it strongly. Our experience suggests that we need proper control of what goes on at ward level, and we believe that cleanliness and hospital-acquired infections are all rolled up with the lack of control that sometimes exists in our national health service.

We regret very much the lack of reporting of health care-acquired infections at departmental level. The Minister will remember that we spent some time on these matters, and that I described my personal experience of them. As I recall, we had a slightly light-hearted debate about the cleanliness of doctors' hospital clothing—their white coats, neckties and so on. My hon. Friend the Member for Mid-Bedfordshire (Mrs. Dorries) spoke at some length about nurses' uniforms. Departments are ultimately responsible for health care-acquired infections. The national health service is labour-intensive: it relies on its people. At the end of the day, it is people who are responsible for all the good things that happen in our NHS and, sadly, for those areas in which things are done less well.

Unless we focus on individuals at a level lower than that envisaged by the code, we may miss a trick in identifying less good practice that potentially causes or contributes to a health care-acquired infection, which is why we have insisted that any data should be collected at the lowest possible level, although having read the revised draft code, it does not seem that that point has been adequately taken on board. When we get data, I hope that the report is conducted at a fine level rather than at a macro level, where I suspect that lessons will be lost. I would be delighted if the Minister were to say how she intends to improve that element of the draft code.

We will watch the Healthcare Commission closely, because, having read the code, it seems that it must do a great deal of interpretation. It will, of course, be

responsible for benchmarking one trust against another and I hope that it will apply consistent standards across the health service. The working of the code will depend on how the Healthcare Commission decides to use it.

As I have said, some trusts are doing well on health care-acquired infection and some are doing less well. The logical extension of the observation that some trusts are doing well but that others are doing less well is that the Healthcare Commission will act against those that are not doing well. It is reasonable to assume that some trusts are doing less well because they do not comply with good practice, much of which is laid out in the code. The matter is, of course, complicated, and some trusts do less well because of the nature of their work, but it is still reasonable to assume that those trusts that are doing less well are to some extent not applying the best practice laid out in the code. I hope that the Healthcare Commission examines that matter and, where it is necessary to do so, implements the necessary measures to make sure that those institutions improve. We will monitor the situation to make sure that that happens.

Finally, this area is clearly a matter of great concern for a large number of our constituents. It is a pity that the issue has been an also-ran in comparison with the main business of the day, smoking, but that should not disguise the fact that it is important for a large number of our constituents. The Government have chosen to put their store by the code, and, of course, I wish it well and hope that it works. However, I have set out our serious concerns, which I hope the Minister will bear in mind when she comes to revise the document—as we understand it, the code is a live document that will be revised periodically.

Mr. David Kidney (Stafford) (Lab): I support the thrust of the amendment, but we have got the law right and are about to get the code right. What is important now is ensuring that the fine words are put into practice in hospital environments up and down the country.

Before Report, I visited Stafford hospital to talk to hospital staff about protection for patients and visitors to hospitals against health care-associated infections. It was heartening to see that some of the measures that we are debating were already being used in practice. For example, amendment No. 12 suggests that a lead person on the board should take responsibility for that matter, which already happens at Stafford hospital.

The director of clinical standards at Stafford hospital, Jan Harry, is also the director of infection prevention and control. The modern matron for surgery, Naeema Khan, takes the lead as the internal champion to develop strategies on infection prevention and control, and she has sent me a note reminding me about one or two things that they are up to at the hospital. For example, the national guidance about the "Clean your hands" campaign has been taken to heart in the hospital, where there is now a network of hand-washing champions, who are role models for staff, visitors and patients.

To gain community involvement—no doubt this is true of many hospitals—there has been a competition in schools to design posters for the walls of the hospital. That is a sensible way of trying to capture the public's attention, and hopefully people will consider their cleanliness when they are admitted to hospital or visit other patients. Among the many documents reminding hospitals how they should behave, there is now revised guidance on contracting for cleaning. Naeema has informed me that Stafford hospital will be a pilot site for a new ward-cleaning management system and that the relevant preparatory work is under way now.

In Committee, I discussed capturing information on the level of infection in hospitals, which involves testing and early analysis. Stafford hospital has superb on-site laboratory facilities, so there is the opportunity, with the right guidance, to follow best practice in taking samples, getting assessments, making reports and collecting information. As the hospital has pointed out, however, it could do with some help in its constant fight to keep down health care-associated infections, which requires partnerships that go outside the boundaries of hospitals.

When I visited the hospital, we discussed care homes for elderly people, which provide many admissions to hospitals these days and which, like hospitals, are an environment where we might anticipate a degree of infection unless care is taken. My hospital and its partners, which include residential care providers, are willing to undergo joint screening and to export good practice from the hospital to those homes. Sadly, the hospital has found that there is a cost, and unless people feel particularly motivated, they will not incur it unless they have to. As politicians, we can take the message to potential partners and hospital trusts that there is something that everyone should do.

Adam Afriyie (Windsor) (Con): In many walks of life, best practice is discovered in the variety of ways in which different organisations operate. If the code is too prescriptive, is there not a danger that innovations in cleaning technology, detection and control will be stifled because such matters are dealt with uniformly?

Mr. Kidney: Given his intervention, the hon. Gentleman will probably like the Minister's response. The Minister will say that we should not tie ourselves down with overly restrictive legislation and that a code that can be changed from time to time to keep up to date with innovations and changes is therefore desirable. By informing partnerships beyond the boundaries of hospitals, we are inviting people to take part in the challenge of eradicating those infections. As the hon. Gentleman said, nobody has exclusive possession of the knowledge that will help us to defeat such infections, and I would welcome help from my constituents who want to contribute to the fight. How we engage people outside the boundaries of hospitals in making sure that the incidence of such infections is driven as low as possible is a challenge for us all.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): I wish to speak to amendments Nos. 35 and 37.

MRSA rates have doubled since 1997, as my hon. Friend the Member for Westbury (Dr. Murrison) pointed out. The last time we debated this in the House, the hon. Members for Thurrock (Andrew Mackinlay) and for Wyre Forest (Dr. Taylor) spoke at length about the misreporting of figures. Although current figures suggest that we do not have a massive problem, we still do not know the true position.

8 pm

However, I am not here to lob grenades across the Table by criticising the Government. I want to look at where we are now and how we can move on to improve the situation. I well remember the NHS in the 1970s under a Labour Government, and in the 1980s under a Conservative Administration. The most fearful bug that we had to deal with in those days was klebsiella, which lived on bars of soap. Things are different now.

I am not naturally a retrospective person, but in the matter of MRSA one has to be. In the 70s and 80s, hospitals were indisputably much cleaner than they are today. However, it is not just a decline in cleanliness that has brought about MRSA in our hospitals; it is also the result of an over-reliance on antibiotics, increased movement of patients within the hospital estate, centrally imposed targets that pressurise hospital staff and administrators to hot-bed patients by getting a patient into a bed before it has gone cold or has even been cleaned properly, and dirty wards and bathrooms. A combination of those factors causes MRSA in hospitals.

There is another factor which causes me, as an ex-nurse, some embarrassment. It is easily preventable. I discussed it with the Minister in Committee and was disappointed to note that it was not addressed in more detail in the draft code of practice. It is the fact that nowadays nurses travel to and from home in their uniforms. We all know that that is the case. How often do we see a nurse outside the school gates picking up her children, going into a nursery to pick up her toddler, or leaning over the vegetable section in a supermarket while getting groceries on her way into work? We cannot blame nurses for that because changing facilities are no longer available as they used to be. One has to ask why that is.

One also has to ask on what this casual behaviour of travelling around in nurses' uniforms is based. Is it based on the premise that nurses believe that the uniform is there to protect them, or doctors, from patients and to keep them clean? If so, that is extremely misguided. The purpose of the uniform is to protect the patient from the nurse or the doctor—the patient who, as a result of being in hospital for procedures or from illness, needs to be protected from anybody who enters their vicinity, including nurses and doctors.

My amendments relate directly to that situation and are simple and to the point. Hospital staff with direct responsibility for patients should not place them at risk by wearing their uniforms to and from work. That is wrong, and it is undoubtedly a direct contribution to MRSA in hospitals.

Sandra Gidley (Romsey) (LD): I am listening to the hon. Lady with interest. She will surely accept that many staff do not wear uniform, including doctors and, most particularly, consultants. How would she address that situation given that they probably go from one patient to another much more frequently than nurses?

Mrs. Dorries: Hospital consultants and doctors wear white coats and tend to put them on when they go into hospital. Having worked as a nurse in the NHS for 10 years, I know that most doctors certainly did so to protect themselves from patients—consultants perhaps not so much, but they were a law unto themselves at the time. That does not mean that they should be excused from this. The practice of cleanliness in hospitals needs to be upgraded at every level to include nurses, doctors, consultants, hospital staff and everybody who has contact with the patient. Doctors usually wear white coats, and if they do not that is unforgivable.

The practice of nurses wearing their uniforms to work and back and in the home environment indubitably contributes to MRSA, which costs the NHS about £1 billion a year. I received a copy of the draft code of practice this morning. One 10-word sentence on page 6 relates to staff uniforms. It says that they should be clean and fit for the intended purpose. We know full well that bacteria cannot be seen by the naked eye and that we cannot see a virus. If we could, there would be no MRSA in hospitals. We would not have search and destroy policies—they would be seek and destroy policies because we would be able to see them. As we cannot, how do we know whether a nurse's uniform is clean? How can a ward manager know whether a uniform is clean? How do we know that the uniform that a doctor or nurse comes into hospital wearing was not the uniform that they wore to collect a child from school? How do we know whether that child has washed their hands all day? How do we know that they have not been sick or in contact with another child who has viruses or bacteria? How do we know that the nurse did not collect the child and get into a car that had been used by the family pets? Did the nurse then walk on to the ward in that uniform after collecting that child from school and driving in that car to a patient who is critically ill and in a vulnerable, immune-suppressed state?

As we know, 25 per cent. of hospital infections are brought from communities into hospitals, and there is no doubt that a large proportion of that percentage is brought in by staff who use their work uniforms to go home. If there was an overall stipulation that staff who had direct contact with patients did not travel to and from work in their uniforms, I am sure that the figure of 25 per cent. would reduce dramatically. Prohibiting staff from travelling to and from work in uniform would be simple to introduce. It would have no cost implications for the Government and I am sure that it would save lives.

Amendment No. 37 proposes that washing instructions should be made available to staff with regard to the safe home laundering of uniforms. That is based on my own research. I asked a number of staff who work in hospitals how they launder their uniforms. Replies varied from, "I bung it on a wool wash because it's navy and it runs", to, "I bung it on a wool wash because it's white and falls to bits on a hot wash", to, "I'm a member of the Green party and I do all my washing on a cold wash." According to the guidelines for washing uniforms, none of those is correct. A cold wash is nowhere near sufficient to kill bacteria or viruses on uniforms. Would it not be easy and cost-effective, and would it not save lives, if notices in utility rooms and staff cloakrooms stated the correct washing instructions for nurses' uniforms?

The draft code of practice for the prevention and control of hospital-acquired infections is 28 pages long, and it is an improvement on the original version. Florence Nightingale had no such document when she

went to the Crimea, yet she halved the death rate of soldiers from bacterial infections within weeks by raising standards of cleanliness and sanitation. Some things never change. We are facing exactly the same enemy—mutating bacteria in hospitals.

If we had a policy of search and destroy and effective cleaning solutions that worked when they were used on wards, if we brought back state enrolled nurses and allowed no uniforms to be worn on the way to work, and if uniforms were laundered safely at home with proper instructions, I am sure that that would make a huge difference to MRSA rates. However, that is up to the Government and the Minister.

I end on a note of caution. Yesterday, I met a lady who, unlike everyone else, will not accept the out-of-court settlement that she has been offered for contracting MRSA. She is taking the matter to the High Court. She realises that the cash settlement she gets will be less than that which the hospital trust has offered, but she wants to set a precedent so that others can litigate when they contract MRSA. I hope that the Minister will not let the problem reach the point when people are rushing to the courts.

We can do better than a 10-word sentence about staff uniforms. From speaking to nurses, those who have contracted MRSA and people in the community, I know that they do not want nurses to go home in their uniforms. Nurses do not want to wear their uniforms to and from work and they readily say, "If we were told not to, we wouldn't." They said that changing rooms were not absolutely necessary. One nurse told me, "I'd go to the cloakroom where I hang my coat and leave my bag." There is no reason for not imposing such a provision. I hope that the Minister will reconsider the draft code and what happens to nurses, their uniforms and the cleaning of those uniforms at home.

Stephen Williams (Bristol, West) (LD): I should like to have spoken at greater length in the earlier debate on smoking. None the less, I am delighted with the outcome. Clearly, my wise words were not needed.

Four or five years ago, we conducted a major survey in my constituency on health care services in Bristol. The most common spontaneous remarks expressed concern about standards of cleanliness in hospitals. In the verbal surveys about health care that we conducted on the doorstep, people often commented on that, and it is therefore right to raise the matter now. We also discussed it at length in Committee.

Proposed new paragraphs (e) to (j) in amendment No. 12 make sense. Proposed new paragraph (d) is also important because it is obvious that the infection control nurse needs to report directly to somebody, but I wonder whether we need to appoint a separate trust director for that role. As the hon. Member for Stafford (Mr. Kidney) pointed out, the medical or clinical director of most acute trusts is likely to hold such a responsibility already—from memory, that is the case in Bristol—but there may be some merit in making that publicly known.

Let me deal with amendments Nos. 35 and 37, which the hon. Member for Mid-Bedfordshire (Mrs. Dorries) tabled. I wonder on what evidence she based her remarks, because much of it appeared anecdotal. Is there such evidence in the public domain? Perhaps the Minister could comment on that. How widespread are the abuses of standards of cleanliness that the hon. Member for Mid-Bedfordshire described? Has she spoken to representatives of the Royal College of Nursing, Unison or any other representative bodies in the health service?

Mrs. Dorries: The hon. Gentleman knows full well that I have not spoken to representatives of the Royal College of Nursing because he asked me yesterday and I told him that I had not. I therefore have no idea why he is asking the question now.

Stephen Williams: I thank the hon. Lady for her answer, which I wanted to appear on the record. That is why I asked the question. I thank her for confirming what she told me last night, but I wondered whether she had spoken to the RCN in the intervening 24 hours. It is a shame that she has not.

Has the hon. Lady thought through the implications of her proposals? If nurses should take more care about laundering their uniforms, would it be better if that were done in the hospital? As I understand it, theatre staff are likely to have their uniforms laundered on hospital premises. Would that be a practical solution?

Mrs. Dorries: As the hon. Gentleman knows, we discussed the matter in Committee and the Minister rightly gave me the reasons why that could not be done. It would take too long and cost too much money among other reasons. Again, the hon. Gentleman knows that full well. I ask simply for guidelines for nursing staff on the safe and recommended method of laundering uniforms. As a former nurse, I probably know far more nurses than the hon. Gentleman and hold far more conversations about the subject.

Stephen Williams: I thank the hon. Lady and am pleased to have helped her to place on the record the reasoning behind the amendments. I do not necessarily disagree with her sentiments, but I wanted to clarify some of the reasoning.

8.15 pm

Jane Kennedy: I apologise to the hon. Member for Westbury (Dr. Murrison) and others if they feel that the new draft code was placed in the Library unheralded. I cleared it for publication at the weekend and wrote to the hon. Member for South Cambridgeshire (Mr. Lansley) and all members of the Committee. However, the letters notifying them that the code was available were posted only yesterday at 4.15 pm. I apologise if they have not arrived and I hope that hon. Members will accept my apologies.

I ask hon. Members to be clear and careful with the figures that they use for deaths. It is easy for confusion in the mind of the public to lead to greater anxiety than necessary. I do not suggest that MRSA and health care-acquired infections are not a cause for concern—they are. However, I am worried about the figure of 5,000 deaths. The only figures on which we rely are those for 2003, which show that 955 death certificates mentioned MRSA. Of those, 321 identified MRSA as an underlying cause of death.

Dr. Murrison: I agree that the issue causes huge confusion. That is why I was at pains to stress that we

[Dr. Murrison]

need to be clear about what we say and maintain a sense of perspective. However, I fear that the Minister fell into the common trap of confusing health care-acquired infections with MRSA. When I spoke briefly earlier, I saw a look of consternation on the Minister's face and I thought that she might be confusing the two. The figure of 5,000 that I cited related to the former, not the latter.

Jane Kennedy: I accept that. I probably did not hear exactly what the hon. Gentleman said and I thought at first that he had claimed that 5,000 deaths were caused by MRSA. I would be horrified if that were the case. The figure of 5,000 is often cited but it applies to an American study, which is quite old. It is extrapolated from data that are based on the United States. We are working hard to get the best information possible into the public domain.

I stress to the hon. Member for Mid-Bedfordshire (Mrs. Dorries) that we should not make such claims as deaths have doubled since 1997. I am resisting my natural inclination, which is to dive in with both feet and say, "Hang on a minute, let's go further back." However, I hope that she accepts that we began the collection of the data and the surveillance of MRSA and other infections.

Mr. Lansley: One moment the Minister enjoins us to be very precise, yet the next moment she blandly says, "We began the collecting of the data". That is not true. Nosocomial surveillance began under the previous Conservative Government. It was not carried out on a mandatory basis, but in a number of respects it was commenced under that Government.

Jane Kennedy: I accept what the hon. Gentleman is saying, but it was making the surveillance mandatory that led to increased reporting, because the information was required to be reported. That raised the reporting of the infection to a different level.

We need to remember that people who die with MRSA are often already seriously ill with another condition. It is therefore difficult to say with any certainty whether they would have recovered from their underlying condition if they had not acquired the infection. However, none of the brief discussion that we have just had should distract us from the seriousness of the issue.

I am grateful to my hon. Friend the Member for Stafford (Mr. Kidney) for taking the time to visit his local hospital. I am pleased to say that the "Clean your hands" campaign to which he referred has had a 100 per cent. sign-up in the NHS. It has been taken up very rapidly. My hon. Friend also described the board level buy-in at Stafford, which is essential if the whole organisation is to take on the change of culture necessary to reduce bacteraemia levels.

My hon. Friend also asked us to consider the relationship between hospitals and care homes, where more screening could perhaps usefully be developed. We accept that screening works, and we are trialling ways of determining how a patient should be managed, having used the screening to identify whether they have a health care-acquired infection. Those trials are taking place in three different trusts, one of which is being sponsored by the Department of Health. We shall get the results in September 2006, and they will enable us to learn a lot about how trusts should respond to screening, having applied it. A study carried out in Oxford showed that more than 90 per cent. of those diagnosed with an MRSA infection had had previous contact with the health care system and might have contracted the infection during their earlier treatment. All of this highlights the complex nature of the problem that we are grappling with.

I am grateful to the hon. Member for Westbury for his acknowledgement of the improvements in the code, and I accept that further improvements could probably be made. However, I want him and his hon. Friends to think carefully before pressing the amendments to a vote if they feel tempted to do so. As we discussed in Committee, amendments such as these would introduce inappropriate detail into the Bill, raising expectations and giving the impression that certain measures were more important than others. For example, hand hygiene and the decontamination of instruments are not mentioned in the amendments, but they are of equal importance. All aspects of infection control must be taken seriously and implemented if the fight against health care-associated infection is to be successful. However, I recognise that the amendments are the result of real concerns and I will try to allay those worries in the course of my speech.

Clause 13 inserts three new sections into the Health and Social Care Act 2003. Amendment No. 12 would add eight new paragraphs to section 47A. The first of these, proposed new paragraph (c), is aimed at ensuring that each trust has a director responsible for

"cleanliness and health care associated infection control".

While I understand the aim of trying to clarify lines of responsibility, this proposal could compromise the role of the director of infection prevention and control. The code of practice—hon. Members might like to refer to pages 5 to 7 of the draft—will require an NHS body to establish appropriate management systems and the appointment of a director of infection prevention and control. As my hon. Friend the Member for Stafford pointed out, most hospitals now do that, and all health care providers will do so as a result of this code and the one that will follow it, which will allow regulation to the same standard that applies in the independent and voluntary sector.

In response to proposed new paragraph (d), which aims to ensure that the senior infection control nurse reports directly to the

"Director responsible for cleanliness and health care associated infection control",

I would like to point out that the draft code already gives the director of infection prevention and control—that is a long title, but I cannot think of any way of shortening it—responsibility for the infection control team.

Proposed new paragraph (e) suggests that the code should specify the action that the trust director and board must take concerning ward closures when they receive an adverse report. I genuinely believe that that is too prescriptive. The code, as it is written, will require an NHS body to have criteria for advising closure and have arrangements in place for redirecting admissions. It is

not that we think it unnecessary to bear these things in mind, but the amendment is too prescriptive in that sense.

The policy will be developed with input from the infection control team locally, so local policy will reflect local circumstance— but while it is important for us to have a policy, we do not want to prescribe the content from the centre. I think it was the hon. Member for Windsor (Adam Afriyie) who said that we should resist the urge to be too prescriptive, and I commend his comments to his colleague. People on the ground should be allowed to make such decisions with the benefit of their local knowledge.

Paragraph (f) is intended to ensure that there is pre and post-discharge surveillance for patients undergoing surgical procedures. We agree that both kinds of surveillance are beneficial, and the code of practice will encourage NHS bodies to introduce them. However, we will not make them mandatory at this stage as there are significant technical barriers, with which I shall deal shortly. I direct Members to page 17 of the draft code on surveillance.

Paragraph (g) is linked to amendments that were tabled and discussed in Committee, and I have had a conversation with the hon. Members for Westbury and for South Cambridgeshire about the code. The paragraph implies that it should contain requirements relating to the number of infection control nurses. I do not want to include such requirements in a code dealing with infection prevention and control. I think that infection prevention and control should be everyone's business; it should not be left to a cohort of infection control nurses. Setting a ratio of specialist infection control staff to beds, rather than challenging the culture in the organisation, will encourage people to see the job as one to be performed by those people alone. Appropriate management and clinical governance systems are required, and that will be dealt with by the code of practice.

Paragraphs (h) and (i) suggest that there should be requirements relating to isolation facilities, and that standards relating to cleaning services should be defined. Pages 6 and 7 of the code deal with those suggestions. I can, I hope, reassure the House that the code will cover important matters of that kind. The draft code already requires NHS bodies to ensure that they have adequate isolation facilities to prevent the spread of infection. "Adequate" should not be interpreted as a dismissive term. It means what it says: it means enough to deal with the circumstances that might arise. The draft code also requires NHS bodies to have a cleaning plan giving details of the standards of cleanliness needed in each part of their premises. While I accept the strength of the arguments advanced in Committee and today, I feel that the code strikes the right balance, although we will keep it under constant review.

Paragraph (j) suggests that the code should require hospitals to record infection data by clinical department. We agree that analysis of surveillance by clinical department brings considerable benefit, and we now collect information on MRSA bloodstream infections by specialty in trusts. Enhanced surveillance allows us to do that. The code will encourage the NHS to undertake such analyses in the context of a range of organisms.

We have been criticised for not proceeding with work on post-discharge surveillance. Let me explain the practical problems. Believe it or not, there is currently no agreed definition of wounds. There is a lack of computer access when it comes to visiting patients outside health care institutions, and not all health care providers have full access to patient records. That applies to, for instance, midwives visiting women who have had caesarean sections. Notwithstanding those problems, we are working with experts on plans to improve the position.

I hope that the hon. Gentleman accepts that we take the points that he and his hon. Friends have made seriously. We are working to make the code flexible and proportionate, and also to make it reflect the concerns that have been expressed. Although the amendment expresses reasonable anxieties, I consider it unnecessary and hope that the hon. Gentleman will accept my reassurances.

Amendments Nos. 35 and 37 would also include inappropriate detail about the code of practice in the Bill. Including their requirements in the code would present practical difficulties in relation to enforcement. We have been working hard with the Healthcare Commission to ensure that the code is enforceable—an issue raised by the hon. Member for Westbury—and we are concentrating on the outcomes that really matter.

On clothing, the bottom line is that NHS staff have clean, hygienic uniforms. Clause 4(g) of the code as drafted includes the following requirement:

"Every NHS Body must ensure that Staff uniforms are clean and fit for the intended purpose".

Mrs. Dorries *rose—*

Jane Kennedy: I know that the hon. Lady is going to say that they are only words, but in fact they are pretty strong words and I hope that she will accept the intent behind them. However, I shall give way to hear what she has to say.

8.30 pm

Mrs. Dorries: "Clean" is a matter of perception. We can say, "You look clean", but we cannot see viruses and bacteria, as I said earlier. How can a ward manager know whether a uniform is clean and fit for purpose if they do not know what bacteria or viruses are living on it? If it has been worn at home, it could have been worn while the member of staff picked up their child from school or went shopping in the supermarket. How could a ward manager be expected to know that?

Jane Kennedy: The areas of greatest risk are patients who are very poorly and have wounds—people who are going into hospital for invasive procedures, including something as simple as the insertion of a drip, or for some form of operation. It is appropriate that, in those cases, suitable additional protective clothing be worn. Indeed, such practice is widespread. Plastic aprons and gloves are worn by those who are going to spend some time with such patients, even visitors. The point that the hon. Lady makes about how clean a uniform looks is unarguable and patently true, but including in the code a requirement on the NHS to ensure that uniforms are

[Jane Kennedy]

of a required standard of cleanliness is a very forceful step to take. I hope that she is to some extent reassured—

Mrs. Dorries *rose—*

Jane Kennedy: I shall give way one last time.

Mrs. Dorries: Many years ago—I do not want to say how many—plastic aprons and gloves were commonplace throughout wards. Before a nurse went to any patient, she would take off her existing apron and put on a new one; indeed, that is what I did. Aseptic technique was drilled into us as nurses. Everything that we did involved aseptic technique, particularly when dealing with patients who were vulnerable and at risk. That same mental attitude toward asepsis and changing gowns and gloves is no longer present in wards; it simply does not happen any more. In the past, the provision of such gowns was prescribed. Would it not be appropriate, therefore, for the code to make reference to the provision of freely available gowns, so that what happened in the 1970s and 1980s—the constant changing of gowns and gloves—happens again?

Jane Kennedy: I do not accept the hon. Lady's description of what happens now: I have indeed seen that level of concentration on aseptic techniques, but I hear what she is saying. In my view, we should not strengthen the code in the way that she describes at this point, but I will reflect on this issue. We will have time to take such concerns on board as the Bill progresses—I hope—through the other place. I have sought to provide some reassurance on how seriously we are taking these issues, and the requirement that we have included in the code, measured as it will be by the Healthcare Commission, will be sufficient. However, we continue to listen on these issues.

In Committee, the hon. Lady gave a graphic description of a visit to a hospital in which she met a nurse with what she assumed was spaghetti Bolognese over the front of her uniform. As I said in Committee, had I been that nurse's manager, I would have expected her to have washed her uniform, or at least to have worn another one. However, as the hon. Lady says, one cannot always tell whether a uniform is free of germs, even if it has been washed, just as one cannot always guarantee that one's hands are totally free of germs.

I believe that the code as drafted would give NHS trusts a legal duty to ensure that such things do not happen. It would give relevant NHS bodies a legal duty to ensure that their staff had clean uniforms. How they achieve that would be up to them, which is what I meant when I said that the code is outcome-based. I realised that the hon. Lady did not have the benefit of the latest draft of the code, and she is obviously still disappointed with the current version. I hope that the redrafted code addresses some of the concerns and reassures hon. Members. While I approve of the amendment's overall aim of ensuring that staff have clean uniforms, I am afraid that we disagree with the methods proposed to achieve that aim.

Finally, for the sake of clarity, I should make it clear that in the Oxford study that I mentioned earlier, I meant 90 per cent. of the 25 per cent. of patients with MRSA who had been in contact with a hospital. I hope that that is clearer.

For the reasons that I have given, I hope that the amendments will have served the purpose of probing the Government's intentions in bringing forward the code and amending it as we have. I hope that the hon. Member for Westbury will withdraw his amendment, but if he does not I shall have to ask my hon. Friends to resist it.

Dr. Murrison: Given that the code is an evolving document, we may hope for future amendments to it along the lines that we have proposed tonight. We look to the Healthcare Commission to advise on and supervise the code. With that in mind, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 16

ACCOUNTABLE OFFICERS AND THEIR RESPONSIBILITIES AS TO CONTROLLED DRUGS

Amendment made: No. 25, in page 14, line 41, leave out 'responsible' and insert 'designated'.—*[Jane Kennedy.]*

Clause 28

THE RESPONSIBLE PHARMACIST

Amendments made: No. 30, in page 25, leave out lines 34 to 47.

No. 31, in page 26, line 3, at end insert—

'72B Section 72A: supplementary

(1) The failure by a person to comply with any requirements of section 72A of this Act, or of regulations made under that section, may constitute misconduct for the purposes of section 80 of this Act, section 8 of the Pharmacy Act 1954 and Article 20 of the Pharmacy (Northern Ireland) Order 1976; and the Statutory Committee may deal with such a failure accordingly.

(2) A person who does not have the qualifications and experience required by regulations made by virtue of section 72A(7)(a) of this Act is not to be considered as a responsible pharmacist for the purposes of sections 70 to 72 of this Act.

(3) Subsection (4) of this section applies if a person—

(a) fails to comply with the requirements of subsection (2) of section 72A of this Act, or of regulations made under that subsection,

(b) fails to comply with any requirements as to absence from the premises contained in regulations made by virtue of subsection (7)(b) of that section.

(4) If this subsection applies, the person in question is not to be considered while the failure continues as being in charge of the business at the premises in question (or in a subsection (3)(a) case at any of them) for the purposes of sections 70 to 72 of this Act.'.

No. 32, in page 26, leave out lines 15 to 22.—*[Jane Kennedy.]*

Clause 32

APPLICATIONS FOR PROVISION OF PHARMACEUTICAL SERVICES

Sandra Gidley: I beg to move amendment No. 28, in page 28, line 42, leave out from beginning to 'products' in line 43.

Madam Deputy Speaker (Sylvia Heal): With this it will be convenient to discuss amendment No. 29, in page 28, line 45, at end add

'that are not drugs or medicines.'.

Sandra Gidley: These amendments seek to amend clause 32, which deals with applications for provision of pharmaceutical services. It may be worth spending a little time on the context of these amendments. As the House knows, following the Office of Fair Trading consultation a couple of years ago, new pharmacies are controlled by something called the control of entry regulations. Any application to open a new pharmacy has to go before the primary care trust or the Assembly in Wales and has to pass certain tests.

It is also worth remembering that pharmacies are private contractors that have a contract with the national health service. Historically, that has been to deliver dispensing services, but that has recently changed with the introduction of the new pharmacy contract. That seeks to extend the role of pharmacists, which is widely regarded as a good thing.

Instead of just relying on dispensing, the contract is divided into levels of service. The standard services are those that all pharmacies should supply, and include services such as dispensing and health promotion. Advanced services are developing gradually and the first, which has been successful so far, is the medicines use review—or MUR—which has benefited many patients. So far, so good. The potential exists for enhanced services, such as smoking cessation—I had to mention that tonight—and monitoring the progress of disease or providing services to care homes. Commissioning of such enhanced services has been very patchy. Some primary care trusts have been very good and tried to embrace new services, but others have ignored the opportunity completely. Some of the evidence shows that the future of the enhanced services next year looks shaky, to say the least. However, that is probably a debate for another day.

Clause 32 applies only when a primary care trust has two applications before it to provide pharmaceutical services in a similar locality. Each pharmacy must pass the existing test as to whether it is necessary or desirable.

As drafted, clause 32 would mean that an NHS contract could be awarded according to promises made in relation to the commercial part of the business. That is wrong and unenforceable, and various problems arise. I admit that the Government have consulted on the proposal, but most respondents rejected it. All the contractors who were consulted did so, regardless of whether they represented single, independent contractors or large multiples.

The contractors' objections revolved around a few simple propositions. They said that no request for a certain level of medicine pricing could be enforced, as no price could be guaranteed in the long term. Contractors could promise the earth, but how could that be monitored by the PCT on a regular basis? What would happen if circumstances changed? For example, a certain price for over-the-counter medicines might be allowed, but the company or pharmacist involved could renege on the deal.

The best analogy that I can come up with is with the contracts awarded to NHS dentists. Such dentists spend two or three years building up their patient lists, but then decide that they do not want to provide dentistry on the NHS. In those circumstances, the PCT has no control over what happens, and it is the question of control that is important here.

It is difficult to see how a PCT can balance different offers in different applications. For example, one pharmacy might offer a certain price for over-the-counter medicines, while another offers an enhanced delivery service. How can the first offer be compared with the second? Who decides what is best for patients? During the consultation, the concern was raised that the proposal could lead to more application refusals being contested, and therefore to a possible increase in the number of judicial reviews.

What happens if a pharmacy is sold, quite legitimately, to an independent contractor or a different group? The buyer might have different marketing or pricing policies, or want to offer a different range of services. How will that be dealt with?

It has been argued that the proposal will help disadvantaged communities, as they would have access to cut-price medicines. I have worked in such communities, and my experience is that that is not really a consideration. People who live in such areas know that they can get free prescriptions from their GPs, and are happy to do so. As a result, that argument is something of a red herring.

Very often, businesses in disadvantaged communities are run by independent contractors. At first, they might not be able to offer big attractions in respect of cut-price medicines, but their commitment to the community can mean that they choose to plough some of the profits back into developing future services. Traditionally, that is what has happened in pharmacy, but the clause could put a stop to pharmacists' very realistic desire to do the best that they can within the constraints of their budgets.

In short, the clause is unworkable as it stands, being difficult both to monitor and sustain. If the Minister is committed to proceeding with it, I hope that she will at least review the new system after it has been in place for a year or 18 months. In that way, she will be able to see whether any of the problems that I have highlighted are based in reality rather than in fear.

8.45 pm

Jane Kennedy: We are discussing the narrow focus of clause 32. When determining chemist applications to provide pharmaceutical services, current legislation means that PCTs cannot take into account additional services that the chemist might offer.

When PCTs are looking at competing applications that relate to the same neighbourhood and which individually pass the necessary or desirable tests, clause

[Jane Kennedy]

32 will allow them to consider the improvements that each chemist would bring to the provision of over-the-counter medicines and other health care products, as well as associated advice.

Our proposal aims to encourage applicants to offer improvements generally to the range and availability of medicines and services to support self-care; for example, through helping people to manage minor ailments and promoting healthier living through better advice and information about such products. The hon. Member for Romsey (Sandra Gidley) expressed concern that smaller businesses might not be able to fend off bigger competitors. She also argued that the clause was not sustainable or workable.

I do not share the hon. Lady's pessimism—or if I did, I would not be proposing the measure. The important point is that although the price of over-the-counter medicines must obviously be a factor, the clause is not simply about price; to a large degree, it is about support and advice to the patient in the management of such medicines.

Sandra Gidley: I understand the possible drivers for persuading applicants to offer extra services, which must be a good thing for patients. However, it is difficult to balance the offer of a low price on medicines against those other services. The consideration should not be purely financial. Although the provision of other services is worthy and could benefit the local health economy, merely to consider the price of medicines seems a step too far.

Jane Kennedy: I hear what the hon. Lady says, but her amendment would prevent PCTs from considering what improvements applicants would bring to the provision of over-the-counter medicines in certain cases, which is specific and narrow. Instead, PCTs would be limited to considering only the provision of advice and a range of other health care products, such as dressings, incontinence appliances or sunscreens. That is important and would be welcomed by everybody, but I do not accept the concerns expressed by the hon. Lady, so I hope that the amendment is a probing one. I appreciate that we are on Report, but there may be further opportunity to consider the matter in another place.

The clause is in line with our policy of opening up and developing community pharmacy services. It will improve the availability of over-the-counter medicines in deprived communities. I hope that the amendment was a probing one and I ask the hon. Lady not to press it to a vote. I will consider her comments and perhaps I can respond at a later date.

Sandra Gidley: I am disappointed that the Minister did not even give us a hint about how the clause will be enforced. As I pointed out, it is unenforceable. If pharmacies decide to change the services that they offer, which may be down to financial constraints, it is difficult to see what teeth the PCT will have. Somebody could promise the earth to secure a contract, but not deliver, and the patient would be the poorer.

It is disappointing that the Minister has not given us any commitments and that she has not said that she will review how the measure works in practice, given the concerns that have been expressed. I shall not divide the House on a technical matter, but I hope that it will be revisited in another place and that the Minister will write to me with reassurances about the points that I have raised.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 76

ORDERS AND REGULATIONS

Amendment made: No. 21, in page 58, line 41, leave out '3' and insert '*(Smoke-free premises: exemptions)*'.—*[Caroline Flint.]*

Dr. Murrison: I beg to move amendment No. 33, in page 58, line 41, after 'section', insert '2'.

Madam Deputy Speaker: With this it will be convenient to discuss amendment No. 34, in page 58, line 41, after '4', insert '5'.

Dr. Murrison: I will not press the amendment to a vote but very much hope that we will find ourselves in violent agreement with the Government, who have consistently made it clear in Committee and during today's proceedings that they favour the affirmative procedure in respect of regulations, which flow like the Tiber through the Bill. Amendments Nos. 33 and 34 would simply ensure that the affirmative procedure would be applied to clause 5, which clearly deals with vehicles, and clause 2, in respect of which we are particularly concerned about the definitions of what is enclosed, substantially enclosed, not enclosed and so on. The Minister must agree that it is important, given the uncertainly that surrounds such things, that the regulations that the Secretary of State may wish to enforce are subject to the affirmative procedure.

Caroline Flint: As the hon. Gentleman suggests, under amendments Nos. 33 and 34, regulations made under clauses 2 and 5 would be subject to the affirmative procedure. Clause 2 makes provision for premises open to the public and those used for work to be smoke-free. It applies only to premises that are enclosed or substantially enclosed and enables regulations to be made to define the meaning of the words "enclosed" and "substantially enclosed". Meanwhile, clause 5 enables regulations to be made to provide for vehicles to be smoke-free.

Those matters have been left to regulations to enable consultation with stakeholders and to allow flexibility to amend requirements if need be, based on practical post-implementation experience without the need to amend primary legislation. Given the possibly technical nature of the regulations that would be made under clauses 2 and 5, we have undertaken to conduct a public consultation exercise with respect to any draft regulation prepared.

The negative procedure was selected for the exercise of those powers, as we felt that Parliament would have no good reason in particular to consider such highly technical matters in such detail that it would warrant taking the affirmative route. However, we discussed such issues in Committee, and I said that I would

consider them. The hon. Gentleman has again expressed his wish for the affirmative procedure to be used, and I will listen to the views of the Delegated Powers and Regulatory Reform Committee of the other place when it comes to scrutinise the Bill. On that basis, I cannot support the amendment but remain of an open mind and open to persuasion.

Dr. Murrison: I am grateful to the Minister for clearly pointing out that these matters will be considered in another place. I hope very much that their lordships will listen to what has been said in Committee and today and will propose amendments that would have the effect that I desire, but given the Minister's assurances that she is still thinking about the issue, I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Amendment made: No. 22, in page 58, line 41, at end insert—

'( ) an order under section (Power to amend age for sale of tobacco etc),'.—*[Jane Kennedy.]*

Schedule 8

MINOR AND CONSEQUENTIAL AMENDMENTS

Amendment made: No. 26, in page 84, at end insert—

'Health and Social Care Act 2001 (c. 15)

In Schedule 1 to the Health and Social Care Act 2001 (exempt information relating to health services), for paragraph 11(a) (as substituted by paragraph 72(2) of Schedule 11 to the 2003 Act) substitute—

"(a) is or was formerly providing primary medical services, primary dental services or primary ophthalmic services under a contract under section 28K, 28Q or 28WA of the 1977 Act;".'.—*[Jane Kennedy.]*

Title

Amendment made: No. 23, in title, line 2, after 'vehicles' insert

'and for amending the minimum age of persons to whom tobacco may be sold'.—*[Jane Kennedy.]*

Order for Third Reading read.

8.54 pm

Ms Hewitt: I beg to move, That the Bill be now read the Third time.

I am proud to move the Bill's Third Reading. I particularly want to thank the Minister of State, Department of Health, my right hon. Friend the Member for Liverpool, Wavertree (Jane Kennedy) and the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley (Caroline Flint) who have done a superb job in piloting the Bill through Committee and much of the Report stage that we have just had. *[Interruption.]* Despite some of the sedentary comments by Opposition Members, I also pay tribute to Members on both sides who have adopted a positive and constructive attitude to the elements of a Bill that not only protects public health inside and outside hospital but will further improve the performance and efficiency of the national health service.

Of course, the main focus of our debate and of public attention has been on the Bill's smoking provisions. This evening, the House voted absolutely decisively to introduce a complete ban on smoking in all enclosed public places and workplaces, including all licensed premises and private members' clubs. We have therefore not only delivered on the manifesto promise to ban smoking in virtually all public places and workplaces on which we were elected 10 months ago but have gone additional steps further. That reflects the excellent debate that took place on the smoking provisions in which I and my hon. Friends, who genuinely believed, and always have, that the arguments about private members' clubs were finely balanced, have none the less voted for a complete ban, particularly in the interests of ensuring a level playing field between different businesses such as small pubs and members' clubs. I recognise that there will be some disappointment among at least some members of private clubs at the outcome of the vote, but I nevertheless believe that it was the right one.

The comprehensive ban for which the House has decisively voted will mean, over time, that some 600,000 people, beyond those who would have otherwise given up smoking, will be led to abandon it. The result of that and the protection that we are giving to people from second-hand smoking will be thousands of people's lives being saved and thousands of families being spared the grief of losing a loved one prematurely. That is why I think today's vote and the Bill will be seen as historic legislation on public health equivalent to, for instance, the legislation on seat belts of some decades ago.

I am also delighted that, although it was not debated this afternoon, we have taken power to raise the age for the purchase of tobacco from 16 to 18 following the consultation in which we engaged. I pay tribute to my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis), who has campaigned vigorously and effectively on that issue.

Other vital provisions include the statutory code of practice on MRSA and associated health care infections. It will be very widely welcomed not only by the public, who quite rightly expect every hospital to get down their MRSA and other infection rates, but by staff in both the NHS and the independent sector.

The Bill will also provide for much stronger management of controlled drugs in response to some of the shortcomings identified in the Shipman inquiry and will improve safeguards against the very small minority of people who would divert those drugs for personal abuse, financial gain or even, regrettably, for criminal purposes. It will also help us to continue improving and modernising NHS pharmacy services, ensuring, as my right hon. Friend the Minister of State said, that we can continue expanding the services offered by our pharmacists and make them much more convenient to patients.

I was pleased to read the discussion in Committee during which the provision of ophthalmic services in England was praised. Although there was concern that the Bill would tamper with a service that is already excellent, I hope that hon. Members on both sides are reassured that by removing the restrictions on with whom a primary trust may contract to provide ophthalmic services the Bill will help to increase patient choice and thus continue to improve services. The new framework for ophthalmic

[Ms Hewitt]

services will ensure that we will be able to provide enhanced services in the community of the kind that are often available at present only in hospitals. That will be in line with the direction that we have just spelled out in the White Paper.

Mr. Lansley: We did not have the opportunity to discuss general ophthalmic services on Report. Does the Secretary of State agree with the sentiments of amendment No. 17 that when primary care trusts use their powers to contract general ophthalmic services, they should maximise the choice available to patients? We want to ensure that PCTs will be able to continue to exercise choice on accessing services, so it would helpful if the Secretary of State said whether that is firmly her intention.

Ms Hewitt: I am happy to reassure the House that we want more choice for patients in ophthalmic and other medical services. We want the best possible services to be available in every community, with, of course, the best value for money.

The Bill has important provisions that give new powers to the counter-fraud service, which already does excellent work to ensure that taxpayers' money is used for the purpose for which hon. Members vote—better patient care. The Bill also responds to the Public Administration Committee's report on government by appointment and reconfirms our commitment to an independent appointments process.

The Bill is a major and historic step forward for public health. It will help us to continue to improve the national health service and will give patients and the public better, faster, more convenient and safer health care. The Bill was good, but it has been made even better by today's votes. I commend it to the House.

9.2 pm

Mr. Lansley: I am sorry that the right hon. Member for Rother Valley (Mr. Barron) is not in the Chamber. If congratulations are being offered on the outcome of the Bill's principal measures on smoking, we must accept that they probably owe much to his work and leadership of the Health Committee. Whatever one's view of the precise details of the final outcome, his approach was clearer and more decisive than any ever taken by the Government.

I am surprised that the Secretary of State has claimed on Third Reading that she has implemented the Government's manifesto because that is the one thing she has not done. On Second Reading, she quoted the part of the manifesto that said that the Government would legislate to ensure that

"all enclosed public places and work places other than licensed premises will be smoke-free . . . all restaurants will be smoke-free, all pubs and bars preparing and serving food will be smoke-free."

She also expressly told us on Second Reading that the Government would consult on whether there should be smoking rooms in pubs—that has gone. She asserted that it was right to strike a balance and said:

"we have made the judgment that the right balance to strike is between banning smoking in virtually every enclosed public space and work space, and exempting the membership clubs and the licensed premises that do not serve food, in order to protect freedom of choice for that minority of people whom nobody is forcing to go into a pub that allows smoking".—[*Official Report*, 29 November 2005; Vol. 440, c. 156.]

Although we knew what was going to happen, the Secretary of State did not have the courtesy to tell the House how she was going to vote—if she knew at that stage—at the start of the debate on new clause 5. However, she and the Prime Minister have voted completely contrary to the exemptions that Ministers presented to the House three months ago. She may congratulate herself and her colleagues on their stewardship of the Bill, but the truth of the matter is that the House was taken in precisely the wrong direction on Second Reading. Additionally, a substantial amount of time was expended on the matter in Committee, although we all knew at that point that Ministers were on an impossible wicket.

On Second Reading, the Conservatives pressed for a free vote, and it was quite obvious that it would have been better for the Government to abandon the distinction between pubs that serve food and those that do not. There are often mutual congratulations on Third Reading, and I shall offer mine in a minute, but I must tell the Secretary of State and the Under-Secretary of State for Health—the so-called public health Minister—that the Bill was not well handled. It was one of the most astonishingly badly handled Bills in recent years. It should not have been introduced in the form in which it was introduced, it should not have been pursued in that way, and even if it has produced a solution with which Parliament is happy, that was not by virtue of ministerial design. Ministers should therefore not accept congratulations. *[Interruption.]* If the Secretary of State is saying that my colleagues voted for a more comprehensive ban, I do not have a difficulty with that. She should perhaps remember that we made it clear on Second Reading that there would be a free vote on the express basis that Opposition Members had distinct views on the judgment that should be made. A free vote was not offered to Government Members. The Government should accept that there was a crass error on their part, for which they should apologise.

Mr. Hollobone: As a Conservative candidate, I stood on a manifesto commitment that we would not introduce legislation on this issue. Labour Members, however, stood on a commitment to introduce such legislation. They have broken their word, because they have extended the legislative effect of their proposals. I am proud to have stood by my manifesto to defend individual liberty in this country.

Mr. Lansley: Our manifesto made it perfectly clear that people must take responsibility for their own health. We made it clear before the election that we would pursue a more vigorous self-regulatory solution. However, if that did not deliver the substantial protection that we sought within three years, so that non-smokers were not exposed to smoke, children not exposed to second-hand smoke and staff protected, we would take legislative powers. I do not wish to disagree with my hon. Friend, as we have discussed the matter and participated in free votes. He should accept,

however, that we were committed at the election to public health legislation, which would have included powers on smoking.

Mr. Gale: I have been away and done a little digging, and would be grateful if my hon. Friend shed light on something. It appears from my reading of the Bill that royal palaces will be exempt. If so, will that exemption include the Palace of Westminster?

Mr. Lansley: My hon. Friend is right—royal palaces are not covered. We discussed that in Committee, and the ban will not apply in the House.

David Taylor: The hon. Gentleman is giving holy grail status to manifestos. As the hon. Member for Kettering (Mr. Hollobone), the right hon. Member for Bromley and Chislehurst (Mr. Forth) and others will find out, the Conservative party has entered the big tent of new politics, in which manifesto commitments are foundations on which it is hoped—

Madam Deputy Speaker: Order. Instead of discussing party manifestos, perhaps we can return to Third Reading.

Mr. Lansley: Thank you, Madam Deputy Speaker. I should like to move on from my more acid remarks to constructive ones.

Lord Commissioner of Her Majesty's Treasury (Gillian Merron): Churlish.

Mr. Lansley: I am never churlish—cross, perhaps, but never churlish.

I agree with the Secretary of State that we have engaged in constructive discussion at every stage in the Bill's progress. That was very true in Committee, where the hon. Member for Barnsley, East and Mexborough (Jeff Ennis) and my right hon. Friend the Member for North-West Hampshire (Sir George Young) rightly pressed for an increase in the age at which tobacco can be purchased. I am delighted that we have moved in that direction. However, even though I have no doubt that another place will respect the decision of the House on a free vote, and with a significant majority at that, it should consider issues relating to smoking including definitions, what additional places will be specified under the legislation, under what circumstances private vehicles might be specified, and whether vehicles used for work are to be included in the smoke-free provisions. Those are important matters, and some valuable work will no doubt be done in another place.

We have not discussed specialist tobacconists, but I hope Ministers will understand the desire for them not to be put out of business. I should also mention penalties, which we discussed in Committee. I was not entirely happy with the scale of penalties that the Government proposed. In some respects they have been increased, which the Minister thinks appropriate, but I hope that that will be reconsidered in another place and weighed up relative to other legislative penalties.

As our last group of amendments made clear, the nature of the regulatory provisions and how they are to be made is important. In addition to the remarks of my hon. Friend the Member for Westbury (Dr. Murrison), we suggested in Committee that it might be better for the regulations to be made by affirmative procedure in the first instance, rather than by affirmative procedure in every case. Subsequent technical amendments to the regulations could be made by negative procedure, but the initial regulations, which will contain substance as well as technicalities, might well be made on an affirmative basis.

We discussed infection control previously and had the opportunity to raise some of the issues on Report and in discussions with the Minister in Committee and elsewhere. The issues are important and intractable. As the Minister will acknowledge, the latest six-monthly MRSA statistics do not show the progress that she and we might have wished. That demonstrates the difficulty of making progress and the necessity for the measures described in the code to be implemented effectively. Isolation facilities must not only be appropriate but must follow a risk assessment. We need to work on the design of hospitals and ensure that the necessary facilities are built in from the outset.

Clinical data, which the Minister agreed should be collected by a clinical department, should be used as a performance management tool in hospitals to deliver improved infection control, should be a basis on which health care providers are held to account, and should be used by them better to inform public debate about infection control. One of the central issues that we constantly try to highlight is the distinction between prevalence and incidence. Not all incidents of infection in hospitals are by any means the consequence of infection being contracted in hospital. Distinguishing between the two can make an enormous difference to public understanding. I hope that another place will take a substantial interest in those matters and in model cleaning contracts, nursing uniforms and standards. Committees in another place have done significant work on those aspects in the past, and I hope they will follow it up.

We hope that the pharmacy contract will increasingly be implemented innovatively. Only a few weeks ago, we discussed the White Paper and the desire for greater opportunities for people to be screened for disease and to initiate for themselves more checks on their health status. It is perfectly clear that pharmacies can do a great deal in that direction, and the pharmacy contract always allows that. The issue is whether primary care trusts are contracting for such an approach. One aspect that needs to be followed up is not merely legislating or contracting for such possibilities, but ensuring that the structure of commissioning inside primary care trusts with regard to pharmacies allows for them.

One issue that we have not had a further opportunity to discuss is the span of control of a pharmacist, and I hope that those in another place will pursue it. The professional confidence that we place in pharmacists is important, and the profession itself attaches considerable importance to that. Many pharmacists do not want to move beyond the rule of one pharmacy, one pharmacist, or if they do, it is only in very exceptional circumstances and it must be delineated. I do not think that we have yet arrived at a point at which it is delineated in the Bill, and I hope that that will be pursued further.

[Mr. Lansley]

On general ophthalmic services, the Secretary of State made it clear that PCTs should pursue the maximum choice consistent with value for money for the Exchequer. That must be true. Many people are wondering precisely what the motivation is for the legislation and what is going wrong in general ophthalmic services that demands such a change. Currently, optometrists and registered opticians can offer services, and patients can use them; they have maximum choice, and there does not seem to be a difficulty with that. If we are to move to a new design, let us ensure that those things continue. Let us ensure that the central funding is clearly set out, either in the legislation or in ministerial commitments for the future, so that the free sight test is available and cannot be compromised by budgetary pressures on individual primary care trusts; that the scope of the sight test can be adapted in line with best clinical practice as we move forward; that optometrists and opticians are able and encouraged to provide sight tests and related tests that not only focus on the basic question of visual field, but go beyond that to try to detect disease to the maximum extent; and that the free sight test itself is not infringed in years to come.

We have spent almost three months on the Bill. In many ways, it has ended up where I suspect many of us thought and said it would, although not necessarily as easily as it should have done. Many parts of the Bill are of a nature that commands consensus across the House. On smoking, many of my colleagues object—[HON. MEMBERS: "Yes."] I know that they object to what the House has decided, but frankly, it was always our view that the matter was best dealt with on a free vote. Since we have at last come to that and the House has taken a decision on a free vote, for my part, whether or not I agree precisely with the outcome, I think that that is a fair basis for the House to reach its conclusion. I am content for the Bill as a whole to go to another place in its current form, and I hope that it will be further improved there.

9.18 pm

Jeff Ennis (Barnsley, East and Mexborough) (Lab): I thank the Secretary of State for her generous comments about my campaigning activities with regard to Government new clause 6. As she knows, I have been pushing the issue ever since the Government launched their White Paper "Choosing Health". In fact, I have tabled two early-day motions in the past two parliamentary Sessions, as well as presenting my ten-minute Bill, the Age of Sale of Tobacco Bill, on 18 October last year.

I do not want to repeat in detail what I said in Committee, but I am grateful to Ministers for going out to public consultation on the matter over the next few months. I am sure that the public consultation will be very positive. Indeed, the BBC and Sky conducted two polls immediately before Christmas showing support of about 85 or 90 per cent. for raising the age of sale. I have always regarded the measure as common sense. Before 1997, exactly the same proportion of young people smoked in Guernsey as in the UK, but following the implementation of the measure, the rate in Guernsey fell to 50 per cent. of that in the UK. The measure has been adopted in many European countries as well as in Scotland and Ireland. It has the support of the Trading Standards Institute, which is the enforcement agency that carries out age-of-sale test purchases. A resolution on the issue has been passed at the past two Trading Standards Institute annual conferences.

The measure will bring the age of sale of tobacco in line with that of alcohol and of dangerous knives and airguns, the age limit for which will be increased to 18 by the Violent Crime Reduction Bill.

Most smokers start smoking in their early teenage years—indeed, most of them start before the age of 16. I am sure that raising the age will not stop teenagers, and young teenagers in particular, from trying smoking. We need to think about introducing a more effective education programme in schools, youth clubs and other settings in which young people congregate. As has happened in Guernsey, I am sure that the measure will impact on the number of young people who smoke with the passage of time.

I pay tribute to my local newspaper, the *South Yorkshire Times*, which has produced a petition entitled, "Petition to raise the minimum age of smoking to 18". It states:

"The South Yorkshire Times is supporting Mexborough and Barnsley East MP Jeff Ennis in his bid to raise the minimum age of smoking from 16 to 18 with his Age of Sale of Tobacco Bill. Sign below to show your support for this measure to improve the health of our young people."

As I said in Committee, I want to single out a campaigning journalist with the *South Yorkshire Times*, Lee Siggs, for his help. The *South Yorkshire Times* placed the petition in not only all the local newsagents, but the local further education college, Dearne Valley college. The vast majority of signatories to the petition are young people aged 16 to 25 from not only my constituency and places such as Greaseborough and Swinton, which are in the constituency of the Financial Secretary to the Treasury, my hon. Friend the Member for Wentworth (John Healey), but Denaby and Conisbrough, which are in the constituency of the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley (Caroline Flint).

I pay tribute to the Minister of State, Department of Health, my right hon. Friend the Member for Liverpool, Wavertree (Jane Kennedy) and the Under-Secretary of State for Health, my hon. Friend the Member for Don Valley for the way in which they took the Bill through Committee and improved it.

Since I discussed the issue in Committee, I have received a letter from one of the tobacco companies, which are often portrayed in this place as bêtes noires. The letter, which came from Phillip Morris, was very positive. It stated that in that company's opinion the age of sale is a matter for the Government and that as far as it is concerned smoking is an adult activity that is not for children, which shows that tobacco companies can be responsible. It is therefore appropriate to pay tribute to tobacco companies as well as criticising them.

In conclusion, I am glad that the whole House has supported this common-sense measure, and I look forward to the age of sale being raised to 18 and incorporated into the Bill at the end of the public consultation period.

9.24 pm

Steve Webb: The whole House will congratulate the hon. Member for Barnsley, East and Mexborough (Jeff Ennis) on pursuing an issue and seeing it through to the point at which the public and the industry will be consulted and the House can form a view through affirmative resolution. When we debated the programme motion, I said that it was an important issue that warranted a debate. As I predicted, we did not get it. Very few people in the House—the hon. Member for Barnsley, East and Mexborough was one of them—knew what was happening when the Speaker called for new clause 6 to be added to the Bill. Such an important issue should have got an airing so that we could think it through further. At least the House has a chance to come back to it.

It is always a good day when a Liberal Democrat manifesto policy is implemented. Of the manifestos of the three major parties, only the Liberal Democrats' contained a total ban on smoking, so my colleagues and I am delighted by the outcome of today's vote. It goes further. Of the three Front-Bench speeches that opened our debate, only one—modesty forbids my saying which—unequivocally argued for a total ban, which is what the House overwhelmingly concluded, no doubt persuaded by the oratory. To sway the House, on a free vote, to a majority of more than 200 is one of my early parliamentary highlights but no doubt not the last.

I congratulate the Committee members who assiduously went through the Bill. I was about to say some nice things about the Under-Secretary of State for Health, the hon. Member for Don Valley (Caroline Flint), but she has left. The hon. Member for South Cambridgeshire (Mr. Lansley) was uncharacteristically ungenerous in his remarks about her, because she dealt with all the smoking aspects of the Bill in Committee, although I am not sure that one praises someone for arguing for something that they do not wholly believe in. She was obviously committed throughout to a full ban, and it was poetic that she tabled the amendment that brought it in. That seems only right and proper.

I agree with the hon. Member for South Cambridgeshire that the Bill has not been well handled by the Government. In a sense, the Under-Secretary inherited a compromise. It is good that, through the evolution of the provisions, we have ended up with a clearer position. I was just discussing signage with my hon. Friend the Member for Bristol, West (Stephen Williams). Presumably we no longer need to put up signs saying that people cannot smoke in these places because it is now the law of the land that one cannot smoke in an enclosed public place, wherever it is. That is one example of how much cleaner, simpler and more effective is the total ban that the Bill now contains. I thank my hon. Friend the Member for Bristol, West, who served on his first health Bill Committee with me and made an important contribution to the debates.

Although the debate was predominantly about smoking, we also heard about MRSA and related issues. My hope would be that, although we have yet another initiative or taskforce—a code of practice, in this case—it will have real teeth. The record so far is disappointing. The Minister of State, Department of Health, the right hon. Member for Liverpool, Wavertree (Jane Kennedy) said that the most recent set of figures on MRSA were disappointing in that they are no lower than they were 12 months ago. I join the Government in hoping, if not with a great deal of confidence, that the code of practice will bite and that we will see real changes. That is what we all want.

In the event of a maverick vote—I do not know whether one is planned—I will, with great pleasure, encourage the serried ranks of my colleagues to support the Bill's Third Reading.

9.28 pm

Mr. Kidney: I, too, participated in the Second Reading debate and served on the Standing Committee. It is right to praise the Ministers who steered the Bill through proceedings in this House and the Members who served on the Committee. Ministers listened to concerns expressed on Second Reading and acted in Committee. An example is the changes made on ophthalmic services. Ministers listened to cogent arguments put forward by my hon. Friends in Committee and acted on Report to make changes, the best example being on the minimum age for buying tobacco.

All those Members—I hasten to add that I was not one of them, so I am not praising myself—who diligently chipped away, day after day, at the arguments about the distinction between public houses that did and did not sell food have had their day. They exposed the weaknesses of that distinction and forced hon. Members to make a starker choice between the status quo and a complete ban. A pretty convincing opinion has been expressed in the House on a free vote.

The proceedings have therefore been a success so far. One half of the process has been completed and the Bill will be off to the other place. However, as a postscript, I want to mention my disappointment about the process in this place. Through a spark of ingenuity, I persuaded House officials to accept that amendments about breast feeding came within the Bill's remit. By a stroke of good fortune, the Committee Chairman selected them for debate. Alas, I was struck down by the timetable that was imposed on our deliberations in Committee. My new clauses on breast feeding probably constituted the one issue of substance that was never considered in Committee. The Speaker did not select them for debate today. They will not be considered in the context of the Bill in the House of Commons, but I believe that they raised important issues of public health and discrimination, which must be left for another day.

I do not know whether the same spark of ingenuity can strike twice and enable me to find another way to raise those important matters in the near future, but I look forward to the guidance on breast feeding from the National Institute for Health and Clinical Excellence later this year because we have a poor record in this country—

Madam Deputy Speaker: Order. The hon. Gentleman knows that we cannot discuss what is not in the Bill on Third Reading.

Mr. Kidney: I wondered how long it would take you to remind me of that point, Madam Deputy Speaker. I simply say that the Bill will go to the other place in a good condition and I wish it well.

9.31 pm

John Bercow: The Bill is a good measure, which was improved this afternoon. It deserves a Third Reading and, in the event of a Division, I shall be pleased enthusiastically to vote for it.

My hon. Friend the Member for Kettering (Mr. Hollobone), who is sadly no longer in his place, intervened on my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) proudly to observe that he had voted in accordance with the requirements of the previous Conservative election manifesto, which specifically pledged that the Conservative party, if it formed the Government, would not introduce smoke-free legislation. I have the highest regard for the parliamentary diligence of my hon. Friend the Member for Kettering and considerable respect for his decision to vote in accordance with his convictions and interpretation of his duty.

However, I politely observe—I hope within the constraints of order—that, as an hon. Member who was not exclusively guided by the contents of the Conservative election manifesto before we fought the election, I perceive no especially good reason to be overly guided by its contents after we have fought and rather decisively lost the election. The manifesto contains some good and some bad features. We were soundly defeated and we should review—

Madam Deputy Speaker: Order. I have been reasonably lenient with hon. Members, but I believe that I ruled a few moments ago that discussions should not take place about manifestos, but be confined to Third Reading.

John Bercow: That is absolutely right, Madam Deputy Speaker. My focus on the manifesto related specifically to the contents of the Bill, as I carefully explained in advance. I shall continue to focus on Third Reading.

The House secured an advance this afternoon. It was frequently but wrongly suggested that the House had to choose between freedom and the nanny state. That is a perfectly honourable view, but I believe it to be mistaken. My judgment is that we had a choice between acting decisively in the interests of public health and burying our heads in the sand, ignoring the evidence and declining to do our public duty. I am glad that the House voted by such an overwhelming margin in support of a complete ban on smoking in public places.

Miss Ann Widdecombe (Maidstone and The Weald) (Con): Will my hon. Friend give way?

John Bercow: In a moment.

There are of course colleagues who, if pressed, would probably favour banning smoking per se altogether. I think that they would be wrong. There are certainly colleagues who believe that the law should not have been changed at all. They are entitled to that view, but I think that they, too, are wrong. The bulk of the argument today focused on variations on a theme of two main options, each of which was honourable, and between which we had to decide. The options were a partial ban, of one form or another, or a total ban.

My view is that the Bill has been improved this afternoon because a partial ban would have been undesirable. A partial ban based on a distinction between pubs that serve food and those that do not struck me as risible. It would certainly have been inequitable as between one employee and another, and it would unquestionably have been unfair to children. It would also have been a source of legal challenge, and it would demonstrably have been conducive to unfair competition between different outlets. That does not mean that it was a dishonourable proposal, but it would have had all sorts of hazardous consequences. Most Members, irrespective of party allegiance, believe that we have a duty to legislate in terms that are simple to understand, readily accepted as fair, and capable of straightforward enforcement, and I do not think that that proposal would have satisfied those criteria.

The alternative approach was to introduce a partial ban of the type that characterised much of this afternoon's debate, namely, a ban on smoking in pubs, clubs and restaurants, with the exception of private membership clubs. I could not for the life of me see a justification for the creation of that special, untouchable category of private membership club. We seemed to be facing an unholy alliance between the devotees of gentlemen's clubs in and around St. James's, and those who are dedicated to the continued privileges of their—

Madam Deputy Speaker: Order. May I remind the hon. Gentleman, as I have reminded other hon. Members, that we are debating the contents of the Bill, not the proposals that have been excluded from it?

John Bercow: The House has made the right decision, and I am delighted to have got my point on the record, Madam Deputy Speaker. I know how keen you are that I should focus on the contents of the Bill.

I believe that the Bill's smoke-free provisions are manifestly in the interests of public health. We do not have to look into the crystal ball when we can read the book. If we look at the evidence of what has happened in Ireland, we can see an improvement. We can observe what has taken place in New York, and recognise that it has resulted in a betterment of public health. It would have been curious if we had not done what we did this afternoon. After all, Scotland is to enjoy smoke-free legislation, as is Wales, and the Government certainly intend that Northern Ireland should do so. It is very much in the public interest that England should do so as well.

This provision is good news for smokers and non-smokers alike. I believe that those who suggested that a ban would be bad news for smokers and their families are wrong. The overwhelming likelihood is that significant numbers of smokers will be encouraged, as a result of the passage of the Bill, to give up their habit. The notion that they would simply smoke in private houses in front of their children on any significant scale seems profoundly misconceived. Parents care about their children, and I do not believe that they would do that.

David Taylor: Will the hon. Gentleman give way?

John Bercow: No, I will not, because I know that other colleagues wish to contribute to the debate.

The great benefit of the Bill for non-smokers is that the threat of a massively increased chance of contracting either heart disease or lung cancer has been removed. This is a good Bill. One of the best and most pithy speeches in support of it was made by my right hon. Friend the Member for North-West Hampshire (Sir George Young). Tories are in favour of public health as well, and I am glad that significant numbers of them demonstrated their commitment to it earlier. I am sure that, if tested, we should do so again.

9.39 pm

Philip Davies (Shipley) (Con): It is always a pleasure to follow my hon. Friend the Member for Buckingham (John Bercow), whom I like and admire in equal measure, but I am afraid I cannot share his general euphoria over what happened earlier. Although the vote was not surprising, I think that this is an incredibly sad day.

We have heard excellent speeches from those on both sides of the argument. The hon. Member for Ealing, North (Stephen Pound) made a very good and courageous speech, and my hon. Friends the Members for Tewkesbury (Mr. Robertson), for Christchurch (Mr. Chope) and for North Thanet (Mr. Gale) brought a large dose of common sense to the debate.

I do not smoke, and I do not like going into smoky places—so I do not do so. That is my choice. I believe that if I owned a pub or a restaurant, I should be able to decide whether people are allowed to smoke on my premises on the basis of feedback from my customers and my employees. I do not see the need for any more nanny-state Government interference. I know that Labour Members pretend to support the free market, but although they now say they support it, I do not think that they understand it. If so many people had wanted a ban on smoking in pubs, restaurants and bars, the free market would have delivered it. Businesses survive and thrive by delivering what their customers want—that is how businesses prosper.

Some companies were beginning to become non-smoking, and I welcome that. I welcome it when bars and restaurants become non-smoking.

Edward Miliband (Doncaster, North) (Lab): Will the hon. Gentleman give way?

Philip Davies: Of course I will.

Edward Miliband: I am grateful to the hon. Gentleman. I want to be nice to him because his mother lives in my constituency. Does he agree, however, that the most powerful argument advanced today concerned the right of employees to work in a smoke-free environment? The Bill gives them that important right.

Philip Davies: I greatly admire the hon. Gentleman as well, and I am sure that there is an incredibly bright future ahead of him, whoever happens to be leading the Labour party. I am delighted that he mentioned protection for employees, because I was about to mention it myself.

When an employer offers someone a job, he will say "These are the working hours, this is the pay that you will be given, and this is the environment in which you will work." I believe that people are intelligent enough to decide for themselves whether they want to apply for and accept that job. Those on the other side of the argument appear to feel that they are far too dim to make the decision themselves, and that the Government must decide for them.

Rob Marris (Wolverhampton, South-West) (Lab): I believe that before he was elected the hon. Gentleman worked for Asda, which has bacon-slicing machines in its workplaces. Does the hon. Gentleman believe that, in a reputable company such as Asda, if a bacon-slicing machine was not guarded it would be up to the individual to decide whether to take a job working with that unguarded machine, thereby risking cutting off his fingers, or does he believe that there should be legislative protection—as there is, and as I believe there should be?

Philip Davies: I knew that it was a mistake to give way to the hon. Gentleman. I was nervous about doing so. I am not entirely sure that his point has any relevance to the issue of smoking.

What worries me about the Bill is this: where will it stop? Where will it lead to? The health fascists and the zealots will not stop here—they will carry on until they have banned everybody from smoking and from eating fish and chips. There are an awful lot of dangerous jobs out there. Are we going to ban people from doing any of them? I understand that it is very dangerous to join the Army. Perhaps we will ban people from doing that.

Madam Deputy Speaker: Order. Perhaps the hon. Gentleman will confine his remarks to the Third Reading of this Bill.

Philip Davies: I do apologise, Madam Deputy Speaker; I was merely trying to highlight where this Bill will lead us. I—

Madam Deputy Speaker: Order. I am afraid that where the Bill might lead us is not part of the debate.

Mr. Sheerman: May I help the hon. Gentleman out?

Philip Davies: No.

Mr. Sheerman: The hon. Gentleman is obviously struggling with his speech—

Philip Davies: No.

Mr. Sheerman *rose*—

Madam Deputy Speaker: Order. I call Philip Davies.

Philip Davies: I suspect that the last person whom anybody who was struggling with their speech would ask for help is the hon. Member for Huddersfield (Mr. Sheerman).

Although I fear that employees will now have more harm done to them walking to work and breathing in car fumes than they ever would have suffered by breathing in tobacco smoke at work, I will conclude my contribution, Madam Deputy Speaker, given your earlier ruling. The Bill's smoking provision marks an

[Philip Davies]

incredibly sad moment for someone such as me, who believes in individual liberty and freedom. However, although it is sad it is not disappointing, in that it is consistent with this, the most authoritarian, illiberal and intolerant Government whom we have seen in many a year. For all the good things that may well be in this Bill, because of this intolerant, illiberal and authoritarian measure, I am unable to support it tonight.

Question put, That the Bill be now read the Third time:—

The House divided: Ayes 364, Noes 21.

Division No. 166] **[9.47 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Bercow, John
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunt, Mr. Crispin
Boswell, Mr. Tim
Bradshaw, Mr. Ben
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bruce, Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burt, Lorely
Butler, Ms Dawn
Byrne, Mr. Liam
Cable, Dr. Vincent
Cabom, rh Mr. Richard
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Caton, Mr. Martin
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Tom
Clegg, Mr. Nick
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim
Crabb, Mr. Stephen
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Quentin
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donaldson, Mr. Jeffrey M.
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dorries, Mrs. Nadine
Dowd, Jim
Drew, Mr. David
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ellwood, Mr. Tobias
Ennis, Jeff
Etherington, Bill
Farron, Tim
Featherstone, Lynne
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, Andrew
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Grieve, Mr. Dominic
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hammond, Stephen
Hanson, Mr. David
Harris, Dr. Evan
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Horwood, Martin
Howarth, rh Mr. George
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
Jackson, Mr. Stewart
James, Mrs. Siân C.
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Killoyle, Mr. Peter
Kirkbride, Miss Julie
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lansley, Mr. Andrew
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackay, rh Mr. Andrew
Mackinlay, Andrew
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McCrea, Dr. William
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McLoughlin, rh Mr. Patrick
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Murrison, Dr. Andrew
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oliver, Mr. Bill
Osborne, Sandra
Owen, Albert
Paisley, rh Rev. Ian
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Price, Adam
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John

Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Randall, Mr. John
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Rennie, Willie
Riordan, Mrs. Linda
Robertson, Hugh
Robertson, John
Robinson, Mr. Geoffrey
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Ryan, Joan
Salter, Martin
Seabeck, Alison
Selous, Andrew
Shapps, Grant
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Short, rh Clare
Simon, Mr. Siôn
Simpson, Alan
Simpson, David
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Stanley, rh Sir John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Mr. Gerry
Swire, Mr. Hugo
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Thurso, John
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Usher, Kitty
Vara, Mr. Shailesh
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Williams, Mark
Williams, Stephen
Wills, Mr. Michael
Wilson, Sammy
Winnick, Mr. David
Winterton, Ms Rosie
Wood, Mike
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Ian Cawsey and Mr. Alan Campbell

NOES

Afriyie, Adam
Bone, Mr. Peter
Carswell, Mr. Douglas
Davies, Philip
Dorrell, rh Mr. Stephen
Duddridge, James
Evans, Mr. Nigel
Fraser, Mr. Christopher
Gale, Mr. Roger
Hollobone, Mr. Philip
Jenkins, Mr. Brian
Knight, rh Mr. Greg
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Newmark, Mr. Brooks
Öpik, Lembit
Robertson, Mr. Laurence
Tyrie, Mr. Andrew
Walter, Mr. Robert
Widdecombe, rh Miss Ann
Winterton, Sir Nicholas

Tellers for the Noes:
Mr. Eric Forth and Mr. Christopher Chope

Question accordingly agreed to.
Bill read the Third time, and passed.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

Social Security

That the draft Pneumoconiosis etc. (Workers' compensation) (Payment of Claims) (Amendment) Regulations 2006, which were laid before this House on 18th January, be approved.—*[Gillian Merron.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

Northern Ireland

That the draft Rates (Capital Values, etc.) (Northern Ireland) Order 2006, which was laid before this House on 26th January, be approved.—*[Gillian Merron.]*

Madam Deputy Speaker (Sylvia Heal): I think the Ayes have it.

Hon. Members: No.

Division deferred till Wednesday 15 February, pursuant to Standing Order No. 41A (Deferred divisions).

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Thursday 16th February, notwithstanding the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents), the Speaker shall put the Questions necessary to dispose of proceedings on the Motions in the name of Mr Secretary Hutton relating to Social Security and Pensions not later than three hours after the commencement of proceedings on the first Motion; proceedings may continue, though opposed, after the moment of interruption; and Standing Order No. 41A (Deferred divisions) shall not apply.—*[Gillian Merron.]*

PETITION

Police (Cumbria)

10.1 pm

Tim Farron (Westmorland and Lonsdale) (LD): I present a petition containing more than 2,000 signatures on behalf of the residents of Cumbria.

The petition declares:

That Cumbria Police should not be merged with a neighbouring police force, because a merger would lead to resources being lost to more urban areas in neighbouring counties.

The Petitioners therefore request that the House of Commons urge the Government to stop plans to merge Cumbria Police force.

And the Petitioners remain, etc.

To lie upon the Table.

Canadian Seals

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

10.2 pm

Judy Mallaber (Amber Valley) (Lab): I dedicate this debate on the commercial Canadian seal hunt to the memory of Tony Banks, an extraordinary campaigner for animal welfare. Today, I received a letter supporting us in the debate from Sally Banks, who has taken up the baton. She says:

"Tony's passionate opposition to this barbarous hunt is the reason that I have pledged to continue his work."

Sally says that the issue was close to Tony's heart, so perhaps it is appropriate that on Valentine's day we are holding a debate on the massacre of seal pups for their fur—appropriate as long as we win the argument and achieve the ban that we all want.

Last year, the Humane Society of the United States witnessed and filmed the killing of harp seals to the north of Prince Edward island. This morning, I watched the film again; it does not make for easy viewing. It starts with a seemingly endless shot of a seal pup gurgling slowly to death in its own blood. I challenge anyone to watch that film and not be sickened, and not to want to do all that we can to stop such barbaric slaughter. The main contribution that we can make in this country is to block the trade in seal products that fuels that slaughter. I shall discuss the legal case for such a ban, but first I shall set out the arguments for a ban and, secondly, the Government's opposition to the seal hunt, which has already been expressed in a previous Adjournment debate in 2003.

The callous routine brutality used by those who kill the seals must be seen to be believed. In that film, the sealers can be seen running from seal to seal, hitting as many as they can, as quickly as they can. They do not even stop to see whether the seals that they have hit are dead. Those in the film show as much regard for the rules as they do for the seals.

The Canadian Government—I have a letter to this effect—claim that the hunt is humanely conducted, but I have detailed quotes from two experts who viewed the film footage. Dr. Donald Broom, professor of animal welfare at Cambridge university, notes that many of the seals were still conscious after being clubbed. The chief veterinary officer of the Royal Society for the Prevention of Cruelty to Animals, Dr. Steve Cheetham, was appalled and talks of pain and suffering and the incompetence of the sealers, but that is clear to anyone who looks at the film, the end shot of which shows a seal struggling, exhausted, in a pool of blood and icy water.

The conduct of the hunt is partly due to the way in which the Canadian Government design the quota system. An overall limit is set, so the sealers race around to kill as many seals as they can individually and by boat until the total is met. The hunt is inherently cruel. Many people, probably most people, do not even realise that the hunt still happens each year. They think that it ended back in the 1980s, but in fact twice as many seals are killed today as back then and it is the largest, most brutal slaughter of marine mammals anywhere on the planet.

In 1983, a long time back, the European Economic Community banned the import of furs and products made from whitecoat seals—new-born harp seals until they begin to moult when they are just 10 days old—and bluebacks, which are young hooded seals. The sealers now cynically wait a few days until the harp seals are approximately four weeks old—still pups, unable to swim and have never eaten a solid meal. In the United States, it is illegal to trade in marine mammal products and there is no Canadian market, but those clubbed seal pups have moulted, so their skins are legally imported into the European Union and the United Kingdom. The crux of tonight's argument is to stop that trade.

The last time that the Canadian seal hunt was debated in the House was on 4 November 2003, when the then Minister for Trade and Investment—now the Solicitor-General—stated that the Government

"do not accept the need for any seal cull."

He continued,

"we do not accept that clubbing is acceptable."

He said that it

"does Canada's reputation a great deal of damage."—[*Official Report,* 4 November 2003; Vol. 412, c. 219–21WH.]

He also said that the Canadian Government had been asked to consider a total ban on the commercial seal hunt. Since that debate, more than 600,000 seal pups have been clubbed to death or shot on the ice floes of eastern Canada during two more years of the commercial hunt. I will not quote the horrific description of a seal being skinned alive while still conscious, given by the hon. Member for Southend, West (Mr. Amess) in that debate a couple of years ago. Many seals escape from being shot to die in agony from their injuries.

It is abundantly clear that the Canadian Government continue to ignore our Government's overtures, as well as public opinion, including that of the majority of their own citizens who want an end to the hunt, according to a survey commissioned by the International Fund for Animal Welfare in Canada in 2005. The Canadian Government also ignore evidence on conservation and biodiversity issues. I have here a review by Professor Stephen Harris, who shows that the Canadian modelling of the seal population and quotas is unsafe and that there is a serious threat to the survival of the seal population.

To get to the heart of the matter, what should our Government do? What are we asking? What action do we want? Part of the problem with the United Kingdom's position is that by continuing to allow the import of seal products that come from the hunt, the Government are sending out a mixed message to Canada. On one hand, they say that they disapprove of the hunt, while on the other, they are saying that it is okay to trade in the products. It is not, and until we ban the import and trade in all the hunt's products, we too have the seals' blood on our hands.

Rob Marris (Wolverhampton, South-West) (Lab): I pay tribute to my hon. Friend and to my hon. Friend the Member for Gedling (Mr. Coaker) for the tireless work that they have done on this issue. Is she aware that, if we were to implement some sort of trade ban, it would be widely supported in Canada? I say that as someone who lived in Canada for nine years and has extensive links there. In fact, I am a Canadian citizen, as well as a UK

citizen. What happens is absolutely horrifying. I am sure that there would be widespread support in Canada for a trade ban.

Judy Mallaber: I thank my hon. Friend for that extremely helpful information.

The trade has been banned in the United State since 1972. Greenland, which carries out its own indigenous seal hunt, recently stopped all imports of seal skins from Canada. I understand that that happened just after pictures of the Canadian seal hunt were broadcast on national TV there. If the film that I watched this morning was shown on our television, the Minister would be inundated with requests to ban hunting, although I am not sure that our television companies would wish to show such horrific filming.

Earlier this week, the Italian Government announced a temporary ban on the import of seal products and announced their introduction of a Bill to end the trade permanently. Mexico decided last week to prohibit the trade in all marine mammal products, and Belgium now has a licensing scheme for imports, but has made it clear that no licences will be issued and that it will also bring in comprehensive legislation.

The case for banning the import of, and trade in, seal products is now overwhelming. A recent opinion poll commissioned by Respect for Animals found that 79 per cent. of people in Britain want the seal hunt to be banned and that 73 per cent. agree that the Government should act to ban the import of seal products. I pay tribute to Respect for Animals, which has provided me with information for this debate. It is based in the constituency of my hon. Friend the Member for Gedling (Mr. Coaker). If he did not have to act as a Trappist monk as a Whip, I know that he would wish to be up here introducing the debate.

I specifically wish to ask my hon. Friend the Minister to confirm that he has seen the legal opinion obtained by Respect for Animals and IFAW and given by Philippe Sands QC, one of the world's leading experts on international law and European trade. It shows in great detail the legal basis for his clear and strong view that the UK, under World Trade Organisation rules, can legally ban the import of harp and hooded seal products.

Dr. Nick Palmer (Broxtowe) (Lab): I pay tribute to my hon. Friend, to my hon. Friend the Member for Gedling (Mr. Coaker) and to many others in Respect for Animals who have campaigned on this issue. Is she aware of the similar debate on the ban on cat and dog fur imports in which the European Commissioner responsible said that, in his view, it was a matter for national Governments to decide whether they would prevent the import of such products? We do not need to be concerned about that aspect of the issue.

Judy Mallaber: That is extremely helpful; it confirms one of the points that I was about to come to. I am well aware of all the work that my hon. Friend has done on the issue.

I ask my hon. Friend the Minister to confirm that he has seen the legal opinion and to say whether he has a preliminary opinion on it—I know that it is still out with the lawyers—and when he expects to respond. As my hon. Friend the Member for Broxtowe (Dr. Palmer) said, some are trying to persuade the Minister that the United Kingdom does not have competence and that this is a matter for the European Union. The fact that that point was not accepted in the case of cat and dog fur products is extremely helpful.

The legal opinion that I have specifically states:

"The adoption of a unilateral extension of the current ban by a Member State would raise substantively the same issues as a matter of WTO law (but not as a matter of European Community law)".

The opinion that Philippe Sands gives, which is about the basis for the extension of a ban by the European Union, also applies in exactly the same way to member states. He argues:

"It is strongly arguable that an extension by the EU"—

and therefore by member states—

"of the current ban, to cover older harp and hooded seals will be compatible with the rules of the WTO on the basis that, although it would almost certainly constitute a restriction on trade . . . it could be justified under Article XX(a) on the grounds that it is a measure necessary to protect morals. We also consider that, in the alternative, there may also be good arguments that the measure may be justifiable under Article XX(b) as a measure necessary to protect the health of animals and/or under Article XX(g) as a measure relating to the conservation of exhaustible natural resources".

David Taylor (North-West Leicestershire) (Lab/Co-op): The Canadian Government often argue that this barbaric practice continues in order to protect fish stocks and the recovery of those of Atlantic cod. However, recent global studies show that marine mammals very rarely conflict with the fish that are commercially fished. There is relatively no overlap, so that argument does not hold water.

Judy Mallaber: A number of arguments about fishing and sealing in the Canadian context do not make any sense.

Mr. Brooks Newmark (Braintree) (Con): Will the hon. Lady give way?

Judy Mallaber: Yes, but I want to allow the Minister time to respond.

Mr. Newmark: I congratulate the hon. Lady on bringing the debate to the House and pay tribute to Tony Banks. I am most concerned with the animal welfare issue. I would like the people listening to imagine their dog or their cat being clubbed and then skinned alive. It is the animal welfare issue that we should be most concerned about.

Judy Mallaber: I absolutely agree. Unfortunately, the Minister has to be able to counter all the legal arguments that have been made on why we cannot enforce a ban, so we are trying to prove that we can. We have a legal opinion that shows that we can do that in the primary argument made by Philippe Sands about protecting public morals.

[Judy Mallaber]

The ethical argument for banning the seal hunt is made comprehensively and with great authority by Rev. Professor Andrew Linzey in the pamphlet "Public Morality and the Canadian Seal Hunt". He talks about how the activity is devoid of moral justification and his detailed conclusions have been endorsed by more than 70 leading academics, theologians and philosophers from 14 countries. The other aspects of the legal opinion by Philippe Sands are detailed and comprehensively argue why, under several strands of the WTO rules, it would be completely possible for us to go ahead with the ban.

The matter is more critical than ever this year because the melting of the ice will present a real threat to seals' whelping areas in Canada. Will the Minister call on the Canadian Government to respond to the situation by banning the hunt this year as a matter of emergency? I urge him to accept the legal arguments to which I have referred and ban the appalling trade.

The Canadians will say that they are arguing for their sealing community. Sealers are fishermen who make a small sum by killing seals for just a few days a year. The activity is dangerous, dehumanising and provides them with less than 5 per cent. of their annual income. Some 1,200 sealers have died during the history of the seal hunt and two died as recently as 2002. The Canadian Government already have measures in place on fishing diversity and compensation for fishermen that could be applied to the sealing industry, so their argument does not hold water.

The ban in other countries has not been challenged, so I do not think that a ban that we enforced would necessarily be challenged. I know that the Minister will be given endless arguments by civil servants and lawyers about why it would be legally impossible to enforce a ban, but we have strong legal advice that suggests that it would be possible. We will have to bite the bullet, go ahead with a ban and challenge the Canadians on the matter. They have not taken it up with other countries, so there is no real reason to expect them to do that with us. We should thus go ahead with a ban.

Two early-day motions before the House refer to the seal hunt. Early-day motion 237 has been signed by 182 Members. It notes that trade data show that thousands of seal skins were imported into the UK between 1995 and 2003 and calls on the Government to prohibit the import of all seal products into the UK.

Early-day motion 1416, which was tabled more recently—in only the past month, I believe—already has 118 signatures. It honours the life and work of Tony Banks. At the time of Tony's death, he had started a new initiative and was working with Respect for Animals to encourage people and retail outlets to boycott Canadian seafood products. I understand that most of the trade into this country goes straight out again to other European countries, so we probably cannot create pressure as easily as we could through a consumer boycott. The Government must thus put the main pressure directly on the Canadian Government through a legal ban. They must also try to persuade other European countries to go ahead with a ban.

Early-day motion 1416 also calls on the Government to ban the trade in harp and hooded seal products. As Sally Banks wrote to me:

"the most fitting tribute to Tony is to achieve a ban of this vile Hunt."

We have put forward arguments on how the Minister can achieve that. On behalf of the hon. Members who signed the early-day motions and those who would like to sign them, but cannot because of their ministerial positions, on behalf of the British and Canadian public—my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) mentioned Canadian views—whose attitude has been shown in opinion polls both in Canada and this country, on behalf of simple human decency and, finally, as the hon. Member for Braintree (Mr. Newmark) pointed out, on behalf of the seal cubs that are brutally clubbed to death each year and have no voice of their own, will the Government take the simple legal and effective step of banning the import of all harp and hooded seal products?

10.19 pm

The Minister for Trade (Ian Pearson): I congratulate my hon. Friend the Member for Amber Valley (Judy Mallaber) on securing this debate. This is a subject of long-standing public interest and one about which many hon. Members feel strongly. In addition to my hon. Friend, I acknowledge the interventions by my hon. Friends the Members for Broxtowe (Dr. Palmer), for North-West Leicestershire (David Taylor) and for Wolverhampton, South-West (Rob Marris), and by the hon. Member for Braintree (Mr. Newmark). I acknowledge, too, the interest shown in the debate by my hon. Friend the Members for Gedling (Mr. Coaker), for Carlisle (Mr. Martlew), for Dudley, North (Mr. Austin) and for Eccles (Ian Stewart), and by my right hon. Friend the Member for Rutherglen and Hamilton, West (Mr. McAvoy). No doubt many more hon. Members would wish to contribute if this were a longer debate.

The strength of opinion on this issue is reflected in early-day motions 237 and 1416. Early-day motion 1416 recognises the great work in the field of animal welfare carried out by the late Tony Banks, and calls on the Government to prohibit the trade in all harp and hooded seal products in the UK as soon as possible. I am sure that hon. Members would want me to join my hon. Friend the Member for Amber Valley by endorsing the contribution made to the House by our former colleague and paying tribute to the passion and humour that he brought to the causes for which he fought.

I assure the House that the Government make their opposition to the seal hunt known to the Canadian authorities on a regular basis. We maintain an active interest in issues surrounding conservation and sustainability, animal welfare and control of the trade in seal products. I met Mark Glover and Nicky Brookes from Respect for Animals, together with their colleague, Rebecca Aldworth from the Canada section of the Humane Society of the United States, on 15 June last year, and we had an informative exchange on these subjects. Officials from the Foreign Office have since had regular contact with both organisations. I am aware of the results of the opinion poll conducted on behalf of Respect for Animals on attitudes towards the seal hunt in the UK, to which my hon. Friend referred and which

clearly indicate that a majority of the people interviewed for the survey believe that the hunt should not be allowed to continue. Almost three quarters were in favour of a ban on seal products in the UK.

The UK and Canada have common traditions and attitudes. We share close historical links and a strong relationship, which involves working together in a number of international forums. Canada is a liberal country with values similar to ours. The association between Canada and seal clubbing clearly does the reputation of Canadians no good at all. We hope that they will recognise that soon and end all commercial seal hunting. We will continue to press the Canadian Government on that issue. As hon. Members are aware, the hunt focuses on two main species—the harp seal and the hooded seal. The Canadian Government argue that the commercial seal hunt quota is based on sound conservation principles to maintain a sustainable seal population. They state, too, that the hunt provides valuable income to a large number of sealers and their families in Eastern Canada. They argue that the harp seal population has almost tripled since 1970 and their most recent estimate puts the north-west Atlantic stock of harp seals at 5.9 million animals. As my hon. Friend said, the Canadian seal hunt is regulated by quotas set by the Canadian Government and based on the total allowable catch—TAC in the terminology of the fishing industry—which hon. Members may find inappropriate or offensive given what happens in the hunt. The TAC for 2003–05 was set at 975,000 harp seals to meet the Canadian Government's plan to reduce the current population of harp seals from 5.9 million to 4.7 million by 2006.

Judy Mallaber: Have the Minister's civil servants looked at the study by Professor Stephen Harris, which contests the Canadian Government's modelling and casts serious doubt on the size of the seal population and the diversity of stock?

Ian Pearson: I am well aware of those different views, which is why I made it clear that the estimate was made by the Canadian Government, who believe that the hooded seal population is 470,000. A new population survey was conducted last year, but the results are not yet available. The 2006 TAC for hooded seals is 10,000, and the figure has been set at that level for a number of years. With respect to hooded seals, however, it is our understanding that a total of only about 500 have been taken in Canada since 1999.

Mr. Eric Martlew (Carlisle) (Lab): My hon. Friend the Member for Amber Valley (Judy Mallaber) made a brilliant speech. Is my hon. Friend the Minister aware of the strength of feeling on the matter among hon. Members? If the Belgians and the Italians, who are also members of the European Union, have introduced a ban, why cannot the Minister announce tonight that Britain will do the same?

Ian Pearson: I shall come to that in a moment.

The methods used in hunting seals have long been mired in controversy. Canada's Royal Commission on Seals and Sealing found that those methods compared favourably to those used to kill any other wild or domestic animal. Despite that, it is alleged that thousands of seals are killed each year inhumanely. Respect for Animals claims that in 2005, 40 per cent. of the seals were skinned while still alive.

The Canadian Veterinary Medical Association claims that 98 per cent. of seals taken during the seal hunt are killed in an acceptably humane manner. Even if that figure is accurate—it is the subject of much dispute—this still means that a significant number of animals are not killed effectively. We fully support continued attention being paid by the veterinary profession to the conduct of the seal hunt. If seal hunts are to continue, it is vital that the Canadian Government closely regulate and monitor the hunt to ensure that no seals suffer improper treatment or are killed inhumanely.

My hon. Friend the Member for Amber Valley referred to the European seals directive, which was introduced in 1983 and extended in 1989 prior to the entry into force of the World Trade Organisation agreement on 1 January 1995. As she knows, it protects harp and hooded seals from over-exploitation but requires member states only to prohibit the commercial importation of skins and other listed products of certain harp and hooded seal pups. The prohibition, rightly, does not apply to seal products resulting from traditional hunting by the Inuit people, as it recognises that that forms an important part of their traditional way of life and economy and does not have a negative impact on seal populations.

Mr. Newmark: Will the Minister give way?

Ian Pearson: If the hon. Gentleman will forgive me, I have only a few minutes in which to answer questions on the legal matters raised by my hon. Friend the Member for Amber Valley.

The seals directive was transposed into UK legislation by means of the Import of Seal Skins Regulations 1996. The regulations prohibit the commercial importation of raw, tanned or dressed furskins, and other products from whitecoat harp and blueback hooded seal pups. I should explain that a whitecoat pup is a harp seal up to approximately two and a half weeks old, and a blueback is a hooded seal up to approximately 16 months old. As my hon. Friend pointed out, the issue is that sealers wait longer than two and a half weeks and are then free to take the animals.

We are aware that a number of non-governmental organisations and members of the public are calling for an extension of the directive to cover products from all harp and hooded seals, not just whitecoat and blueback pups. However, the view of the European Commission is that there is currently no scientific basis to warrant an extension of the seals directive on conservation grounds. According to the International Union for the Conservation of Nature and Natural Resources' red list of threatened species, neither the harp nor hooded seal species are classified as endangered.

We understand that there is evidence that ice conditions this year in the Gulf of St. Lawrence are extremely poor, and that a recent ice map of the area compared to the same time last year shows considerably less ice, which is generally thin and broken up. This is cause for concern and we will continue to monitor the situation closely.

My hon. Friend mentioned the situation in Belgium. It is my understanding that the Belgian Government have introduced a licensing requirement for the

[Ian Pearson]

importation of seal, cat and dog fur products, but that is not a ban on the importation of seal products; it merely imposes a requirement to apply for a licence on anyone wishing to import such an item. They have a royal decree that proposes to introduce a labelling requirement for cat, dog and seal fur products, but it is still at a fairly early stage. I have asked officials to look into the approach that is being adopted in Belgium. It appears, however, that the Belgian Government have concerns about whether a ban could be justified under both European Union and World Trade Organisation rules. I shall talk to officials about the matter.

My hon. Friend raised the question of the legal opinion commissioned by Respect for Animals and the International Fund for Animal Welfare on the EU member state ban on the importation of seal products and its compatibility with the WTO agreement. I have seen the opinion. I am not legally qualified, and it is currently being considered by officials. We acknowledge that there are arguments both for and against WTO compatibility of any extended important ban. As the opinion itself notes, determining WTO compatibility would turn on the nature and scope of the precise measures. I am happy to have further dialogue with hon. Members, NGOs and interested parties on the legal opinion.

Judy Mallaber: Does my hon. Friend accept that the civil servants and lawyers will keep on at him, telling him that there are legal arguments why he cannot do it, and that at some time we must grasp the nettle, go ahead and do it? They will argue him into the ground; that is what will happen.

Ian Pearson: Let me respond directly to my hon. Friend by giving her my commitment that I will talk to civil servants about the legal opinion and that I am very happy to have meetings with her and NGOs on the issue, and fully to explore it and see what can be done.

The Government take every appropriate opportunity to remind the Canadians of our opposition to the hunt. I assure the House that we will continue to review the options for tighter restrictions or a ban on trade in seal products in the light of the legal opinion and issues of sustainability, conservation and animal welfare.

The motion having been made after Ten o'clock, and the debate having continued for half an hour, MADAM DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at twenty-eight minutes to Eleven o'clock.

House of Commons

Wednesday 15 February 2006

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WALES

The Secretary of State was asked—

Drugs Approvals

1. **Jenny Willott** (Cardiff, Central) (LD): What recent discussions he has had with the Secretary of State for Health about the impact on health services in Wales of the process for approving new drugs. [50375]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): My right hon. Friend regularly meets Cabinet colleagues and discusses a range of issues, including health. Health matters are devolved to the National Assembly. The Assembly Government have to be satisfied of the safety and efficacy of new drugs and weigh the optimum use of resources in different prescribing choices.

Jenny Willott: Given that more than 40,000 people in Wales suffer from dementia and that four clinically proven drugs that have successfully treated the symptoms of Alzheimer's have been available for several years, does the Minister share my concern that National Institute for Health and Clinical Excellence withdrew the drugs solely on the ground of cost and thus ignored any consideration of quality of life? Will he get assurances from the Department of Health that NICE will co-operate fully with the Assembly's review of the drugs approval process?

Nick Ainger: The advice that NICE gives is not based purely on cost—far from it. It is based on the total efficacy of a drug. In 2001, based on the information that was available at the time, NICE issued guidance saying that Aricept was suitable for prescription and an effective drug. However, further information has been provided over the past four or five years, so NICE has reviewed its advice. That is its job. It must use the best evidence available. There clearly was not a great deal of evidence at the time at which the decision was taken, but there is now more evidence. It is vital that we get the best resources from our investment in the NHS, and NICE must deal with such issues.

Hywel Williams (Caernarfon) (PC): Will the Minister talk to his colleagues in the Scotland Office and the Scottish Parliament because I understand that the process for approving drugs in Scotland can take as little time as a few weeks, rather than the many months that NICE takes? If he finds, as I suspect that he will, that the Scottish model is superior, will he write to Welsh Members to give them his findings?

Nick Ainger: As the hon. Gentleman may well know, Brian Gibbons, the Minister for Health and Social Services in Wales, is doing such work now. The matter was raised during a recent debate on Herceptin because it appears that the Scottish Medicines Consortium can undertake an analysis of the effectiveness of a drug somewhat more quickly than NICE. Brian Gibbons is holding discussions with his colleagues in the Scottish Executive for the All Wales Medicines Strategy Group to find out whether they can work together to ensure that we get the right decision as quickly as possible.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): After the brave Assembly protest by Jayne Sullivan over Herceptin, the judgment this morning that a primary care trust was right to deny the drug to a patient, and the Health Secretary's confusing statement that PCTs should not reject prescribing Herceptin for early-stage breast cancer on the ground of cost, will the Minister agree to press his Labour colleagues in the Department of Health and the Assembly to sort out the confusion over the prescribing of the drug because this vital matter affects all breast cancer patients in England and Wales?

Nick Ainger: The judgment has supported the advice of the Secretary of State that every case should be judged on its merits. That is the current position and I am sure that the Department of Health will reinforce it. Doctors can choose to prescribe unlicensed drugs, such as Herceptin, if, after considering a patient's medical history, they feel that their clinical needs can be best met by using it. The Secretary of State for Health has made it clear that PCTs in England—I am sure that Brian Gibbons in Wales agrees with this—cannot refuse to pay for a drug on the ground of its cost. Each case must be judged on its merits, with a consideration of strong clinical evidence. The drug still has not been licensed for treating early-stage breast cancer and the drug company has not even made an application to the European Agency for the Evaluation of Medicinal Products. I hope that Roche will make that application as soon as possible so that the processes can be gone through as quickly as possible.

Policing

2. **Mr. Elfyn Llwyd** (Meirionnydd Nant Conwy) (PC): When he last met the Secretary of State for the Home Department to discuss policing in Wales. [50376]

The Secretary of State for Wales (Mr. Peter Hain): My right hon. Friend and I both believe that an all-Wales strategic force is the most effective way of delivering a safe and secure Wales against threats such as terrorism, serious and organised crime and drug trafficking.

Mr. Llwyd: I thank the Secretary of State for repeating that mantra. Given his spectacular refusal to stand up for the Welsh police authorities and the people of Wales, can he envisage any circumstance whatever in which he would be prepared to argue against Government policy in the best interests of the people of Wales?

Mr. Hain: I am arguing for Government policy in the best interests of the people of Wales. The hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) does not seem to be interested in the security of the citizens of north Wales and the rest of Wales. It is not a matter of political mantra. He is defying the recommendation of Her Majesty's inspectorate of constabulary that police forces need to be reorganised and that there should be an all-Wales force to tackle essential problems such as global terrorism and serious and organised crime. We simply do not have the capabilities—

Mr. Llwyd *indicated dissent.*

Mr. Hain: The hon. Gentleman shakes his head. We do not have the capabilities in north Wales or the rest of Wales to deal with those new problems. The modern criminal uses sophisticated procedures and techniques, and without a Wales police force that has the capabilities to tackle that we will be neglecting the security not only of his constituents, but of all the people in Wales. That is not only my view; it is the view of the police. He should recognise that he is arguing against the police view and not just the Labour Government's view.

Albert Owen (Ynys Môn) (Lab): The HMIC report stresses the importance of security, in particular port security, yet in terms of the port of Holyhead in my constituency and of Mostyn, the recent settlement refers to cutting back on port security to the tune of £150,000, which the chief constable and the police authority say will have to come out of local community policing. Will my right hon. Friend meet the Home Secretary to ensure that port security is given priority now and in any future merger?

Mr. Hain: I share my hon. Friend's concern. I met the Home Secretary yesterday to discuss precisely that matter, and today I asked the chief constable of North Wales for his assessment. The example my hon. Friend gives reinforces the case for precisely the reorganisation for which we are arguing. To compensate, there is to be a reduction in resources for neighbourhood policing, whereas if North Wales, through an all-Wales police authority, had the capabilities to deal with the new threats—in this case, drug trafficking through the port of Holyhead—it would not have to take away resources from the neighbourhood level. That is precisely what the reorganisation is all about.

Lembit Öpik (Montgomeryshire) (LD): Since Labour came to power, the average band D council tax charge in Wales has increased by 85 per cent. Now, we learn from the Welsh Social Justice Minister, Edwina Hart, that police reorganisation would further increase headline council tax charges in south Wales by 3.5 per cent., because of the differential costs of policing in north and south Wales. Will the Secretary of State explain whether abolishing the four police forces will mean that south Wales is made to pay more, or that north Wales has a less-well-funded police service? It is self-evident that the levelling process demands the one or the other.

Mr. Hain: I have discussed that very matter with the chief constable of North Wales and it is not clear that that would be the case—*[Interruption.]* In that case, in saying that there is no solution to the problem, the hon. Gentleman is disagreeing with the chief constable of North Wales. I suggest that he discusses the matter with the chief constable. The Home Office is considering it now.

We return to the central point that I put to the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), with whom the hon. Member for Montgomeryshire (Lembit Öpik) appears to be siding. Are the Liberal Democrats serious about the security of the people of Wales, or not? That is the issue—

Lembit Öpik: Nonsense.

Mr. Hain: The hon. Gentleman says that that is nonsense, but every chief constable recognises that something has to be done. The former Chief Constable of the Royal Ulster Constabulary, Ronnie Flanagan, says that the present arrangements in Wales are not sufficient to deal with security threats to the people of Wales. We have Plaid Cymru, the Liberal Democrats and, I think, the Conservatives, too, opposing the security interests of the people of Wales—what a terrible position to be in.

Paul Flynn (Newport, West) (Lab): Is it not a fact that the majority of the people of Wales have rejected that incoherent, uncosted shotgun wedding? When someone suggests that opposing it means that we increase the risk of terrorism in Wales, is that not just cheap, vacuous, desperate scaremongering?

Hon. Members: Answer.

Mr. Hain: I am about to provide an answer to my hon. Friend—one that comes from the lips of his own chief constable. The chief constable of Gwent said:

> "We have more chance to give the public a policing service it desires by looking at the efficiencies of merging the four forces than we have as four forces standing alone."

Despite my hon. Friend's rhetoric, unless we undertake reorganisation, our police officers in Gwent, north Wales and across Wales will not have the capabilities that the inspector of constabulary, who is not a politician, says that we need to deal with modern forms of threat to our security, including terrorism. If my hon. Friend wishes to ignore that, that is his decision, but I will not do so. As Secretary of State for Wales, I provide the leadership that the Government need to provide to improve security for our citizens.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I shall give the Secretary of State another chance to answer the question that the hon. Member for Montgomeryshire (Lembit Öpik) asked. Twice at the Dispatch Box, the Secretary of State has failed to answer

the question when asked of how much the police mergers will cost taxpayers in Wales. Edwina Hart, the Social Justice Minister in the Assembly, said that in south Wales there will be increase in the precept of 17 per cent. and that council tax bills will increase by 3.5 per cent. Why does she have the figures on a non-devolved matter, but the Secretary of State does not?

Mr. Hain: I do not agree with those figures, whoever supplies them. The hon. Lady has not taken account of the fact that up to £50 million will be made available by the Home Secretary for police reorganisation in the coming year, and £75 million the following year. Indeed, the police forces of Wales have, in their own assessment, said that over the years savings will be made as a result of reorganisation.

It is time that the Conservatives ended their opportunism on the future security of Wales. They played fast and loose with our jobs, our health services and our schools in Wales when they were in power. Now that they are in opposition they are playing fast and loose with the security of Wales.

Welfare Benefits

3. **Julie Morgan** (Cardiff, North) (Lab): What discussions he has had with the Minister for Social Justice and Regeneration in the Welsh Assembly Government on the provision of expert advice for people with welfare benefit problems. [50377]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I have regular discussions with the Social Justice Minister in the Welsh Assembly Government on a wide range of issues of mutual interest, including access to advice for people with welfare benefit problems.

Julie Morgan: I thank my hon. Friend for his reply. What can he do to stop the closure of the Welsh specialist support service by the Legal Services Commission? The service provides advice on welfare benefits, debt and housing to advisers, citizens advice bureaux and solicitors, offering the expert advice that poor and vulnerable people need and deserve.

Nick Ainger: I congratulate my hon. Friend on her interest in the issue and I read carefully the Adjournment debate that she secured on 2 February. I can assure her that the community legal service, which gives advice to about 11,000 people in Wales, will continue to play a vital role. The proposals to change the funding of the specialist service would not cut legal aid, but would refocus £2.9 million on front-line services in England and Wales. As she knows, the Under-Secretary of State for Constitutional Affairs, my hon. Friend the Member for Lewisham, East (Bridget Prentice), is keeping a close eye on the issue. If there are serious problems, as my hon. Friend the Member for Cardiff, North (Julie Morgan) believes, I am sure that they will be addressed. However, if she wishes to raise any issues with me, I am happy to take them up with the Department for Constitutional Affairs.

Mr. David Jones (Clwyd, West) (Con): With fewer and fewer legal firms undertaking legal aid work, increasing numbers of disadvantaged people are turning to citizens advice bureaux for legal advice. CABs frequently do not possess sufficient legal expertise to advise on more complex legal problems. How does the Minister propose that CABs should obtain the specialist advice that they currently receive from the specialist support service?

Nick Ainger: To answer the hon. Gentleman directly, the Legal Services Commission has met practitioners and the specialist advice service that previously received funding and which can bid directly for the new money for the front-line services. We will ensure that there is a first-stop shop so that individuals with welfare benefit problems can receive specialist advice on their initial approach, rather than later in the process. That is the thinking behind the proposals, and we have moved that £2.9 million from the specialist services to the front-line so that individuals can access such advice when they make their initial approach.

Mrs. Betty Williams (Conwy) (Lab): In view of that reply, is my hon. Friend aware that the Legal Services Commission did not consult appropriately with the Welsh Assembly Government or practitioners in Wales before that harsh decision was taken? We are bombarded with telephone messages and e-mails from citizens advice bureaux across Wales complaining about the way in which the whole matter has been handled.

Nick Ainger: I know that my hon. Friend made those points during the Adjournment debate of my hon. Friend the Member for Cardiff, North (Julie Morgan). We are moving from the specialist services currently provided as a second tier on to the first tier, so that when people go to a CAB they will be able to access specialist advice much earlier. However, as I said to my hon. Friend the Member for Cardiff, North, if there are specific issues affecting Wales directly, I am more than happy to take them up with the Department for Constitutional Affairs.

Liquefied Natural Gas Terminals (Milford Haven)

4. **Mr. Stephen Crabb** (Preseli Pembrokeshire) (Con): What discussions he has had with Ministers in the Welsh Assembly Government on liquefied natural gas terminals at Milford Haven. [50378]

The Secretary of State for Wales (Mr. Peter Hain): The two LNG terminals are vital to address a series of energy supply problems and will be a major economic boost to the region.

Mr. Crabb: As the Secretary of State knows, his colleague the Home Secretary came down to Pembrokeshire last April and made a specific promise, namely, that

"the government will certainly meet the costs necessary to address the social consequences"

arising from the massive LNG projects. Given that not one single extra penny has yet been forthcoming from the Treasury or from the National Assembly to address the additional impact on local planning, local housing,

transport and other key public services, will the Secretary of State today make good that promise to Pembrokeshire and ensure that local public services get the additional support that they need at this critical time?

Mr. Hain: I think that I am right in saying that the Home Secretary spoke specifically about any extra policing needs. As far as I am aware, there are no extra policing needs. The hon. Gentleman welcomed the project. In his press release on 22 November, he stated:

"What we are now seeing in the County is a clear 'LNG effect' with unemployment falling and new jobs being created."

However, he is right to say that particular stress has been put on the local housing sector. The Assembly Government are working with Pembrokeshire county council to try and address that. It is a temporary problem caused by the huge influx of construction workers, although 80 per cent. of local construction needs on those projects are provided by local labour.

Adam Price (Carmarthen, East and Dinefwr) (PC): Given that the pipeline from the terminal will, I believe, go through the right hon. Gentleman's constituency and mine, is he aware of the two serious explosions that have occurred on LNG pipelines over the past two years in Belgium and Nigeria, both of which involved large scale fatalities? Is he absolutely satisfied that the proposed route will pose no such risks to his constituents or to mine?

Mr. Hain: I am. Indeed, the record of gas pipelines in the United Kingdom is extremely good. I would not take Nigeria as an advert for safety of anything. Although there are particular issues—for example, in the village of Cilfrew in my constituency—about where exactly the pipeline is sited, the hon. Gentleman knows the enormous strategic benefit to Wales and the rest of the UK of the project and the extra gas that will be brought in, providing about 20 per cent. of UK gas needs.

Bovine Tuberculosis

5. **Mr. Henry Bellingham** (North-West Norfolk) (Con): What plans he has to discuss bovine tuberculosis with the Welsh Assembly Government. [50380]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I discussed bovine TB control measures with the Assembly's Minister for Environment, Planning and Countryside when I last met him on 12 December 2005.

Mr. Bellingham: The Minister knows that anything to do with badgers is highly emotional. We all have childhood memories of badger toys, often known as Brock. Are the Government any nearer to finding a system of restricting any proposed cull to infected badgers? What everyone wants is a healthy herd of cattle and healthy badgers.

Nick Ainger: In Wales we have the Wales TB action group, which consists of the state veterinary service Wales, the Wales Young Farmers clubs, the farming unions in Wales, the Royal Society for the Prevention of Cruelty to Animals, the Countryside Council for Wales, and Wales Environment Link. They have given advice and recommendations to Carwyn Jones, the agriculture and rural affairs Minister. As in England, pre-movement testing is to be introduced, as well as changes in the compensation regime. In Wales, we will test all road-kill badgers to try and establish exactly where the hot spots are. That will inform further studies so that if we move to a cull, it will be in clearly defined areas. I hope that that reassures the hon. Gentleman.

Ian Lucas (Wrexham) (Lab): Will my hon. Friend assure me that the matter will be dealt with on a considered and rational basis? Is he aware that there is grave disquiet in the scientific community about proceeding on the unproven assumption that there is a link between the badger population and the increase in bovine TB?

Nick Ainger: The Wales TB action group will provide informed advice to the Minister before any decision is taken to cull any badgers anywhere in Wales.

Mr. Roger Williams (Brecon and Radnorshire) (LD): The Department for Environment, Food and Rural Affairs and the Welsh Assembly—*[Interruption.]*

Mr. Speaker: Order. The noise is unfair on the hon. Gentleman.

Mr. Williams: Thank you, Mr. Speaker.

DEFRA and the Welsh Assembly have failed to set out guidance on how livestock markets should operate when pre-movement testing for TB is introduced. Will the Minister use his good offices to ensure that DEFRA and the Assembly make those conditions clear? The matter is important to Brecon market, which will sell at least 1,000 cattle a month in the next few months. In particular, will it be possible to mix cattle under 15 months, which do not require pre-movement testing, and cattle over 15 months, which do, and sell them together?

Nick Ainger: The hon. Gentleman has made an interesting point. I will get a detailed response from the Assembly on the guidance to livestock markets. Many people believe that the failure to carry out pre-movement testing allows TB to move around the country. After foot and mouth, there was a large influx of cattle into Cumbria, which now has a significant TB problem that it did not have before.

Royal Shrewsbury Hospital

6. **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): If he will meet the Secretary of State for Health to discuss the burdens on Royal Shrewsbury hospital arising from cross-border patient flows from mid-Wales. [50381]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): My right hon. Friend regularly meets Cabinet colleagues and discusses a range of issues.

Daniel Kawczynski: I thank the Minister for that response, of sorts. The Royal Shrewsbury hospital has had quite a few chief executives over the years, but they all say that the hospital loses between £2 million and £3 million every year in subsidies to patients from across the border in Wales—the Welsh Assembly pays less per patient than English authorities. What is he going to do about it?

Nick Ainger: I assure the hon. Gentleman that an agreement is in place between Powys local health board, which provides patients to the Royal Shrewsbury hospital, and the hospital, where the chief executive has told us that there is not a problem. This is the second time that the hon. Gentleman has complained that patients from Wales cost his trust a lot of money. On 16 December, however, he wrote to the Assembly seeking an assurance that more patients will come to the hospital in order to protect services in Shrewsbury. I am pleased that he recognises the benefits that Welsh patients provide to the Royal Shrewsbury hospital.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): The decision-making process on drugs such as Humira, which involves the National Institute for Health and Clinical Excellence and the All Wales Medicines Strategy Group, is now so convoluted that a Welsh patient lying next to an English patient in hospital would not get the same treatment for an identical condition. How can that be right, and what steps will the Minister take to ensure that Welsh patients are not disadvantaged in the future?

Nick Ainger: Well, that is news to me—I am staggered by that claim. As I have said, Welsh patients are supporting services in English hospitals. The hon. Member for Shrewsbury and Atcham (Daniel Kawczynski) recognises that point, because it is important for health services in his area that patients continue to travel into England from Wales.

Private Sector Investment/Employment

7. **Mark Tami** (Alyn and Deeside) (Lab): What recent assessment he has made of the level of private sector investment and employment in the Welsh economy. [50382]

The Secretary of State for Wales (Mr. Peter Hain): The private sector in Wales is thriving. Government policies have resulted in close to record employment in Wales, with 119,000 more people in jobs than in 1997. The private sector accounts for approximately three quarters of all jobs in Wales.

Mark Tami: My right hon. Friend will be aware of the success of the Deeside industrial park, which has more than 140 companies employing more than 7,000 people. If we are to build on the success of that site, we must not only expand it but improve the infrastructure, which means improving the Wrexham-Bidston line in particular.

Mr. Hain: My hon. Friend makes a good case. He agrees that his entire region has been transformed under this Labour Government, with massive new investment, huge numbers of new jobs and a booming economy, in contrast to the Tory record. The Conservatives have put the right hon. Member for Wokingham (Mr. Redwood) in charge of economic policy. If he wrecks their economic policy as much as he wrecked Wales when he was Secretary of State, he will do us all a great favour.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [51587] **Paul Rowen (Rochdale)** (LD): If he will list his official engagements for Wednesday 15 February.

The Prime Minister (Mr. Tony Blair): Before I list my engagements, I am sure that the whole House will join me in congratulating the right hon. Member for Witney (Mr. Cameron) on the birth of his son yesterday. We wish him and his family well.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Paul Rowen: The Leader of the Opposition has offered the support of his party to get the Government's education Bill through the House. Is the Prime Minister aware that Labour is in coalition with the Conservatives in Rochdale? Can he envisage such a thing happening here?

The Prime Minister: I do not need to envisage that but can tell the hon. Gentleman as a fact, that, thanks to the Labour Government, we are spending an extra £1,500 per pupil in his constituency, with more teachers, more teaching assistants and greater investment in schools. The results are up as well. The Labour Government are doing a good job, and I thank him for giving me the opportunity to say so.

Sir Peter Soulsby (Leicester, South) (Lab): In case the Prime Minister finds himself momentarily concerned by the recent Dunfermline and West Fife by-election result, may I ask him to cast his mind back barely 18 months to the similar by-election result in Leicester, South? If he does, he will note the same swing against the Government, the same media predictions of disaster, the same devastation to the Tories, and the same temporary jubilation on the Lib Dem Benches. Will he join me in looking forward with confidence to the same outcome at the next general election?

The Prime Minister: We certainly hope that that result will be repeated.

Mr. William Hague (Richmond, Yorks) (Con): I thank the Prime Minister for his good wishes to my right hon. Friend the Member for Witney (Mr. Cameron) and his family, which I will convey to him.

For the first time in history at Question Time, all three parties are represented by a stand-in for the real leader.

Does the Prime Minister agree with his former Home Secretary that there was a "deep reluctance to act on the information coming out of Abu Hamza's own mouth"?

The Prime Minister: No, I do not agree that there was a reluctance on the part of the services to act. It is important to realise that the services felt that it was only when they raided the home of Abu Hamza in May 2004 that they had sufficient evidence under existing law to prosecute with success. That is, of course, their decision.

The point that I would make to the right hon. Gentleman, and to his hon. Friends who have been asking why action was not taken earlier, is that it is precisely because we want to take action earlier that we need the legislation before the House today. With the greatest of respect to the right hon. Gentleman, I hope that he understands that he and his colleagues will vote for something today that would significantly dilute and weaken the provisions that attack glorification, which are vital if we are to defend this country successfully against the likes of Abu Hamza.

Mr. Hague: Would not it be better to have a watertight law designed to catch the guilty rather than a press-release law designed to catch the headlines? The Home Secretary said on the radio this morning that he wanted to deal with those who exalt terrorism to try to get young men to behave in an unacceptable way. The Lords amendment, which we support, would create an offence of

"describing terrorism in such a way that the listener would infer that he should emulate it."

Why does the Prime Minister continue to posture on the matter when he could have cross-party agreement, in accordance with the Home Secretary's wishes?

The Prime Minister: Let me go straight to the substance of the issue and explain why I disagree profoundly with the right hon. Gentleman. First, if we remove "glorification", we send out a massive counterproductive signal. It is a word that members of the public readily know and understand and that juries would understand. It is in the United Nations resolution, and removing it would send completely the wrong signal.

However, there is another point, on which the right hon. Gentleman touched. Let me explain why I disagree so strongly with the position of the Conservatives and Liberal Democrats. He mentioned the terms of the amendment that he will support, which is about "the listener". It does not cover written statements or images. In other words, it may deal with a sermon but not a placard. It would be incredible at this moment, after what has happened in the past few weeks, if we were to dilute the proposed law in that way.

As for political press releases, let me remind the right hon. Gentleman that he has been writing in the *News of the World*—perfectly understandably—in the past few months. His basic case has been that the Government have not been tough enough. Let me quote what he wrote a short time ago:

"Tony Blair is always telling us to be strong on the war on terror, but there's no point being tough the world over if we can't arrest people in our own backyard."

That is what he says in the *News of World*. What he will vote for today is precisely the opposite.

Mr. Hague: What kind of message does it send when someone such as Abu Hamza is at liberty to encourage murder and racial hatred for years on end, as happened under the Government? What sort of message does it convey when the Prime Minister wants to send signals, but people were on the streets two weeks ago inciting violence and murder, and no one has yet been arrested? The Government have let Abu Hamza preach hatred for seven years but have arrested people who heckle the Foreign Secretary at the Labour party conference. There are old powers that the Prime Minister will not use and new powers that we have seen abused.

It is the opinion of all decent lawyers—the Prime Minister should ask one; he probably has one at home—that the Lords amendment that we support covers more than written statements. That should put his mind at rest. Is not it the case that proper enforcement of existing laws and careful consideration of new ones would be better than the current brand of ineffective authoritarianism?

The Prime Minister: I am sorry but, as ever with the right hon. Gentleman, the jokes are good but the judgment less so. Let me explain exactly why he is wrong. The words in the amendment that he and the Liberal Democrats support—I hope that his hon. Friends realise this—refer to "the listener". That does not cover images, placards or written statements. Supporting that would significantly weaken our ability to prosecute the very people about whom he complained on television a couple weeks ago.

That is not all that the Conservatives have done to weaken the legislation. They would also change the wording of the test from there being an offence if the

"public could reasonably be expected to infer"

to "would infer", thus imposing on the prosecution a subjective test, which is harder to prove.

Furthermore, the right hon. Gentleman, all the Conservatives who will vote for the relevant amendment and the Liberal Democrats, would remove any reference to glorification in the proscribed groups. That would significantly weaken our ability to proscribe groups that glorify terrorism. Hon. Members must understand that, if we remove any reference to glorification from the Bill, people outside will infer that we have decided to dilute our law at the very moment when we should strengthen it and send a united signal that we will not tolerate those who glorify terrorism in our country.

Geraldine Smith (Morecambe and Lunesdale) (Lab): More than 100 cancer patients now receive the licensed drug Tarceva, but Morecambe Bay NHS Primary Care Trust refuses to prescribe it to a cancer sufferer in my constituency, Paul Bould, despite the fact that his consultant feels that it could help to prolong his life.

Who does the Prime Minister believe should make these life-or-death decisions? Should it be Paul Bould's doctor or an NHS manager?

The Prime Minister: Of course my hon. Friend is right to suggest that it should be clinicians who take those decisions. I will look into the specific issue that she has raised, which I was obviously not aware of, and I will write to her about it. Of course, we want to give everyone the drugs that can help to prolong their lives. That is why there has been a massive expansion in the number of people receiving them under this Government, for both cancer and cardiac care, but it is important to ensure that this is done in the most effective way. I will look into the situation of the person my hon. Friend has mentioned.

Sir Menzies Campbell (North-East Fife) (LD): I associate myself and my right hon. and hon. Friends with the expressions of congratulation that the Prime Minister gave to the right hon. Member for Witney (Mr. Cameron). Would the Prime Minister like to take the opportunity to welcome another new arrival, namely my hon. Friend the Member for Dunfermline and West Fife (Willie Rennie)? If the Prime Minister has any tips on how my hon. Friend should deal with his new constituent, the Chancellor of the Exchequer, I should be very happy to pass them on.

Rather than creating ambiguous and controversial offences such as the glorification of terrorism, should not the Government introduce the effective and practical measure of permitting the use of telephone intercept evidence in our courts, so that we may bring suspected terrorists to trial?

The Prime Minister: As the right hon. and learned Gentleman knows perfectly well, the reason why there is a debate over intercept evidence is the view of the security services—not held throughout our law enforcement services—that allowing intercept evidence would damage our ability to prosecute terrorists or those involved in organised crime. That is the reason for it; it has nothing to do with civil liberties or a desire not to take action.

I suggest that the right hon. and learned Gentleman has mentioned this matter because he does not want to face up to what he and his colleagues are going to do today. The term "glorification" is easily understood by members of the public and by juries. They know exactly what it is, and they know exactly what signal we should send out if we removed any reference to it from the legislation today. The right hon. and learned Gentleman and his hon. Friends should think again. By weakening our law on terrorism at this time from what was proposed, we would send the wrong signal to the whole of the outside world, and we would do no service to those in the police and the law enforcement agencies who are desperately anxious to get on with the job of prosecuting people.

Sir Menzies Campbell: If the Prime Minister thinks that everyone understands the meaning of "glorification", he should look at the definition in the Bill, which is opaque, to say the least.

Telephone intercept evidence is used in almost every other European country, and the problems that the Prime Minister describes can be addressed by adequate safeguards. If that is good enough for them, why is it not good enough for us?

The Prime Minister: For the very reasons that our security services have given. I know exactly why the right hon. and learned Gentleman has raised this issue: he wants to divert attention from the actual issues in the Bill. That is obvious to everyone. Let us be quite clear that this is not only about the Conservatives and the Liberal Democrats combining to take "glorification" out from the offence; it is also about taking out any reference to glorification from the list of proscribed groups. That would mean that we could not proscribe people who were glorifying terrorism, unless it could be proved that they were actively inciting terrorist acts. We have to send a clear message to those groups that that type of behaviour is not tolerated in this country. There is freedom of speech, but it should be exercised responsibly.

Q2. [51588] **Mark Tami** (Alyn and Deeside) (Lab): My right hon. Friend recently had a bad experience flying, or trying to fly, on an out-of-date American aircraft. If he is considering a Blair force one, may I suggest that he looks for modern, reliable Airbus aircraft to operate it?

The Prime Minister: I thank my hon. Friend for that kind advice and pay tribute to all the Airbus employees who do such a marvellous job in his constituency and elsewhere. It is a remarkable example of European co-operation; 30 or 40 years ago, people would have found odd the idea of a European conglomerate being able to compete with Boeing, yet today, it not only competes but does so on equal terms and very effectively.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The Prime Minister will recall the manifesto commitment, and his personal promise in 1999, that anyone who wished to access NHS dentistry services would be able to do so by the end of 2001. It is now 2006, and there is one NHS dentist in north Wales. When, if ever, will the Prime Minister keep his promise?

The Prime Minister: The hon. Gentleman is right to draw attention to the huge problem that there is. I am afraid that the only answer is to hire more NHS dentists, which we are doing. We are bringing them in from wherever we can and increasing the number of dentistry places. Unfortunately, however, we cannot force dentists to go back into the national health service.

Q3. [51589] **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): Cast metal and other metal manufacturers in my constituency are reporting increases in energy prices of up to 50 per cent. for electricity and 300 per cent. for gas, which are considerably higher than those faced by their European counterparts. Will my right hon. Friend tell me what plans the Government have for creating a level playing field in energy costs and supplies for British manufacturing?

The Prime Minister: My hon. Friend is right to draw attention to this issue. Tomorrow, the European Commission will produce its interim report on the gas

and electricity markets. It is important that a level playing field across Europe is driven through, which is very much in our interests. Obviously, world energy prices have been rising. For the past decade, the UK has had lower energy prices than many other EU member states. It is correct that they have been rising over the past few months, however, and I entirely agree that it is in the interests of our country and the whole European Union that we both liberalise energy markets and create a level playing field for customers in the UK and elsewhere.

St. Kilda Nursing Home (Brixham)

Q4. [51590] **Mr. Anthony Steen** (Totnes) (Con): If he will make an official visit to St. Kilda nursing home in Brixham.

The Prime Minister: Again, I have no current plans to do so.

Mr. Steen: If the Prime Minister had come to St. Kilda's, he would have seen the importance of respite care for the 750,000 people who suffer from Alzheimer's and their carers. Is he aware that mental health trusts are closing down purpose-built respite and residential care facilities and forcing carers to find the money to pay for care that was formerly provided free under the NHS? Will such a facility no longer be provided by the national health service, and will such mental health patients have to find the money to be looked after by carers?

The Prime Minister: I join the hon. Gentleman in paying tribute to all those carers who work in nursing homes and look after people suffering from Alzheimer's and related diseases. Ultimately, however, as he will know, it must be for local services to decide how to configure such services within their budget. I understand that a proposal has been put forward for change in the area, and I know that that will be fiercely fought over, as such matters are. I hope that he will understand that, in this instance, it could not be right for central Government to intervene in how local services are provided.

Engagements

Q5. [51591] **Mr. Ian Davidson** (Glasgow, South-West) (Lab/Co-op): Will the Prime Minister reject any advice on the subject of the Dunfermline by-election proffered by the elderly toff opposite? Does he accept that the result was not a positive vote in favour of what remains a party of unprincipled opportunism but a vote from loyal Labour supporters indicating that they no longer wish to be taken for granted?

The Prime Minister: My hon. Friend makes his point very well.

Mr. Hague: When the Deputy Prime Minister said of local government last week

> "if you want to have a unitary then you can have a ballot, discuss it with the people, but if you want it, fine",

what exactly did he mean?

The Prime Minister: I think it is very, very clear. I am just surprised that the right hon. Gentleman cannot follow it.

Mr. Hague: We were hoping for an up-to-date translation, but what the Deputy Prime Minister seemed to be saying, in his own way—if I can help the Prime Minister on his own Government's policies—was that before any county or district council was abolished, all residents would be able to register their preference in a referendum. That would allow them to keep both the counties and the districts if they wished. Will the Prime Minister guarantee that wherever people vote to keep both counties and districts, they will indeed be retained?

The Prime Minister: As one who represents a seat in County Durham, where we have a county and districts and where this debate has been going on certainly for as long as I have been a Member of Parliament, I obviously consider it important for us to proceed by consulting people and ensuring that we take their wishes into account. I understand that we will publish proposals on exactly how that will be done in the coming weeks. There is of course a strong case for unitary authorities, which I happen to support in respect of my own county, but I am sure that many different views will be expressed in my constituency and that of the right hon. Gentleman.

Mr. Hague: I know it is a long time since I have asked the Prime Minister questions, but it seems even longer since we had an answer. Can he not now experience a deathbed conversion to democracy, as the Chancellor asked me to call it, and ensure that the people are listened to, that if they wish to retain their existing local government structures, they are allowed to do so, and that they are given an opportunity to end the drift to regional government that is unelected, unaccountable and utterly unwanted?

The Prime Minister: There is no need for a conversion to democracy in my case. I remember that the right hon. Gentleman and I stood in a democratic election in 2001, and I also remember the result.

We will of course consider carefully what is the best way of consulting people. I would point out that we had a referendum in respect of the regional government assemblies.

Q6. [51592] **Rosie Cooper** (West Lancashire) (Lab): My right hon. Friend will be aware of transport problems in rural communities such as my constituency. Will he join me in calling on Lancashire county council and private bus providers not to leave my constituents isolated and excluded from vital public services, including their hospital?

The Prime Minister: I entirely understand my hon. Friend's point, and her reason for raising it. We have provided substantial funds—about £1.4 billion a year in England over the past few years—and will provide further sums over the next few years, but I agree with my hon. Friend that buses are often the backbone of the public transport system. They are essential to tackling congestion, meeting environmental targets and indeed reducing social exclusion. I entirely understand why it is important for us to achieve the right balance between regulation and giving bus services the freedom that they need to operate effectively.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Prime Minister has been to Shrewsbury a number of times, so he will know that Royal Shrewsbury hospital is more than £29 million in debt. Will he give me a public assurance that that debt will not affect services and that there will be no cuts in staff and services at my beloved Royal Shrewsbury hospital?

The Prime Minister: Despite my connection with Shrewsbury, of which I know the hon. Gentleman is aware, I believe that it is important for all hospitals to live within their budgetary limits. He will know that health care services in Shrewsbury and elsewhere have received a massive budget increase for the years to come. They will receive further such rises, but, in the end, they must live within their means. As we are making very generous provision for hospitals, I do not think it unreasonable of us to say that there must be proper financial accountability.

I point out that although the hon. Gentleman did indeed win a seat at the last election, he stood on a platform of opposition to the huge investment that has been made.

Q7. [51593] **Tony Lloyd** (Manchester, Central) (Lab): The shooting of a police officer in Nottingham is further evidence that the culture of the gun in our society is still in the ascendant. Can the Prime Minister promise the House and the country that he will galvanise everyone, from the police to the courts, into conveying the message that those who own, carry and use guns will be detected and dealt with, and that penalties will accord with what the public believe to be the gravity of the crimes?

The Prime Minister: I totally accept the point that my hon. Friend makes and I know that he has campaigned long and hard on this issue over the years. We will all want to give our very best wishes to Miss Bown who was so wrongly and tragically shot in Nottingham yesterday, and to all her family. Let me also say, however, that since we introduced the law establishing a mandatory five-year sentence for the possession of firearms, I think that there has been an impact, but we need to do far more, particularly in relation to organised crime. Over the next few months, we will publish proposals on organised crime that will coincide with the introduction of the new Serious Organised Crime Agency. We need to introduce tougher laws, in the way that we have with antisocial behaviour legislation and, indeed, with terrorist legislation, that make it harder for these people to operate. Much gun crime is associated with drugs, illegal people trafficking and organised crime.

Q8. [51594] **Simon Hughes** (North Southwark and Bermondsey) (LD): Given that since Labour came to power, the average cost of a first home has risen from two and a half times income to more than four times income, and given that the number of people waiting to be housed has risen from 800,000 to 1,400,000, why is the Blair legacy on housing British people at a cost that they can afford so dreadful?

The Prime Minister: Great question. Let me explain to the hon. Gentleman that, of course, one reason why house prices have gone up is that we have had an immensely strong economy. One fortunate aspect of that is that the running of it has had nothing to do with the Liberal Democrats. Secondly, in London and elsewhere we have put a lot of money into trying to support first-time home buyers, and we are about to do a lot more. Over the next few years, we are going to help a lot of young people, particularly through shared equity schemes, to own a home for the first time. The hon. Gentleman is absolutely right to draw attention to the problem, but as ever, his solution is somewhat lacking.

Gordon Banks (Ochil and South Perthshire) (Lab): Does my right hon. Friend agree with me and many Members that the role played by the Bevin boys in the world war two was fundamental to ensuring the defeat of Nazi tyranny? Does he also agree that their role should be officially recognised in a way similar to that in which the role of our world war two combat veterans is recognised?

The Prime Minister: I am happy to consider what my hon. Friend has said, and there is no doubt that the Bevin boys played a huge part in defeating Nazi tyranny during the second world war. Our debt to them is one of the reasons why this Government decided that we had to take forward the miners' compensation scheme, which I know has brought help and relief to many thousands of families up and down the United Kingdom.

Q9. [51595] **Mr. Stephen Crabb** (Preseli Pembrokeshire) (Con): The Prime Minister is aware that two of the world's largest liquefied natural gas terminals are being built in my constituency immediately alongside two major oil refineries and the UK's largest fuel storage depot, which is three times the size of Buncefield. Cuts to my local fire service will soon leave Pembrokeshire without a single 24-hour fire station. Will the Prime Minister please urgently review this matter and ensure that the people of Pembrokeshire have adequate fire and rescue cover in future?

The Prime Minister: I am happy to look into the hon. Gentleman's point, but I have to say that it is obviously important that the fire services, like everyone else, live within their means and configure their services in the most effective way possible. Whatever amount of money we put in, there is always going to be a limit to it; decisions, however, have to be taken locally. I do not know enough about the individual circumstances of the hon. Gentleman's fire service, but I shall certainly look into them and write to him.

Huw Irranca-Davies (Ogmore) (Lab): Yesterday, people throughout the country celebrated Valentine's day, but for many, that day had a peculiar poignancy, given the launch in Wales and other parts of the UK of the campaign against domestic violence. During nine months of last year, more than 12,750 domestic violence cases were reported to the South Wales police alone, and they estimate that only 35 per cent. of such cases are actually reported. What more can we as a Government do to tackle domestic violence, and will my right hon. Friend support the role being played by my hon. Friend the Member for Bridgend (Mrs. Moon) in bringing a domestic violence court to Bridgend?

The Prime Minister: I cannot tell my hon. Friend exactly what we can do in relation to Bridgend, although

I shall be happy to look into it. However, he is right about domestic violence. To date, we have invested somewhere in the region of £70 million, and we will invest even more. We are also providing support for refuges, but I am sure that my hon. Friend will agree that it is very important that victims of domestic violence come forward and report it in ever larger numbers. I am pleased to say that the police service is handling such complaints a lot more sensitively. The incidence of domestic violence has not risen, but one reason for the increase in recorded violent crime statistics is that people are coming forward and reporting it to the police, who are recording it. That is beneficial. I assure my hon. Friend that we will continue to support the Corporate Alliance Against Domestic Violence, which was launched about a year ago. It is a very important signal that this Government and our country take domestic violence seriously.

Q10. [51596] **Mr. Nigel Waterson** (Eastbourne) (Con): Since I last raised the matter of my local national health service trust with the Prime Minister, matters have gone from bad to worse. Is he aware that there are proposals to close the maternity unit, the special care baby unit and the children's ward? No doubt other features of our local hospital are threatened. Bed blocking in the trust has soared to 100 beds.

The Prime Minister: It is also true, of course, that all the waiting times and waiting list targets have been met, but I agree that there are real problems in the health care organisation in the hon. Gentleman's constituency, where there is a very large deficit. However, it is important to recognise that we have to make sure that the vast additional investment that has gone in is subject to proper systems of financial accountability. We will work with the people organising health care in his constituency, but we cannot say, "Whatever your deficit, the Government will come and bail it out." The hon. Gentleman knows that health care in his area has received huge real-terms increases under this Government, far greater than anything put in by the previous Conservative Government, but the money has to be accounted for. If services in an area are not run properly and there is therefore a deficit, I am afraid that we have to tackle that problem. I do not think that it is responsible to suggest otherwise.

Points of Order

12.31 pm

Mr. Andrew Lansley (South Cambridgeshire) (Con): On a point of order, Mr. Speaker. Have you received any request from the Secretary of State for Health to make a statement to the House about the availability of Herceptin on the NHS? Many women across the country will have believed from previous statements from the Secretary of State that the drug would be available on the NHS, but today's court judgment makes it clear that the law and the Department of Health's policy is that its availability should be subject to a postcode lottery.

Mr. Speaker: The hon. Gentleman applied for an urgent question on this matter. I refused, and I gave no reason. I do not expect the argument to be pursued through a point of order. However, I remind him that there is health debate tomorrow, and he will be quite entitled to raise this very serious matter then.

Mr. Simon Burns (West Chelmsford) (Con): On a point of order, Mr. Speaker. I seek your advice and specific help. What can be done to stop the growing contempt that Government Departments display to hon. Members, with information that should be supplied to us in the form of written answers being given to journalists first? On 31 January, I submitted a priority, named-day written question about a constituency private finance initiative scheme. I received a holding answer. Yesterday, 11 working days later, I rang up the relevant Minister's office. The staff there were very helpful and provided me with my answer in the evening. You can imagine my amazement that it took so long to receive that reply, notwithstanding what it says in "Erskine May", and when I discovered that on Monday—the day before I received my answer—a journalist from the local *Essex Chronicle* had telephoned the Department of Health's press department, and asked exactly the same question. The answer was e-mailed to him on Monday afternoon, but I did not get a reply from the Minister to the same question until Tuesday. [HON. MEMBERS: "Oh."] I think that that is a gross abuse. What can you do, as the defender of Back Benchers' rights, to stop such abuses?

Mr. Speaker: I am grateful to the hon. Gentleman for raising this matter. I am very angry that information should have been given to a journalist before it was given to an hon. Member. The journalists in the House of Commons Press Gallery are looked after very well. They are given a great deal of information and have access to debates, the Order Paper and to statements, but they do not have rights before an hon. Member. That should be respected by Ministers and their Departments. I shall investigate this matter.

Hon. Members: Hear, hear.

Energy

12.35 pm

Dr. Desmond Turner (Brighton, Kemptown) (Lab): I beg to move,

That leave be given to bring in a Bill to establish a Renewable Energy Authority; to lay upon the Authority a duty to promote the use of renewable energy and energy conservation; and for connected purposes.

The Bill is intended as a contribution to the energy review and to climate change policy. It is only a ten-minute Bill so it cannot carry the full story on its face, but it relates to a series of measures that, if enacted, would deliver the aspirations of the 2003 energy White Paper and more, and render the building of a new fleet of nuclear reactors superfluous.

It is posited that by 2020 there will be a serious "generation gap" caused by a combination of generating plant closures, failure to achieve sufficient energy savings through increased energy efficiency, failure to reduce the demand for electricity and an insufficient deployment of renewable energy to fill the gap. There is a powerful lobby that draws the conclusion that the logical response is to build new nuclear stations to fill the generating gap and add to reductions in carbon emissions.

The Bill challenges those assumptions—first, that energy savings will not deliver enough and, secondly, that renewables cannot fill the gap. Both of those statements would probably be true if we continued with business as usual, but if we took firm action the outcome for both energy demand reduction and deployment of renewables could be dramatically different. Thus the theme of the Bill is that energy savings of 40 per cent. by 2020 are achievable, and renewable deployment of more than 20 per cent. by 2020 is achievable, given the right policy framework.

The centrepiece of the Bill is the creation of a new body, the renewable energy authority, with the remit of co-ordinating and driving all aspects of policy relating to the research and development and especially the deployment of renewable energy and amelioration of climate change. It would assume many of the current functions of the Department of Trade and Industry and those of some other bodies. It would drive the renewables option as effectively as the United Kingdom Atomic Energy Authority drove nuclear power in Britain after the war. It would be dedicated to overcoming all the many obstacles that at present impede the progress of renewables.

The REA would undertake resource surveys of the uniquely rich marine energy resource around the UK coast, identifying prospective sites for generators and conducting environmental impact assessments. The REA would be empowered to license the sites to appropriate developers for the installation of generation equipment. The REA would have a co-ordinating role in ensuring the availability of appropriate grid access to those sites.

The REA would be accountable to Parliament through a Secretary of State for Energy—I hope that my hon. Friend the Minister for Energy appreciates that I have promoted him, and I am glad to see him in his place—and it would be funded from carbon tax revenue as set out in the proposed fiscal measures that I will come to.

[Dr. Desmond Turner]

The planning and consenting regime both on and offshore needs reform and changes to the Town and Country Planning and Electricity Acts would flow from this Bill and would need to be reflected in the coming marine Bill. I propose that the REA should consider all applications for renewable generation, of an appropriate minimum capacity of, say, 50 MW and grid alterations exceeding 120 kV, and if judged to be suitable those would be "qualifying applications" for a streamlined and simplified planning and consenting procedure operating to a strict time scale.

The time from notification of outline planning to a decision would be nine months and the Secretary of State would make the decision if the relevant authority failed to deliver it in that time. In some cases, the Secretary of State would be the relevant authority, but the same time frame would apply.

Another large obstacle for renewables is the current configuration of the transmission grid and the protracted time involved in any major alterations. In addition to the planning aspects of grid restructuring, there would be duties on grid operators such that on receiving consent for installations for a generating plant the grid system operator nearest to the generator would be required to undertake a grid connection and any necessary reinforcement work to a time scale agreed with the generator, but not normally longer than a year. The grid system operator should provide priority access to the grid for renewable plant connected to it whenever it is generating, and should be under an obligation to buy the output of such plant. Those provisions reflect the German renewable energy Act. Grid system operators would be able to recoup their contractually agreed costs for providing grid access through transmission charges, agreed by Ofgem in consultation with the REA and the Secretary of State.

There are considerable market constraints, even for proven renewables such as offshore wind, and especially for the nascent marine technologies of wave and tidal stream power, as they have not yet had the time in development or the large-scale deployment to achieve the benefits from economies of scale to get their generating costs down to commercially competitive levels. They thus need more support in the market than the current ROC—renewable obligations certificate—regime can provide. Even the relatively mature offshore wind process needs the help of capital grants. The REA would be expected to oversee support arrangements to give investors confidence, and the revenue needed for that support would come from a carbon tax, which I shall describe.

I also propose a raft of measures to improve energy efficiency, which include a requirement for houses in multiple occupation to meet a minimum energy rating—the standard assessment procedure rating—to qualify for registration, and the prohibition of the sale and use of patio heaters. That probably sounds like a trifling and killjoy measure, but patio heaters account for 1 million tonnes of carbon dioxide emissions a year—as much as is saved through the changes in vehicle taxation. Their use of energy is entirely profligate and is simply directly to heat the atmosphere.

We need to enact the European Union directive on the energy performance of buildings. The only measures on energy conservation that Parliament has enacted have been through private Members' legislation or the application of EU directives. We have failed to address the matter properly in the past.

To fund the REA and provide market support arrangements without recourse to the Treasury, several fiscal measures are proposed for consideration, the central of which is a carbon tax. It has the support of the Royal Society, the House of Commons Select Committee on Science and Technology and the House of Lords Select Committee on Economic Affairs. Coupling the carrot of carbon tax credits with the stick of a carbon tax will provide a method of incentivising the market for newer renewables. It would operate by charging carbon dioxide emitting generators on their output and using the revenue not only to fund the REA but also to provide carbon tax credits for newer renewable generating technologies, to help to give them market pull. Increasing the cost of carbon will also be an incentive for investment in carbon capture and storage. We could also take further measures to encourage the use of biofuels.

The UK has missed an enormous opportunity by not exploiting combined heat and power. The comparison between the thermal efficiency of Scandinavian countries and subsequent lower carbon dioxide emissions and the position in the UK is staggering. I advocate the establishment of a CHP obligation alongside the renewables obligation and the newly imposed transport fuels obligation.

My 10 minutes are quickly running out. I have been able to refer only to a few elements of my proposals, but they are intended as a sincere contribution to the energy review and I am confident that if they were enacted we would achieve what we need in terms of our energy policy and climate change.

Question put and agreed to.

Bill ordered to be brought in by Dr. Desmond Turner, Colin Challen, Mr. David Chaytor, Robert Key, Dr. Ian Gibson, Joan Walley, David Lepper, Helen Goodman and Mr. David Amess.

ENERGY

Dr. Desmond Turner accordingly presented a Bill to establish a Renewable Energy Authority; to lay upon the Authority a duty to promote the use of renewable energy and energy conservation; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 10 March, and to be printed [Bill 129].

Terrorism Bill (Programme) (No. 3)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6),

That the following provisions shall apply to the Terrorism Bill for the purpose of supplementing the Orders of 26th October and 9th November 2005 (Terrorism Bill (Programme) and Terrorism Bill (Programme No. 2)):

Consideration of Lords Amendments

1. Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion four hours after their commencement at this day's sitting.

2. The proceedings shall be taken in the order shown in the first column of the following Table.

3. Each part of those proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

TABLE

Lords Amendments	*Time for conclusion of proceedings*
Amendments Nos 5, 11, 15, 28, 31, 32 and 34	Two and a half hours after the commencement of proceedings on consideration of Lords amendments.
Amendments Nos 22, 23, 29, 25 to 27, 1 to 4, 6 to 10, 12 to 14, 16 to 21, 24, 30, 33, 35 to 49.	Four hours after the commencement of those proceedings.

Subsequent stages

4. Any further Message from the Lords may be considered forthwith without any Question being put.

5. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement—*[Kevin Brennan.]*

Question agreed to.

Orders of the Day

Terrorism Bill

Lords amendments considered.

Clause 1

ENCOURAGEMENT OF TERRORISM

Lords amendment: No. 5, in page 2, line 1, leave out subsection (4) and insert—

"( ) For the purposes of this section, "indirect encouragement" comprises themaking of a statement describing terrorism in such a way that the listener would infer that he should emulate it."

The Secretary of State for the Home Department (Mr. Charles Clarke): I beg to move, That the House disagrees with the Lords in the said amendment.

Mr. Speaker: With this we may discuss Lords amendments Nos. 11, 15, 28, 31, 32 and Government motions to disagree thereto and Lords amendment No. 34 and Government amendments (a) and (b) in lieu thereof.

12.47 pm

Mr. Clarke: I rise to urge right hon. and hon. Members to disagree to Lords amendments Nos. 5, 11, 15, 28, 31, 32 and 34, and to support amendments (a) and (b) in lieu of Lords amendment No. 34. Amendments (a) and (b) are minor, tidying proposals and I do not intend to devote more time to them. The key issue is whether the House will agree with another place and seek to restore its original wording.

I shall remind the House how we got to this point. We passed counter-terrorist legislation in the Prevention of Terrorism Act 2005, during the debates on which we said we would legislate to make prosecution easier, as required by hon. Members on both sides of the House. Page 53 of Labour's general election manifesto, on which we were elected, stated that

"we will introduce new laws to help catch and convict those involved in helping to plan terrorist activity or who glorify or condone acts of terror."

That was followed by the awful events of 7 July, which led naturally to a focus on the people who conducted those terrorist acts and on how they were recruited and incited, including through glorification.

With the agreement of all parties in the House, a new Bill was introduced in the autumn. Of course, there were difficult issues of freedom and security—we were able to agree with a lot that the Opposition said, but not all. Following that process, the House reached an agreement on the Bill, and that included a commitment to a review of the definitions of terrorism to be conducted by Lord Carlile and to reviews of the operation of the 2005 Act regime as well as a commitment to return to legislation, which will be introduced in the next Session, as I announced in a statement to the House a couple of weeks ago, and which was generally welcomed. I believe that that was a solid and stable basis on which to proceed, not only recognising the genuine differences of opinion but seeking to find a good way to make progress.

Mr. Dominic Grieve (Beaconsfield) (Con): The Home Secretary said, as he did on the "Today" programme,

[Mr. Dominic Grieve]

that the House reached an agreement on these matters. Much as I enjoy reaching agreement with the Home Secretary, I recall that the Government had a majority of one, so I slightly question whether his use of the English language is correct.

Mr. Clarke: I do not think that that majority was on this matter, but on Third Reading the House reached an agreement on the way to proceed that resolved all the questions about the Bill.

After Third Reading, the Opposition parties, which have a majority in the Lords, decided to make Lords amendments to unstitch the solid and stable decision of the elected Chamber. I confirm that the Government are—and were—ready to compromise to get cross-party agreement. That has been our general approach throughout the passage of the Bill, because if we can secure as much agreement as possible it is a big advantage to the country. However, we are not prepared to compromise on removing the word "glorification" from the Bill, which would be the effect of the Lords amendments.

Mr. Grieve: Will the Home Secretary give way?

Mr. Clarke: I am sure that the hon. Gentleman will make a speech in due course. If he will allow me to make my speech, he will no doubt be able to say what he has to say.

We insist on using the word "glorification" not merely because it is a manifesto commitment, important though that is in the structure of our democracy, but because the word is specifically used in United Nations Security Council resolution 1624, which was passed on 14 September. The Security Council resolution speaks of

> "Condemning also in the strongest terms the incitement of terrorist acts and repudiating attempts at the justification or glorification ... of terrorist acts that may incite further terrorist acts".

The Government believe that the glorification of terror is an essential—I emphasise that word—method that is used by individuals and organisations that pursue terrorist ambitions and wish to get individuals such as the 7/7 bombers to commit to their suicidal and destructive ends.

Mr. William Cash (Stone) (Con): The Home Secretary knows that I have strong views on human rights legislation. However, given that it exists and it is necessary to have clear and unambiguous provisions in relation to matters of such importance, will he explain why the Government have put the statement of compatibility with European convention on human rights on the front of the Bill when the Joint Committee on Human Rights, which Parliament has charged with examining such matters, has said that there is incompatibility with articles 5 and 10 of the convention? Why does he thus continue to pursue his arguments?

Mr. Clarke: The order of events is quite clear. I gave the certificate on the basis of advice that I received, and that position stands. The Joint Committee published a report—yesterday, or perhaps today—that addressed the matter. It reached conclusions on some issues, but not on others. We will, of course, read the report carefully, but I have absolutely no reason to think anything but that my certification of the Bill's compatibility with the convention was entirely correct.

Keith Vaz (Leicester, East) (Lab): The Home Secretary will know that there is genuine concern in the ethnic minority community, especially the Muslim community, about the effects of the measure. Has he held meetings with the Muslim Council of Britain and other organisations that speak on behalf of the community to take on board their concerns, and to give them a detailed explanation of why the Government are implementing the measure and an assurance that it will not disproportionately affect members of the community?

Mr. Clarke: My ministerial and official colleagues and I have held several meetings with the Muslim Council of Britain and a range of other Muslim organisations to discuss precisely that matter. There are concerns, as my hon. Friend correctly says, and I concede that not all of them have been met. However, I take a great deal of strength and fortitude from the fact that, both on the Bill and the general conduct of affairs in recent circumstances, a wide range of mainstream Muslim opinion supports us and condemns those who are extremists and glorifiers.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): The Home Secretary understandably referred to the United Nations resolution, but will he explain a tautology in the reference that he cited? He quoted the phrase "justification or glorification", but that is the only part of the resolution that has in brackets behind it a further explanation: "apologie". The only translation of that word that I can find is justification in French, so the principle is being redefined, rather than extended.

Mr. Clarke: I understand my hon. Friend's point. The word "apologie" is French. As he knows, international agreements are produced in English and French, for obvious reasons. It is not a translation error because the word "glorification" is the English word in the internationally agreed text. The word has importance and significance.

Mr. Grieve: Will the Home Secretary give way?

Mr. Clarke: No, I will not.

The question of what each word in any UN declaration means is ultimately a matter for the courts to resolve, but the word chosen by the United Nations—appropriately—was glorification, which is why I focus on that word.

Mr. Sadiq Khan (Tooting) (Lab): Will my right hon. Friend reassure me and those in the community that it will not be possible to be guilty of the offence if one inadvertently uses language? Will he confirm that the mens rea required will be intention?

Mr. Clarke: I can give my hon. Friend that absolute assurance. I will talk about the detail in a moment, but he is entirely correct. Part of the debate in this House

and the other place has been the intent behind any of these acts. An inadvertent situation of the type that he mentions could not arise.

Mr. Grieve: I was going to intervene on the Home Secretary to offer him the benefit of the fact that I am bilingual in French and English. I was simply going to point out to him that the word "apologie" cannot be translated as glorification. If that was what was done, it was bunkum.

Mr. Clarke: I shall certainly take the opportunity to offer the hon. Gentleman's services to the United Nations as a translator. With his manifold talents in the law and translation, I am sure that he would be a great asset. Although we in the House would miss him greatly if he departed, I am sure that the United Nations would welcome his arrival.

Sir Patrick Cormack (South Staffordshire) (Con): Why is the Home Secretary placing such emphasis on the manifesto commitment? Yesterday, a majority of the Cabinet decided to renege on a manifesto commitment because they thought that certain things had been rather wrongly worked out. Why can he not take account of what the other place has said about this manifesto commitment and accept the sensible amendments that it put before us?

Mr. Clarke: I am surprised that a Member of such long-standing and constitutional weight does not acknowledge the importance of manifesto commitments when considering Lords amendments. We were not considering such amendments yesterday and the decisions taken on a free vote went beyond manifesto commitments. I mention the manifesto commitment because there is a difference of opinion between the elected and unelected Chambers. Conventionally, and for good reasons that are accepted on both sides of the House, a manifesto commitment is an important consideration when hon. Members debate Lords amendments.

Mr. Tobias Ellwood (Bournemouth, East) (Con): It was inappropriate of the Home Secretary to suggest on the radio this morning that Opposition Members are somehow soft on terrorism. We are worried that although the measures in the Bill may already be covered by other laws, more people who normally have absolutely nothing at all to do with terrorism might come under the Bill's footprint.

Mr. Clarke: I will address the details in a moment, but on the question of being soft on terrorism, I advise the hon. Gentleman to prove his determination to fight terrorism by voting with the Government today.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): The report to which the hon. Member for Stone (Mr. Cash) referred was the third report of the Joint Committee on Human Rights, which was published several weeks ago. That report addressed the Bill, but the report to which the Home Secretary referred was on renewals. The third report criticises the Bill and says that there is a high risk of it being outside the Human Rights Act 1998 and the European convention on human rights because of the use of the word "glorification". The Home Secretary cited the words "glorification" and "justification" in the UN resolution, so why do the definitions in clause 20 include no reference to justification? Is that because there are UN terms that even he considers to be too broad to be related to the offence?

Mr. Clarke: I apologise to the hon. Member for Stone (Mr. Cash) if I misunderstood the Committee report to which he was referring. Let me put the position on record. The Joint Committee on Human Rights expressed doubts due to the lack of clear intent requirements in clauses 1 and 2. The Government have amended the Bill to make it clear that the offences can be committed only with intent or subjective recklessness, which I believe meets the Joint Committee's concerns.

1 pm

The hon. Member for Oxford, West and Abingdon (Dr. Harris) asks about the wording. Our biggest problem is that there is no internationally accepted definition of terrorism—a central issue from which a series of political arguments arise. A number of alternative definitions are used, and this House debated them on Report. I stand ready—it is why I have suggested that we consider new legislation based on Alex Carlile's report—to look at the new language that emerges from the UN and elsewhere as a result of the process that is to take place this year, but I regard it as significant that the Security Council included "glorification" in its resolution.

Mr. David Winnick (Walsall, North) (Lab): I recognise that there are concerns—the issue is sensitive and I share the reservations that have been expressed to some extent. However, since we last debated the Bill we have seen the most blatant glorification of acts of terrorism—the events of 7 July. The House discussed that only last week. In other circumstances where there is less publicity, might there not be individuals and small groups who continue to glorify the horrors and atrocities of 7 July, and might not the law that my right hon. Friend proposes be necessary if the Opposition are wrong and the existing law does not cover such activities?

Mr. Clarke: I shall deal with that point in more detail later, but my hon. Friend is entirely correct, without qualification, to say that we have to deal with the glorification of terror. If anything was needed to demonstrate that, it was the events of 7 July last year and how they happened. That is what the legislation is designed to do.

Richard Burden (Birmingham, Northfield) (Lab): May I take my right hon. Friend back to what our hon. Friend the Member for Tooting (Mr. Khan) said, and my right hon. Friend repeated, about the importance of linking the offence in the clause with intent or reckless disregard? That change was made between Committee stage and Report. Although that is on the face of the Bill and it is what he is arguing today, in attempting to put water between what the Bill as passed by the Commons would do and what the Lords amendments would do Ministers have sometimes appeared to say that the Bill

[Richard Burden]

is intended to go further—that it would outlaw glorification of terrorism rather than outlaw glorification of terrorism where there is an intention to encourage terrorism or reckless disregard in that respect. Will my right hon. Friend make it clear that the Bill as he wants it to be passed will not outlaw the glorification of terrorism, but will outlaw the glorification of terrorism where the intent is to encourage people to commit terrorist acts?

Mr. Clarke: My hon. Friend is correct. The caution, which I accept, is for Ministers, including me—

Richard Burden: I mentioned no names.

Mr. Clarke: No names, no pack drill. My hon. Friend cautions us to speak carefully. He is right and I accept what he says.

Mr. Grieve: Will the Home Secretary give way?

Mr. Clarke: No. The hon. Gentleman has intervened already and I want to make progress.

The reason we made a manifesto commitment and why we think glorification should be dealt with as I propose is that people who glorify terrorism help to create a climate in which terrorism is regarded as somehow acceptable. They help to persuade impressionable members of their audiences that they have a moral duty to kill innocent people in pursuit of whatever political or religious ideology they espouse. In recent times, we have seen threats from extremists who claim to represent Islam. As I said in answer to my hon. Friend the Member for Leicester, East (Keith Vaz), leaders of the Muslim community in the UK and elsewhere have, quite properly, explained that such views do not represent true Islam. None the less, all too many people may be influenced by those who glorify terrorism and conclude that they have a duty to kill and injure innocent bystanders in the misguided belief that they are bound to do so by their faith. Our duty to those we represent is to do everything we can to prevent that from happening.

Both Houses have agreed that there will be an offence of encouraging terrorism and that the offence will cover both direct and indirect encouragement. I am, however, concerned by the changes made to clause 1 and replicated in clause 21 by the Members of the other place. The Lords removed a provision which clarified that statements that constituted indirect encouragement included statements that glorified acts of terrorism and were statements from which those members of the audience who heard them could reasonably be expected to infer that what was being glorified was being glorified as conduct that should be emulated by them in existing circumstances. That was a clear provision in the Bill considered by the Lords. Taken with a definition of "glorification" in clause 20, it made what was being described perfectly clear. Moreover, it made it abundantly clear to everyone who had heard about the offence that glorifying terrorism in such a way that others might emulate it would no longer be tolerated.

Instead of that clear provision, which sent a strong message to all those who are involved in recruiting terrorists, the Lords inserted an alternative provision stating that

> "'indirect encouragement' comprises the making of a statement describing terrorism in such a way that the listener would infer that he should emulate it."

That alternative is unacceptable for three main reasons. I will explain those reasons in a moment, but perhaps I should first remind the House that glorification features in the Bill as an example of what is encompassed by the concept of indirect encouragement. It is not self-contained. Glorification as an offence is a subset of indirect encouragement as an offence and can be committed only if the conditions surrounding the main offence are met, as I just said to my hon. Friend the Member for Birmingham, Northfield (Richard Burden). Key among those conditions is the requirement that there must be an intention that others should be induced to commit terrorist offences or subjective recklessness on that point. Glorification without intention of emulation or without subjective recklessness cannot constitute an offence.

As I said, the Opposition's preferred form of words is unacceptable for three reasons. First, instead of being an exemplary description of what indirect encouragement could be, it is an exhaustive description. In other words, the offence is limited so that it is committed by making available to the public a statement directly encouraging terrorism, or a statement indirectly encouraging it, but only by actually describing it in such a way that the listener will infer that he should emulate it. The Government drafted the offence carefully so that it would cover all statements that were either an encouragement to terrorism or another form of inducement to terrorism. As we designed the offence, it covered statements that constituted direct and indirect encouragement and that made explicit references to terrorism, as well as those that encouraged terrorism but did not refer explicitly to it.

Let me put the argument as simply as I can. The use of the word "describing" in the Lords amendment means that the provision would not catch, as the original wording would, glorification, praise or celebration of an act of terrorism that does not actually describe the act. Similarly, the reference in the wording inserted by the other place to "listener" also limits the scope of the provision. It confines the definition to statements that are capable of being heard and so, for example, would exclude statements written on placards or published on websites.

Mr. Grieve: Will the right hon. Gentleman give way?

Mr. Clarke: I shall not. The hon. Gentleman can make his point when he makes his speech.

The deficiency becomes particularly obvious in connection with clause 2, which deals with the dissemination of terrorist publications. Those who drafted the Lords amendments perhaps did not intend them to have that narrowing effect, but they unquestionably do have precisely that effect. I regard that as a serious problem because I do not believe that any form of indirect encouragement or other inducement to terrorism should be acceptable. It is also

a problem because the Council of Europe offence on which ours is modelled was clear on precisely that point. The offence was intended to capture "public provocation", as well as other forms of encouragement or inducement to terrorism. The European convention on the prevention of terrorism includes provocation, so we should include provocation, too. Like glorifying terrorism, it is possible to provoke it without describing or referring to it.

Mr. Grieve: I listened carefully to what the Prime Minister had to say during Prime Minister's Question Time and I am not wholly persuaded by the argument that listening cannot encompass reading. I go to listen to the word of God in church, but that is sometimes communicated in written as well as oral form. If that is the extent of the Home Secretary's anxiety and the Prime Minister's, I am sure that they will agree that it is readily curable. If the Home Secretary gives the House an assurance that he would be happy with their lordships' formula if "listener" were replaced by some other word that emphasises that the statement can be heard or read, we shall be able to bring these proceedings to a close very quickly.

Mr. Clarke: I am glad that the hon. Gentleman acknowledges that the amendment for which he wishes to vote is entirely deficient in an important way. *[Interruption.]* I beg your pardon, Mr. Speaker.

Mr. Grieve: On a point of order, Mr. Speaker. Why, in debates in the Chamber, can a perfectly clear statement sometimes immediately be distorted by the recipient into something that the plain word "misrepresentation" could not possibly cover?

Mr. Speaker: That is not a point of order but a matter for debate.

Mr. Clarke: I am afraid that I was confused by the remark by the hon. Member for Beaconsfield (Mr. Grieve) that listening is the same as reading. Most children, before they reach key stage 2, understand the difference between listening and reading, so I would expect him to acknowledge it. Indeed, I believe that he did so, because he went on to say that the wording for which he wants to vote should be changed, and he invited me to do so. That is the simple point that I was making, but it was only the first of three points of difference that need to be addressed.

Mr. Pat McFadden (Wolverhampton, South-East) (Lab): Will the Home Secretary clarify something that is viewed as very important outside the House? The vast majority of the public were doubtless horrified by the placards on display two weeks ago after the Danish cartoon affair. If the amendments supported by the Opposition do not cover that situation, does not that show the weakness of their argument and the weakness of the proposal for which they will vote?

Mr. Clarke: My hon. Friend is right. I will not comment specifically on the placards used in that demonstration, because the matter is being considered by the police and prosecution authorities, and it is entirely possible that they were illegal under existing legislation. However, placards with wording that is not illegal under existing legislation, but which would be illegal under the proposals, may have been used. Irrespective of that important distinction, the Lords amendment excludes anything visual such as a placard or, rather more significantly, websites. Some websites disseminate the glorification of terrorism, but they are excluded from the Lords amendment.

Mr. Edward Garnier (Harborough) (Con): I confess that, despite my surname, I know rather less about the French language than the right hon. Gentleman and my hon. Friend the Member for Beaconsfield (Mr. Grieve). However, I know a little about the law of publication. We are addressing the publication—the making known to third parties—of statements that the right hon. Gentleman wants to outlaw. However, as we are on the subject of glorification, and given the muddle that we seem to be getting into, what is the difference between intentional glorification in the sense for which the Home Secretary is arguing and intentional incitement, which is already included in criminal law?

Mr. Clarke: The indirect aspect is important. I know that the hon. and learned Gentleman, whose legal qualifications and understanding of the matter I respect, does not agree, but we believe that in the overall context of the Bill it is important to outlaw the glorification of terrorism where there is intent, as we have discussed. The Opposition think that it is not important to talk about glorification—they think that we should talk about indirect encouragement instead. We do not agree.

Mr. Robert Marshall-Andrews (Medway) (Lab): Will the Home Secretary deal with two related matters and thus greatly assist me and, I am sure, other Members? If, as he rightly said, glorification is simply an example of offences covered by clause 1, and if it is a particularly obvious example, why is it necessary to include it in the Bill? While we are on the subject, why cannot someone incite by holding a placard?

Mr. Clarke: I know that I should not expect the support of my hon. and learned Friend in the Lobby, whatever I say. However, glorification is important in the Government's view because of the clear understanding by the public, the courts and juries both of the word itself and of what is happening. The Opposition do not agree, but we think that it is very important. In addition, our amendments deal directly with placards and such matters. The Lords amendment, however, excludes them.

Sir Patrick Cormack: On a point of order, Mr. Speaker. If the Home Secretary is experiencing difficulties because of what he considers omissions in the Lords amendment, can you help him by accepting a manuscript amendment if he submits one?

Mr. Speaker: I cannot do so at this stage, because a motion to disagree with the Lords amendment has already been moved.

1.15 pm

Mr. Clarke: You could not have made the position clearer, Mr. Speaker. That exchange was extremely helpful, because the hon. Member for Beaconsfield

[Mr. Clarke]

admitted that the Lords amendment was deficient. *[Interruption.]* I am sorry, I do not wish to be controversial or misleading, so I shall rephrase my remarks. The hon. Gentleman acknowledged in his contribution that it would be better if the Lords amendment were amended in certain respects, as *Hansard* will show. The hon. Member for South Staffordshire (Sir Patrick Cormack) asked if that could be done by a manuscript amendment, which you have made clear, Mr. Speaker, could not be accepted at this stage. That leads me to conclude—in my own words, not those of the hon. Member for Beaconsfield—that the Lords amendment is deficient.

Mr. Grieve: I have often participated in Committee, where it is possible to hold lengthy debate on minute areas of textual drafting. I am always prepared to acknowledge that text can be improved or changed. Sometimes that does not make any difference, but sometimes it does, and the difference can provide reassurance. That is why I told the Home Secretary that if that is an obstacle for the Government—it appeared to cause the Prime Minister enormous anxiety at Prime Minister's Question Time—it is readily curable. If he would like to provide the House with an assurance that the Government would accept the Bill with a cure for that one word, I am sure that we can resolve the debate very quickly. That is as consensual an approach as it is possible to take. I wish that the Home Secretary would take it in good part and respond sensibly, rather than engage in more polemic.

Mr. Clarke: I do not think that I have engaged in polemic. It is always entertaining to see qualified lawyers—I certainly am not one—counting the angels dancing on the head of a pin in these debates, but I do not accept that I have engaged in polemic. Indeed, quite the opposite.

I have given the first of three reasons why the Lords amendments should be rejected. Secondly, it is perfectly clear that people who seek to recruit terrorists do so not just by directly encouraging terrorism or by provoking people to commit violent acts but by glorifying terrorism and terrorists. They may emphasise that terrorists are heroes whose actions should be copied; that terrorists go straight to paradise when they die; that terrorists undertake glorious acts that deserve to be emulated; or that terrorists are simply better humans than those of us who are not terrorists. The single word that best captures that is "glorification". It is the word that, we all recognise, covers such forms of indirect encouragement. It does not, as I have explained, cover all forms of indirect encouragement, but it does cover those forms. It is that clarity of meaning that makes the word "glorification" so important. Not only do our electorate know what it means, and not only was it defined with total clarity for the courts, but those who seek to recruit terrorists know what it means. If the legislation outlaws the glorification of terrorism, preachers and proselytisers for terrorism and the organisations with which they work will know that if they glorify terrorism they may fall within the parameters of the offence. If it is not included, they know that they can glorify with impunity. The alternative expression "indirect encouragement" does not send a strong or clear message. The only message that it sends is that glorification is acceptable.

Mr. Cash: Can the Home Secretary provide one instance in which the word "glorification" has been defined in the courts as he suggested? There is no such description in any court judgment. As for his general assertion that the proposal will provide clarity, I acknowledge that the Lords amendments may well contain minor defects. None the less, the Home Secretary must surely admit that the Government's proposals are vague and uncertain, and have been condemned by the Joint Committee on Human Rights.

Mr. Clarke: I am glad that a third hon. Member speaking from the Conservative Benches acknowledges that the amendments from the Lords are unclear in certain respects. That helps the debate.

Mr. Mike Hancock (Portsmouth, South) (LD): The Home Secretary used a strange word just before the previous intervention, when he said that people may be found guilty of glorification. How can the word "may" be expressed so that people clearly understand that they could glorify something and they might not be committing an offence? What is the distinction?

Mr. Clarke: First, the offence depends on the context within which glorification takes place. That was the point made by my hon. Friend the Member for Birmingham, Northfield. Secondly, it will be for the court in any given circumstance to judge whether any offence has been committed. That is not a judgment that I can make.

Mr. Kilfoyle: Will the Home Secretary accept a definition of "glorify" as "represent as admirable, especially if that is unjustified"? That definition is from the Oxford dictionary.

Mr. Clarke: I am certainly prepared to acknowledge that the words from the Oxford dictionary are a reasonable way of looking at the word "glorification", but my argument is that "glorification" is a simple and clearly understood word that is very powerful in its own right.

Mr. David Gauke (South-West Hertfordshire) (Con): The Home Secretary spoke of sending a clear signal, as did the Prime Minister earlier. Putting aside the concerns that the law is more about indicating what the Government are thinking than about dealing with a real gap in our criminal law, does it not come ill from the Government to talk about sending clear signals, when the immediate response to the disgraceful protests outside the Danish embassy was not to condemn the protesters but to condemn the newspapers that published the cartoons?

Mr. Clarke: That point is utterly ridiculous and completely wrong. I draw the hon. Gentleman's attention to the statement that I made following the urgent question from my hon. Friend the Member for Walsall, North (Mr. Winnick). On the Monday after

those events, I came to the House as early as I could to make clear the Government position and I dealt with that explicitly.

Mr. Gordon Prentice (Pendle) (Lab): I am struggling to think of concrete examples of behaviour that would be caught by the Bill. If someone were to wear a T-shirt, for example, with a picture of Osama bin Laden and underneath the words, "Osama needs you", would that fall within the ambit of the Bill?

Mr. Clarke: It would depend on the intention. Let us take a simple sentence such as, "We glorify the memory of Mohammed Siddique Khan", one of the 7 July bombers. I emphasise again, in response to the comments that have been made, that it would depend on the context, but that is the type of statement that would be covered by the Bill, but would not be covered by general incitement legislation of another type.

Thirdly, on the Lords amendment, I make a technical point about the drafting of the legislation. As it passed through this House, the offence in clause 1 included a provision that referred to "glorification" explicitly. The only conclusion to be drawn from the removal of the word is that it will be presumed that the offence was not intended to cover glorification. This view could well be taken by the courts, it would probably be taken by our constituents and, more seriously, it could well be taken by the recruiters of terrorists. This would undermine both the legal effectiveness of the offence and its effectiveness as a deterrent, in a climate where we need to understand that individuals and organisations that promote and glorify terrorism are looking at our decisions and deciding how best to conduct themselves.

Taken together, the three major reasons that I have outlined mean that we must not agree to the Lords amendments, but should insert the alternative amendments that I propose in lieu of them. We should, particularly in view of the flaws in the Lords amendments that have been acknowledged from the Opposition Benches, even now proceed on the basis of consensus. Indeed, in the spirit of consensus, we have agreed that the offence should be committed only if the requisite mens rea tests are satisfied. Those mental tests are intent and subjective recklessness—that is, the offence will be committed only if someone encourages terrorism, whether directly or indirectly, including through the glorification of terrorism, intending to encourage it or knowingly taking an unreasonable risk that they will encourage it. In this context, I cannot see why there should be objection to the inclusion of a provision relating to the glorification of terrorism. I hope the House will agree to reject the Lords amendments and accept those that I proposed.

Mr. Grieve: I am happy to speak in French to the Minister if he would prefer me to do so, but that is prohibited by the rules of the House, so I shall refrain from it.

The Home Secretary comes to the House to make a case for the restoration of the concept of glorification. I think he knows and has acknowledged in the course of interventions that it is a concept hitherto unknown to our law and is undefined. The Home Secretary glossed over the history of the matter. The original announcement, which came from the Prime Minister as much as from anybody else, was that we would have a separate offence of glorification, condoning and exaltation of terrorism. That was the expression.

What happened, although the Home Secretary seems to be unwilling to admit it in the House this afternoon, is that that idea came in for a massive amount of criticism, to the point where it was entirely rubbished and ridiculed. It was an unworkable proposal. It envisaged putting up a list which, in a convoluted way, meant that there was a 20-year cut-off period for criticisms, to try and get round the problems that it might pose in respect of the African National Congress. It was a dog's breakfast of a proposal and the Government and the Home Secretary wisely abandoned it.

Having abandoned the proposal, the next problem was to cope with the occupant of No. 10 Downing street, who once he has come out with one of his populist pronouncements, which he thinks has some resonance with the press, decides that the word still has to feature. That seems to be the only reason why glorification was put into clause 1. I say to the Home Secretary that it could be removed in its entirety and the Bill, with the concept of indirect encouragement, would still be perfectly workable. In some cases, glorification might be an example of indirect encouragement, but in other cases it might not. There is no rhyme or reason why it should be there.

Mr. Charles Clarke: In his political knockabout, does the hon. Gentleman accept that the word "glorification" was used in the Labour party manifesto at the general election in May? The suggestion that it was used only after the events of 7 July by the Prime Minister in his statement in August is completely wrong. It was clearly set out in the election manifesto before the 7/7 bombings and is a word that we have thought important, for the reasons that I have given, over a considerable time.

Mr. Grieve: The Home Secretary helpfully gave us a history of the origin of the word, which lies not in legal text, but in a pronouncement from an international organisation. It is none the worse for that, but translating pious aspirations into sensible law is the job of the House. It is not the job of the House to take every such pious aspiration and repeat it verbatim. The decision to repeat it verbatim was the Prime Minister's when he concluded that there was political mileage in doing so. He kept it up even after I think the Home Secretary pointed out to him that the original idea was entirely unworkable. *[Interruption.]* In that case, perhaps the right hon. Gentleman would like to intervene and explain why the original idea of a separate offence was dropped.

Mr. Charles Clarke: The answer is straightforward. We consulted on the proposal and, as the hon. Gentleman rightly said, there were a number of people who thought that it was not correctly constructed. We debated in the House how to deal with it. We made a set of amendments, in the spirit of compromise that I tried to set out. However, I repeat that the word "glorification" was set out in the Labour party manifesto. It is not an invented word in the populist political way that the hon. Gentleman describes.

Mr. Grieve: The Home Secretary may correct me if I have got it wrong, but I do not think that a separate

[Mr. Grieve]

offence of glorification ever featured in the Bill as published. It featured in the draft Bill. He said that amendments were then made, as though that took place in the Chamber. It did not. There were no such amendments. The Government dropped the concept because it was unworkable. Yet even last night, the Prime Minister's propaganda department was putting out to the press—that is the way it was reproduced on the news this morning—that what was at stake in the House today was an offence of glorification. That is how it was announced on the 8 o'clock news on Radio 4. It is fascinating to see the No. 10 press unit peddle utterly misleading information, which is accepted verbatim despite its being at complete variance with the facts. The debate involves both a principle and a technical issue, but it has been hijacked by the Prime Minister for narrow party political purposes.

1.30 pm

Mr. Marshall-Andrews: On the rhyme or reason argument, will the hon. Gentleman address the question of placards, which the Home Secretary has not addressed? It has been stated that without the Bill people cannot be prosecuted for displaying such placards. Why have prosecutions not taken place under the existing incitement legislation?

Mr. Grieve: I entirely agree with the hon. and learned Gentleman. Clear criminal offences have been committed under the existing law, and I can see no difficultly in bringing prosecutions. It adds to my concern when I hear the Prime Minister and, indeed, the Home Secretary repeatedly insisting that there is a great difficulty, because neither I nor any lawyer of my acquaintance can perceive it.

Mr. John Gummer (Suffolk, Coastal) (Con): Will my hon. Friend return to his statement that we do not need the word "glorification" because the legislation covers the indirect encouragement of terrorism? Can he think of a single example in which a person who could be prosecuted for glorification could not be prosecuted for indirect encouragement in a case that would be likely to be won?

Mr. Grieve: My right hon. Friend brings me on to my next point, which is that indirect encouragement is all that is required to lay the foundations of the offence. However, glorification and indirect encouragement are not identical, and the mischief of using the term "glorification" is that it undoubtedly extends further.

In April, the Taoiseach will lead the Irish nation in the celebration and praise of the Easter rising, and I defy the Home Secretary to persuade me or anybody else that that is not glorification within the scope of the law—incidentally, I emphasise that the Taoiseach has good reason to lead such a celebration. That topic is controversial in Ireland: some people see the Easter rising as a historical event that is worthy of commemoration because it was part of a period of national self-assertion, while others see it as a continuing call to arms—although a ceasefire has been declared in Northern Ireland, some individuals do not respect it.

If the Taoiseach were to visit this country after that celebration, he would be in serious difficulty under the Bill as drafted—the Government want the Bill as it is drafted. He would have to accept that the celebration was not without controversy, because some people in Ireland say that it might encourage terrorism. Even under the subjective recklessness test, he would not be free of the possibility that his decision would be impugned. If the law were applied impartially, he would have to be jolly careful, because he is not subject to sovereign immunity when he visits this country, and I think that he would be liable to arrest and prosecution following that celebration.

It is a classic example of the crassness of the Government's approach that they should end up with such a ludicrous state of affairs. The only protection that the Taoiseach or anybody else has is that the Government have smiled sweetly and said, "You need not worry, because the exercise of discretion in these matters will mean that no prosecution will actually be brought." That approach is simply ridiculous, when this House can craft legislation that makes sure that such nonsense does not happen and meets the Home Secretary's needs.

Mr. Ellwood: The placards outside the Danish embassy have been mentioned several times. Aside from the sensitivities around removing them at the time, have the police said that arrests were not made because there was not an adequate law under which to make them?

Mr. Grieve: If the police were to say that, they would be wrong—it is as simple as that. If the people involved can be identified, there is no reason why they cannot be charged with an offence. It would not even be a question of indirect encouragement, because the incident involved the most direct incitement to violence and murder that one can possibly imagine.

Abu Hamza was prosecuted under laws dating back to 1861. I know that the world was supposed to have started when new Labour entered government, but perfectly reasonable laws were on the statute book before then.

Mr. Winnick: I was outside the post office in Dublin when Ireland was declared a Republic—I emphasise that that was in 1949 rather than in 1916. Is the hon. Gentleman really comparing the fight for Irish independence against British colonial rule and the American war of independence with modern terrorism such as 7 July? If so, is he not in danger of minimising the horrors that occurred in our country, where more than 50 people were massacred and many others were seriously injured and must live with those injuries for the rest of their lives? How can he compare that event with what happened in Ireland or what is now the United States?

Mr. Grieve: The hon. Gentleman has made my point: I would not seek to equate one event with the other, but the legislation makes no such distinction.

The definition of terrorism is so wide that it includes the activities of Robin Hood in the 13th century. Helpfully, the Home Secretary has said that he will ask Lord Carlile to review the matter and try to come up

with a definition of international terrorism that goes some way to meeting those anxieties, but it is a difficult task—it will take a legal genius to come up with a formula, and I hope that Lord Carlile or someone else can do it. In the meantime, however, we are saddled with a definition of terrorism that covers the activities of the ANC, the IRA and French resistance fighters during the second world war.

Sir Patrick Cormack: EOKA.

Mr. Grieve: Indeed, the definition also covers EOKA, Wat Tyler, Jack Cade and John Ball, so it is pretty wide. In those circumstances, we should restrict the scope of offences and ensure that they are neatly targeted, which is what the House of Lords has attempted to do.

Mr. Kilfoyle: The hon. Gentleman has obviously allowed his mind to roam around possible prosecutions under the Bill as drafted. Returning closer to home, the former hon. Member for Richmond lost her position on the Liberal Democrat Front Bench because she sympathised with the aspirations of suicide bombers. Would she have been liable to prosecution under the Bill?

Mr. Grieve: On the strict textual interpretation of the Bill as the Home Secretary wants it, she is at risk, as indeed is the Prime Minister's wife. That illustrates how ludicrous the Government's approach is.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): As a non-lawyer layman, I am always nervous about entering into a debate about definition that seems to be largely conducted by lawyers. It seems to me that given the scale of the problems that we face, it would be better to move towards a definition which provides a greater disincentive to anybody to do or say anything that might be construed as pro-terrorism rather than be a prisoner of the past on other issues. Does the hon. Gentleman agree with that layman's perspective?

Mr. Grieve: The concept of indirect encouragement is probably sufficient in itself, but it was with a view to trying to encapsulate the point made by the hon. Gentleman that the Lords drafted amendment No. 5. Their intention was to be not oppositional, but conciliatory, to the Government. If the hon. Gentleman reads the *Hansard* record of the debate in the Lords, he will see that some perfectly respectable people in the other place felt that even this amendment went too far and preferred to keep, without further ado, the straight definition of "indirect encouragement". The amendment was intended to encapsulate the issue and to be helpful.

Mr. Bailey: Does the hon. Gentleman agree that the narrowness of the definition in the Lords amendment means that it would not be seen as a disincentive to a whole range of potential offences, and is therefore not conducive to realising the whole objective behind the Bill?

Mr. Grieve: Let me take the hon. Gentleman back to my point about the Taoiseach. That is not some far-fetched fantasy but a straightforward present-day reality. I do not wish the Taoiseach to be prosecuted for commemorating and celebrating the Easter rising any more than the hon. Gentleman does, so how do we go about ensuring that that does not happen? Saying that

> "'indirect encouragement' comprises the making of a statement describing terrorism in such a way that the listener would infer that he should emulate it"

correctly explains what the House wishes to criminalise. The Taoiseach clearly does not wish people to emulate the Easter rising. That is a good approach that is worthy and should commend itself to the House.

Mr. Charles Clarke: The hon. Gentleman has conceded that his own position is ridiculous. Any celebration of the Easter rising by the Taoiseach would not be done with intent to incite others to commit acts of terrorism or even with subjective recklessness. The Government's wording requires the statement to be one

> "from which ... members of the public could reasonably be expected to infer that what is being glorified is being glorified as conduct that should be emulated"—

the hon. Gentleman's word—

> "by them in existing circumstances."

The Taoiseach's remarks simply would not be caught by this law.

Mr. Grieve: I disagree. Of course the Home Secretary is right that the Taoiseach does not intend people to engage in terrorism, but even in terms of subjective recklessness he is at serious risk. This is a controversial issue in Ireland. Some people look to the Easter rising as an example of what they should be doing today, and the Taoiseach will know that when he stands up and decides for political reasons that it is a risk work taking to repossess from Sinn Fein the celebration of this particular event and to restore it to the mainstream of Irish political life. That is what he is intending to do, but the way in which the Bill has been drafted by the Government does not protect him. There is no point in the Home Secretary shaking his head. The only protection that he has is the Government's discretion not to prosecute him. That is unacceptable. The Home Secretary would have a better case if this were an offence only of specific intent.

Sir Patrick Cormack: As always, my hon. Friend is making his case with great precision and lucidity. Have not the Government recently spent a lot of time in this House trying to distinguish between the sort of terrorism from which we have recently suffered and terrorism in Northern Ireland? A Government who have spent so much time trying to pretend that there are enormous differences between the two are now introducing a Bill that makes nonsense of their own protestations.

1.45 pm

Mr. Grieve: My hon. Friend is right. In the context of proscribed organisations, Sinn Fein would have to be proscribed on the spot. That must be the reality of the wording of clause 21. As the Bill is drafted, I do not see how Sinn Fein could survive not being proscribed—although of course the Government would no doubt exercise their discretion.

Dr. Evan Harris: I invite the hon. Gentleman to consider the report by the Joint Committee on Human

[Dr. Evan Harris]

Rights. The Home Secretary rightly said that it criticised the provision on the basis of a lack of restriction on intent and that a concession has been made to deal with that. He also said that the Committee drew attention to the breadth of the definition of terrorism, and rightly said that that was being dealt with indirectly through the review. However, he did not recognise the third criticism, in paragraph 36, of the vagueness of the glorification requirement. Will the hon. Gentleman invite the Home Secretary to meet Liberal Democrat concerns in that respect?

Mr. Grieve: The hon. Gentleman is right. This went to the heart of the debate in the other place. Lord Morris of Aberavon, a previous Labour Attorney-General and a person of great distinction who has always been a robust supporter of what the Government have generally been attempting to achieve, said:

"This part of the clause is vague, uncertain and unnecessary. It would make it extremely difficult in practice for a judge to be able to direct a jury."

He went on to say that, under the definition that the Home Secretary wants,

"'glorification' includes any term of praise and celebration, and cognate expressions are to be construed accordingly".

He went on:

"I wrote to the Minister, and she kindly replied that she did not feel it would be appropriate for her to prepare draft directions to a jury or to place any example directions in the Library. That was because any directions would have to be related to specific cases under consideration. I have not sat as a recorder for a few years since the age of 65 when the previous Lord Chancellor declared that that was enough. He may well have been right. All recorders—presumably all judges—are supplied with a book of draft directions which are in general and are applied almost every day by judges across the land. The argument that directions would have to be related to specific cases under consideration does not hold water."

That encapsulates the problem that glorification will pose. The Government would do well to heed what not only Lord Morris, but many others, including previous Law Lords, said in the course of the debate—and they were seeking to be conciliatory. Lord Ackner, who is not usually a friend of the Government, said:

"My Lords, I agree that subsection (3) must clearly go, for the reasons which have been fully explained. However, I also agree with the noble Lord, Lord Kingsland, that this is no matter of principle but one of drafting."—[*Official Report, House of Lords*, 17 January 2006; Vol. 677, c. 576, 580.]

They were genuinely trying to help the Government, who have closed their ears and eyes to what they have been told. Consequently, this House is in danger of passing law that is unworkable.

Mr. Cash: Does my hon. Friend accept that the real problem is that the Government want to allege that by refuting this idea of glorification, Opposition Members are somehow soft on terrorism. In fact, as I pointed out in an intervention on the Home Secretary, the courts have no definition of glorification. The most that can be said is that there is a public perception of glorification, but that will not help in this instance. What we really want is a clear definition. If an opportunity can be taken to get another definition on its feet before the Bill concludes its passage, that will be the best way of dealing with the problem.

Mr. Grieve: I agree with my hon. Friend. We are passing law. Lord Bingham said in the Rimmington case that law had to be clear, precise and adequately defined, based on a rational and discernible principle. That is the problem. Glorification is not clear, precise, adequately defined or based on a rationally discernible principle. By plucking the concept out of the air, the Government will cause themselves and the courts that have to apply the law great difficulties. Like so many other laws that we have passed against terrorism in the past five years, when it is on the statute book, it will turn out that all the prosecutions are brought under the Offences Against the Person Act 1861.

In 1998, we passed ludicrous law after the Omagh bombing about conviction on hearsay evidence. Mercifully, it has never been used or had to be used. We pass such law repeatedly and it is irritating when the Prime Minister gets on his hobby-horse, postures to the world, accuses everyone else of being soft on terrorism, gets his cheap headlines, which he wants, and leaves other people to clear up the mess that he created. It is the House's job to ensure that we clear up the mess now.

Stewart Hosie (Dundee, East) (SNP): Does the hon. Gentleman agree that a glorification charge would be necessary if it were not possible to charge and convict an organisation or an individual under provisions for encouraging, committing, instigating, inciting, commissioning, directly or indirectly, acts of terror or recruiting towards or fundraising for a terrorist organisation? Can he give one example of an organisation anywhere in the universe that would only glorify and not commit one of those other offences?

Mr. Grieve: I agree that that is rather unlikely. That is why we have always believed that clause 1 is a belt-and-braces job. Sometimes belt-and-braces jobs have their place, but if we are to have one, we had better ensure that we are not, in the process, creating a new world where people get criminalised and are placed in a state of deep uncertainty—that is one of the great mischiefs of the measure—about what is proper and what is not. It is all very well saying that one will ultimately be acquitted if the state is foolish enough to prosecute, but most people who enjoy freedom of speech would like the reassurance that, for example, what they say at the commemoration of the Easter rising in a pub in north London in a couple of months will not land them with a knock on the door from the police afterwards. We must take that seriously.

The Home Secretary has criticised Lords amendment No. 5. As I said, I would be prepared to retain "indirect encouragement" and nothing else. That is one approach. The Lords have genuinely sought to help the House. If the Home Secretary believes that there are textual criticisms to make, he knew that they could be made from 16 January, after the debate on Report. I do not remember their being made in the debate in the other place. The Government have had plenty of time, if they wanted, to be conciliatory with the other place. They often consider amendments that have been accepted in Committee. I have frequently presented amendments in

Committee that the Government say that they will take away, consider and bring back in better drafted form. The Government have had a long time in which to sort out the matter.

The Prime Minister suddenly appeared to suggest, with such intensity, at the Dispatch Box earlier today that textual criticisms were the Government's objection. If that is the case, I am sure that the matter can be easily resolved. I repeat my offer to the Home Secretary to resolve it. The problem is capable of resolution. However, in the meantime, I am content with the Lords amendment.

I do not want glorification to be included in the Bill under any circumstances. I shall vote to ensure that that does not happen. If it does, we shall prolong a debate that is unworthy of the House. Glorification has no place in our law. It is incapable of proper interpretation and proper implementation; it risks criminalising those whom the Government do not intend to criminalise and, as a concept, it is frankly rubbish. It is time that the House said that to the Prime Minister even if he, most regrettably, cannot currently understand that.

Keith Vaz: It is always a pleasure to follow the hon. Member for Beaconsfield (Mr. Grieve). He has won three awards in recent months for his parliamentary performance. Perhaps today we should give him an award for fiction. Although he had a good case, he embellished it to such an extent that those of us who may have wanted to support him are unable to do that.

I want to pick up two points. First, I want to consider the effect of clause 1 and the amendment on especially the Muslim community but also the wider Asian community. I am worried about the mood music of a rush to legislate on a wide range of issues that will affect the ethnic minority communities. I do understand the need for the Government to take strong, tough emergency measures to deal with those who wish to perpetrate or incite terrorism. The Home Secretary knows that I am with him on that because I supported the Government when we considered the matter previously.

I am worried about passing legislation after legislation, which creates in minds of the wider Asian community the concern that every member is under investigation. That is why we need to deal with the concerns of community groups, members of which are frequent visitors to the Home Secretary's office. They are worried about the way in which the legislation is framed. Moreover, they are worried about its implementation. The Home Secretary and the Government have conducted a proper dialogue with members of those groups since 1997. Recent events mean that it has obviously become much more intense. My right hon. Friend must ensure that the discussion includes reference to the police and that the dialogue is not simply about legislation—"We have to do this to respond to the concerns of the wider community"—but about ensuring that, in implementing the law, the police will understand the will of Parliament.

Mr. Khan: When my hon. Friend considers the disproportionate number of visible minorities and visible Muslims who are stopped and searched, arrested but not charged, and other statistics that he knows, including statistics relating to those detained at Belmarsh, does he agree that, for example, the Independent Police Complaints Commission should examine the entire country holistically rather than each independent police force considering how its officers are accountable?

Keith Vaz: My hon. Friend is right that the Independent Police Complaints Commission should examine the matter. Perhaps the reorganisation that the Home Secretary has in mind for the rest of the country means that the point will be covered.

Those of us who support the Home Secretary want him to go out and spread the message about why the Government are involved in such legislation. It is vital to explain in clear and crisp language that the measures are not being introduced to put the wider Asian community under pressure. Its members have made it clear that they are against those who purvey terrorism and with the Government in trying to ensure that something is done about the terrorists.

2 pm

Mr. Cash: The hon. Gentleman has a strong constituency interest in this matter and must therefore be listened to with great care. The Johannesburg principles, with which I dare say he is familiar, set out the criteria for dealing with matters such as freedom of expression. They state that we should take account of the fact that

"some of the most serious violations of human rights and fundamental freedoms are justified by governments as necessary to protect national security".

However, they go on to say that it is essential to enact laws that are

"drawn narrowly and with precision, and which ensure the essential requirements of the rule of law".

Keith Vaz: The hon. Gentleman's last point is right. Of course it is important in a democracy that we should maintain the rule of law. It is also right that, when community groups and minority groups are likely to be affected by legislation, those groups should be reassured that the legislation is being directed not against them but against the tiny minority of people who seek to subvert democracy by blowing people up as they did on 7 July last year. That is the balance that the Home Secretary has to strike. He needs not only to welcome those groups into his office for discussions, but to send out a clear message to them that they are on our side and we are on their side in dealing with those elements who seek to subvert our democracy.

Mr. Gordon Prentice: I am interested in how the legislation would operate in practice. This business about the Taoiseach is a complete diversion. Will my hon. Friend comment on the concrete example given by the Home Secretary earlier, when he said that context would be all-important? If a group of people were parading with placards that said, "Free Kashmir now", which is a legitimate aspiration, and there happened to be bombings in Kashmir the day after, could those demonstrators be caught under the legislation after the bombing, even if they had been doing something completely legitimate before the bombing?

Keith Vaz: I know that my hon. Friend has a large Kashmiri constituency base in Pendle, and he is right to say that these practical points need to be addressed. I would hope that such demonstrators should not be prosecuted. I go to many events where such sentiments are expressed, although less so in recent years as the relationship between India and Pakistan has improved.

Mr. Grieve: I have listened carefully to the hon. Gentleman, and particularly to his response to the intervention of the hon. Member for Pendle (Mr. Prentice). I appreciate the point that he makes, but does he not understand that the provisions that the Government are asking us to vote on this afternoon will create precisely such a climate of uncertainty in the minds of those Kashmiris as to what is permissible and what is not, and will risk criminalising people who have not the slightest intention of encouraging terrorism, but who wish to have a proper debate on difficult issues of international affairs?

Keith Vaz: I sympathise with the hon. Gentleman's point about uncertainty, but the Home Secretary dealt with that when he told the House why he could not accept the Lords amendment, and I accept what he said. There is certainty in the Bill, but the problem lies in explaining that certainty and sending out the proper message to the various communities. The Government have made it clear, in answer to the question put by my hon. Friend the Member for Tooting (Mr. Khan) and reinforced by my hon. Friend the Member for Birmingham, Northfield (Richard Burden), that this provision is not about inadvertence; it is about subjective recklessness and intent. The fact that the Home Secretary has said that means that that must be the direction in which the police must move when they wish to prosecute.

Mr. Philip Hollobone (Kettering) (Con): Even if the hon. Gentleman accepts the Home Secretary's assurances, does he not share my concern that a legitimate demonstration after an awful event in Kashmir might be stopped because of uncertainty among the Kashmiri community about whether they would be prosecuted?

Keith Vaz: As I have said, I do not think that anyone would be prosecuted in those circumstances. I do not think that it would be the Home Secretary's intention. Of course, it would be up to the police and the Crown Prosecution Service to decide whether a prosecution should take place. The evidence would have to be gathered and presented to the CPS. A prosecution could not be brought automatically just because someone had held up a placard.

Jeremy Corbyn (Islington, North) (Lab): May I give my Friend another example that is equally apposite? A number of Tamil organisations are banned in this country, yet members of the Tamil community here continue to be very concerned about the situation in Sri Lanka and frequently wish to hold meetings to discuss it. Under the Bill, people attending those meetings could be construed to be supporting the Tamil Tigers and therefore glorifying a form of terrorism. Does my Friend accept that that would present a real danger for the people in that community, and that it would have the effect of reducing or preventing legitimate public debate about Sri Lanka?

Keith Vaz: My hon. Friend is very knowledgeable about international matters and is a great champion of the ethnic minority communities in London and elsewhere. I do not think that the people he mentions would be caught by the provisions of the Bill; in fact, I am sure that they would not. The uncertainty is being created by some Conservative Members who are seeking to exploit that uncertainty for political advantage, thus making it much more difficult to get the message across. That is why the dialogue that the Home Office has, and that this Home Secretary has created, with the wider Asian community—not just the Muslim community—is so vital. These provisions are not going to affect only the Muslim community. When a person of Asian origin is stopped in the street, people do not automatically know whether they are a Muslim. The fact is that the legislation will affect a much wider community, which is why it is vital to have this dialogue and to deal with these explanations in a proper way.

Mr. Garnier: I am most grateful to my parliamentary neighbour for giving way. Is not the problem that the Government wish to send out a message? It is one thing for Ministers to make speeches and utter statements to indicate the Government's intention to deter and prevent terrorism in the national interest; it is quite another to use the language of a statute as a form of message-making machine. We need clarity and sureness of language in statute, notwithstanding that it might reflect a wider message. The language used in message-giving is entirely different and much looser. That is the problem that the Home Secretary is walking into.

Keith Vaz: The fact is that we have clarity in the Bill because the Home Secretary has listened carefully to the views that have been put forward. He has had many meetings about the provisions. He did not reach agreement with the hon. Member for Beaconsfield or with the Liberal Democrats, but he tried to do so. As a nation, we cannot stand by and do nothing. All communities are united in the belief that something ought to be done, and this is the legislation that the Home Secretary, the Government and their experts believe is necessary to meet the concerns that have been raised. My worry is that, in passing this legislation, we might feel that we have done enough. We have not. We must reinforce what we are doing with the messages that we put out.

Mr. McFadden: Does my hon. Friend agree that there is greater clarity in the Bill than has been implied in questions about Kashmir and the Tamils or, in a completely different dimension, in the Conservatives' suggestion that the Taoiseach might be arrested at Heathrow airport for attending a commemoration of the Easter rising? Is not that clarity provided by the provision that anyone engaged in such an act could

"reasonably be expected to infer"

that someone would emulate them? There is guidance in the legislation that will enable people to draw a distinction between someone making a political point about Kashmir, for example, and someone who is engaged in glorifying terrorism.

Keith Vaz: My hon. Friend is absolutely right. That assurance is in the Bill, and the circumstances to which it applies are very clear.

Mr. Khan: My hon. Friend the Member for Islington, North (Jeremy Corbyn) referred to the Tamil Tigers, and he will recall that they were proscribed under the Terrorism Act 2000, based on their behaviour before that act came into force. Colleagues were critical of that decision. Is it my hon. Friend's understanding of clause 21 of the Bill that conduct carried out only after the Bill receives Royal Assent will be considered when assessing whether a group should be proscribed, and that the group's conduct will not be assessed retrospectively?

Keith Vaz: That is my understanding, but I am sure that if I and my hon. Friend are wrong, somebody will correct us before the end of the debate—somebody who knows about these matters, rather than the hon. Member for Beaconsfield who is nodding his head at the moment.

We need to take great care over the way in which we foster the wonderful race relations that we have in Britain's multicultural society. I came to this country at the age of nine as a first-generation immigrant. I have seen race relations develop to such an extent that we have a proud record to show not just in this country but to Europe and the rest of the world. That is why what happened in France did not happen here. We should take great care of that legacy, however, and when we pass laws that will disproportionately affect a section of our community, we should do so with the utmost care.

The British Asian community should be able to demonstrate with placards when they feel that there is a grievance, as they did a couple of weeks ago in London. Of course there is a limit to freedom of speech—I have acknowledged that for all the time that I have been in Parliament. One cannot just say whatever one wants about different communities and not be subject to the rule of law. The community is mindful of that. Those who step over the line will have to be prosecuted. Within that context and the context of the law, however, the community must be able to demonstrate as it sees fit. If a cartoon is published in a newspaper that defames a particular religion, and groups of our citizens wish to demonstrate against that within the law, they should be entitled to do so. As we all know, because there is unity in the House, the line is drawn at transgression, where something more is asked for than is legitimate in a free and democratic society.

I understand that the Home Secretary has condemned the insensitivity of some of the things that have happened in the past two weeks but has said clearly that we need laws to deal with those who act to subvert our democracy. He is right to do so. I urge him, as I know that he listens to members of the communities, to continue that dialogue, to explain constantly why we need this legislation and to bring the communities on board. We will not be able to catch the perpetrators of violence unless the communities feel that they have a stake in ensuring that we retain our great vision of a democratic, free and multicultural society.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I do not intend to detain the House for long, as we have been over this ground several times and I fear that we are in danger of pursuing a debate that might generate more heat than light. However, I commend the closing remarks of the hon. Member for Leicester, East (Keith Vaz) to the Home Secretary. The approach that he advocates, of going out from Whitehall and engaging with communities, is much wiser than that which the Government have hitherto chosen to follow. The obsession with introducing one piece of legislation after another on the basis that something must be seen to be done is not a sustainable approach in the long term.

On the political context of today's debate, the Home Secretary spoke last week about his wish to build a consensus around terrorism legislation. I took him at his word and was disappointed on Monday to hear the Chancellor of the Exchequer—I know how fond the Home Secretary is of him—basically say that anyone who does not agree with the Government is soft on terror. Such language does not really assist the debate. Again, on "Today" this morning, the Home Secretary spoke about the House of Lords playing politics with terrorism. He only needs to read the report of the debate in another place and he will see that Lords amendment No. 5, with which we are dealing, was brought forward by Lord Lloyd of Berwick, a Cross Bencher, and supported by the Bishop of Winchester.

Clearly, there is a wide concern outside the chattering classes and the political community. I know that Ministers and Secretaries of State in particular sometimes find themselves living in a bubble in which they are insulated from some of those concerns. I ask the Home Secretary to accept, however, that those of us who hold such concerns do so for sincere and deeply felt reasons and that we are not simply engaged in some sort of frolic.

2.15 pm

On the Home Secretary's point that the glorification proposal was in the Labour party manifesto, the manifesto referred not just to glorification but to those who condoned terrorism. Clearly, that proposal has been quietly and properly dropped, but it indicates to me that these days—particularly in light of last night's events—there is a pick-and-mix element to political manifestos. I caution the Home Secretary against relying too much on that point.

The Liberal Democrats' concerns remain as they have been throughout. First, there is the question of the vagueness of "glorification" as a term to be used in statute. My hon. Friend the Member for Oxford, West and Abingdon (Dr. Harris) made that point in relation to the report of the Joint Committee on Human Rights, and he is absolutely right. Three concerns were raised by the Joint Committee, of which the first two have been addressed, but the Government have made no attempt to address the third. For as long as they insist on the maintenance of the term in the Bill, they can make no such attempt, as that circle simply cannot be squared. The Home Secretary accepted in a speech today that we

[Mr. Alistair Carmichael]

still do not have a proper working definition of terrorism. The effect of that is to have vagueness heaped on vagueness, which results in bad law. I did not come here to enact bad law.

The Home Secretary told us that glorification is a subset of indirect encouragement. He is absolutely right. That assertion, however, is an admission that the reference to glorification is wholly unnecessary; in fact, it is dangerous. The problem with using exemplars in that way is that they can be seen as in some way restricting the broader term of which they seek to be an example. The right hon. Member for Suffolk, Coastal (Mr. Gummer) said that all glorification would be caught by indirect encouragement but that not all indirect encouragement would be caught by glorification. He is absolutely right in that. He will be aware, as those advising the Home Secretary should surely be aware, that it is a simple rule of statutory construction that to express one option is to exclude the others.

Mr. Cash: I do not know why this debate is perhaps more important than the last one on the issue, but does the hon. Gentleman agree that we do not come here to try to produce laws that are unclear, and that we need the definition to be made? Given the importance of the Liberal Democrats in this exercise and in the House of Lords, does he agree that in the interests of the public, whom it is our main objective to serve, we should find some means of delay to which the Government could agree? Rather than rushing the Bill through on a ping-pong basis, we could settle down over the recess and come up with a clearer definition, because neither the amendment nor the Government's proposals are adequate to deal with this serious state of affairs.

Mr. Carmichael: I would certainly never seek to disagree with anyone who suggested that the Liberal Democrats were important, and I have little difficulty in agreeing with what the hon. Gentleman has said. He is right. I shall say more about this shortly, but it seems to me that there is no real chasm between the two sides. If the Home Secretary sincerely wanted to build consensus, it would not be a particularly difficult task to undertake. It certainly ought to be possible for us and the other place between us to achieve that consensus during the recess next week. Consensus, however, can be achieved only if both sides wish to achieve it.

I do not think that the root cause of the problem lies in the Home Office; I think that it lies in No. 10 Downing street. There is no political will on the Government's part to achieve the consensus, because it suits them better to dominate the political debate by calling those of us who are on this side of the argument soft on terrorism than to find a workable, sensible, legally enforceable solution.

Mr. Winnick: In evidence to the Home Affairs Committee yesterday, Lord Carlile, who used to be a Liberal Member of Parliament in the House of Commons, told us that if he had to estimate the number of clerics in the Muslim community—they are, needless to say, totally unrepresentative of that community and of fellow clerics—who are peddling dangerous nonsense, he would say that there were about 20. As I have said in earlier interventions, I recognise the sensitivity of an issue that is not as clear-cut as many of us would like it to be, but is it not possible—I am not speaking as a lawyer—that if the number is anywhere near 20, those clerics could be dealt with under existing law? If that is the position, as the Home Secretary would no doubt argue, is it not quite likely that they could be dealt with by means of the provision on glorification? If that is so, will not the hon. Member for Orkney and Shetland (Mr. Carmichael) concede that there is a case for doing what the Government intend to do?

Mr. Carmichael: The problem with that is that the hon. Gentleman's case has already been undermined by the Home Secretary, who has told us that glorification is a subset of indirect encouragement. That means that nothing said by the imams referred to by my noble and learned Friend Lord Carlile would not be caught by the broader and more general terms of indirect encouragement. The difficulty arises from the baggage that is attached to glorification. I shall say more about that later.

I want to say something about the Home Secretary's objections to the Lords amendment. He latched on to the word "listener". I accept that the wording is not the best possible formulation, and it is not the one that I would have chosen. If the word "recipient" had been used, with one bound we should all have been free; but instead of trying to work around that, the Government chose to set up a tremendous clash between this House and the other place. As I told the hon. Member for Stone (Mr. Cash), I think that that can only have more to do with the wider political debate than with the process of securing good, workable legislation.

Then there is the question of the signal that would be sent to the courts and to terrorists if it were suggested that glorification was somehow acceptable. That has more than a whiff of desperation about it. If it is the strongest argument that the Government can come up with, they are in some trouble. As I said earlier, the Government previously used the word "condone" in their manifesto. When they dropped that word, did it mean that they suddenly condoned terrorism? I do not think so.

Mr. Grieve: The Government also used the word "exalt". I am not entirely sure what they meant by it; the hon. Gentleman may agree that it is a rather undefined phrase. They seem to have been able to drop that without any difficulty.

Mr. Carmichael: Indeed. I shall not be too hard on the Government, because I am delighted that they dropped the reference to exaltation, a term which in my view has no place in statute.

The problem is that the Government have never answered the fundamental question posed by the Opposition: what will this measure add to current law? We can all see the dangers. We can all see the chilling effect that it may have. We can all see the difficulties that may be caused to those of us who may at some time wish to engage in a legitimate protest and to send our support to those in other countries who labour under despotic and violent regimes, but may be prevented from so doing.

If I may borrow a term from the management-speak of which we hear so much from the Government, I think it is incumbent on us to conduct a cost-benefit analysis.

We can all see the cost of the legislation; the benefit is less clear. On that basis, I urge the House to retain the Lords amendments.

Mr. Marshall-Andrews: I shall be brief, because I know that many Members wish to speak.

I urge the House to support Lords amendment No. 5, which effectively does away entirely with clause 1(4). That subsection, like the Bill itself, is unnecessary and, at worst, mischievous. Let me explain why it is unnecessary. I shall do so as simply as I can. I must see the legislation through the dark prism of the eyes of a prosecuting criminal lawyer, and in my time I have prosecuted the worst of them; but when I consider likely offences, I cannot think of an actual or—to answer a point made earlier—an imagined circumstance involving the imparting of glorification, coupled with encouragement or inducement to emulate, that would not be caught by existing legislation on incitement. I shall be happy if any Member can give me an example of a case in which I would not advise prosecution in such circumstances. I have struggled, and if I could have thought of such an instance, I should have been happy for the Bill to be given a much clearer passage. The fact that no such instance can be imagined, and the fact that the legislation is unnecessary, lead to the inevitable suspicion—ventilated and articulated in this House—that the motivation is to persuade the people that the Government are doing something, and, worse still, to provide an alibi for what has not been done in the past.

Pre-eminent in this context is the case of Mr. Abu Hamza. I do not know why he was not prosecuted months or years ago under existing legislation. I am sure that at some stage those with responsibility, in the Home Office or in the departments directly under its aegis, will explain why Mr. Abu Hamza was not prosecuted months or years ago, together with the other clerics who are spreading violence and the concept of violence, and the encouragement of and incitement to violence that has been described to us.

Equally, I do not know why those who carried placards during the demonstration that has rightly been referred to many times—placards that were classic incitements to violence—have not been prosecuted, and were not apprehended at the time. That failure has done no favours at all to the Islamic community. I am afraid that I was not present for Prime Minister's Questions—and I have been told by the Whips that I can go home whenever I like during this debate—but I understand that the Prime Minister suggested that we needed the Bill in order to catch precisely those people who wave placards. I do not know who briefed the Prime Minister, but I can say for certain who did not brief him: the Home Secretary's parliamentary private secretary, my good, learned and honourable Friend the Member for Redcar (Vera Baird), who would know perfectly well that what those placards contained was a direct incitement to violence. I do not know where that idea came from, but those holding the placards should, and could, have been prosecuted.

2.30 pm

The second issue is the mischief that the use of the term "glorification" will lead to. "Glorification" is a wonderful word; it is resonant, rotund, glorious. It has no place whatsoever in criminal jurisprudence and absolutely no place in this particular criminal jurisprudence. In dealing with this desperate and sensitive area of law at this desperate and sensitive time, we must ensure that the law is hard, clinical, analytical, direct and immediately understandable by any who seek to look at it. It must contain the vernacular that underlines all those elements.

"Glorification" is a word that is interpreted subjectively, as we wish to interpret it; my "glorification" is not others'. Without a shadow of doubt, if we pass this legislation the office of the Attorney-General will be besieged by those who believe that what somebody else has said—be they Islamic or Christian; it does not matter—constitutes a glorification of terrorism. Demands will be made for the Attorney-General to exercise his discretion and if he agrees to do so, it will cause immense trouble and pain. If he does not, that will also cause immense trouble and pain. The problem stems from the use of this word. "Glorification" is wonderful from the pen of Blake or Milton; it is glorious in the music of Frideric Handel. But we do not do beatitudes in the Old Bailey; rather, we do law, conviction and punishment, which is what should have happened in the case of Abu Hamza and others a very long time ago.

I hope, even now, that this wholly unnecessary word can be expunged from this statute. Of course, it will not be, but I hope that it will through the accepting of this amendment. I also hope that in future, we will have more necessary and successful prosecutions in the Old Bailey, and fewer wholly unnecessary and grotesquely mischievous attempts at legislation such as this.

Mr. Gummer: It is a pleasure to follow the hon. and learned Member for Medway (Mr. Marshall-Andrews). The word "glorify" is meant to be orotund. It is a word used almost exclusively on religious occasions, when it is meant to convey a feeling. It is meant to convey much more—and much more vaguely—than the meaning that it actually has. So it does have a place, but not in law.

The hon. Member for Leicester, East (Keith Vaz) was wrong to say that the Home Secretary, the Government and their experts have concluded that the word "glorify" is necessary. Only the Prime Minister came to that conclusion, and "glorify" remains in the Bill in order to save him from the consequences of omitting that word, to which he feels deeply attached.

No one on either side of the argument can give anything other than a ludicrous example of the difference between a case that could be caught by the term "glorify", and one that could be caught by the term "indirect encouragement". In other words, the Government have not produced a single example of someone's saying something that manifestly should be prosecuted, but which cannot be prosecuted unless the word "glorify" is included in this legislation. If the House is to support it, the Government, the Home Secretary and the Minister for Policing, Security and Community Safety must prove that point. It is no good making vague, suitable-for-the-"Today"-programme statements that anybody who does not agree with the Government must in some way be nasty. I know that that is a basic new Labour belief, but the truth is that many of us are concerned that the law be enforced, and be seen to be enforced, impartially, particularly on a matter as serious as this.

[Mr. Gummer]

Every time that an example of something that would be caught by the term "glorify" is cited and shown to be ludicrous, the Home Secretary laughs and says, in effect, "I wouldn't allow a prosecution on that basis." He has to be saved from himself. We do not want a legal system in which the public and the individual are protected from the rigors of the law not by the law itself, but by a collection of political figures. We want a law that—to paraphrase the hon. and learned Member for Medway—is clear, precise and clinical; we do not want one written in such a way as to extend Ministers' privileges and prerogatives. Having been a Minister for 16 years, I believe that Ministers should be saved from being given an apparently quasi-judicial role; that is not a proper role for them, unless it is utterly necessary in the case of a particular Minister.

Of course, there are circumstances in which the word "glorify" is not as otiose as we think—in which it is, contrary to what the Home Secretary thinks, capable of being used unreasonably. It could have a serious effect on minority communities, and here, I have a great deal of sympathy with what the hon. Member for Leicester, East said earlier, although not with the conclusion that he came to. A person who recently preached in the town of Ipswich the particular, in my view rather narrow and extreme, position of a Protestant group was stopped by the police and told that his action—he felt that he was preaching the gospel—was liable to prosecution on the ground of stirring up religious and racial hatred.

I believe the policeman in question to be wrong in his interpretation of the law, but I do know the effect of that interpretation on that small and perfectly decent—but, I think, wrong—religious community. They happen to live in my constituency, and they came to me to talk this thing through. They said, "We are law-abiding people and we do not wish to be put into a category whereby it may seem, either to us or to others, that we have broken the law. We wish to abide by it." Given their peculiar view of the nature of human law and their desire for a theocracy, that is a very difficult thing for them to say. However, I do not believe that small groups of decent people should be made, in a sense, illegal simply because we think them rather peculiar. Here, I mean "peculiar" in the technical sense of different from other people. I therefore point out to the Home Secretary that there is a serious reason why the word "glorify" should not be included in the Bill—a reason akin to that advanced by the hon. Member for Leicester, East.

We must also recognise that we are dealing with issues about which the law has to be precise. Such issues of their nature give rise to fervour, and the word "glorify" is itself a word of fervour. The great music of Steiner is fervour-creating. I very often find myself uplifted by those words and that music, but they are not a suitable subject for law. We have to be very careful, because people who speak about religion often do so with fervour, as it is the most important part of their lives. For believers, it is the most important part of life, so the use of fervent words is not surprising.

Sometimes, when the Home Secretary describes the sort of statement that he is trying to prevent, he gets pretty close to what is said in the holy books of various religions represented in this country. The step is not a big one. That is partly because holy books were usually written in times and language very different from our own, and partly because they use turns of phrase that are especially difficult to translate into English. The Government must be sensitive to that, and not make matters worse.

Mr. Cash: The Oxford English Dictionary definition is that the word "glorification" means the praise and worship of God. Does my right hon. Friend agree that there will be a grave danger that the courts will try and construe those words in the context of terrorism, which is what the debate hinges on? If terrorism and religion are conflated, would not the courts have to make a decision based on how praising and worshipping God are interpreted?

Mr. Gummer: My hon. Friend exposes why the use of the word "glorification" is so uniquely ridiculous, and makes clear how important it is to get this right. It is a delicate matter because it is so close to things that people feel very deeply. In a very delicate eye operation, for example, a tiny move can destroy the eye that was meant to be healed and therefore negate the whole purpose of the operation. The Home Secretary is capable of understanding and sensitivity, and that is why it is worth trying to pursue this matter.

My final point is a reinterpretation of my first. The matter is very delicate and so needs language that is different from that used to send political messages. As my hon. Friend the Member for Beaconsfield (Mr. Grieve) noted, language has many purposes. All hon. Members have a range of different languages. If we used in the House the language that we used to speak to our children when they were young, we would sound pretty peculiar. Some hon. Members use language in the House that would sound better in a bar, while others use language that would sound better at the Bar. Most try to speak in a language suitable for debate.

It is part of your job, Madam Deputy Speaker, to make sure that in general we abide by language that is suitable for debate. There is no place in the world where people are more careful about the language that is used. Over many years, we have created circumstances that allow us to speak the truth, even if it is extremely hard, in a way that does not lead to brawling. We use the third person, and stand and sit far enough away from each other to make brawling difficult.

That is important because we recognise that free speech is difficult. It must be nurtured and protected very carefully. One protection is to make sure that we use the right word. Including in the Bill the word "glorify" would open the door to misunderstanding of what we are about. It would be bad enough if the ethnic communities misunderstood us, but that misunderstanding could reach many small groups in society for which belief in God is the key issue. The language that they use is important to them: they wish to know precisely where they stand, and it is up to this House to make sure that they do.

2.45 pm

John McDonnell (Hayes and Harlington) (Lab): We have reached the stage in the debate when it is unlikely that minds will be changed. Some of us probably feel that it is more important to get on the record, so that our constituents and acquaintances know how and why we will vote this evening.

Many hon. Members consider the day they are first elected to be one of the proudest of their lives. They see that they are about to engage in the governance and future of the country as a whole, and deal with the most serious issues. One of those issues is the security of the country and of the constituents whom we represent.

Therefore, I resent the fact that this debate has moved away from a serious discussion of the issue in recent weeks, and that the threat from terrorism is used for political advantage rather than as a spur to drawing up appropriate legislation for our statute books. I am critical of all parties in that respect. I am upset—to say the least—to have discovered in the weekend press that Mr. Gould is polling on behalf of the Labour party to see how terrorism plays as an issue in the political debate. I resent the allegations from all sides that people who express a view on the matter can be accused of being soft on terrorism. No one in this Chamber is being soft on terrorism; we are simply trying to find the best way to confront and end it. I am also concerned by the ludicrous examples that some Opposition Members have used, as they trivialise the debate.

The debate on this amendment centres on the following questions. Is it necessary? Do the Government's proposals represent an appropriate alternative? Is the expression of those proposals appropriate, or could there be unforeseen consequences?

Many hon. Members have tried to consult as best they can on those questions. A group of us met Gareth Peirce, a lawyer who, as many will know, has been involved in terrorism cases for nearly 30 years. We first came across her when we asked her to engage in the Birmingham Six and Guildford Four cases. She should know whether enough statutes already exist to prosecute terrorists as she has already defended people accused of carrying out terrorist acts: some were innocent, others may well have been guilty.

Gareth Peirce's response was very concise. Why are we bringing in this Bill? The common law offence of incitement has been a crime for more than two centuries. Incitement to murder, which has already been referred to by the hon. Member for Beaconsfield (Mr. Grieve), is contained in section 4 of the Offences Against the Person Act 1861, which says that it is an offence to

"encourage . . . any person to murder any other person".

Again, incitement to violence is covered by section 4(1) of the Public Order Act 1986, which states that it is a criminal offence to use

"threatening, abusive or insulting words or behaviour . . . whereby that person is likely to believe that such violence will be used."

Section 12 of the Terrorism Act 2000 makes it an offence to invite support for proscribed terrorist organisations. Moreover, it is not as though all that legislation has not led to prosecutions, the most recent being the Hamza case.

My worry is based on my experience with legislation that is worded so broadly that it is ineffective and can be used to entrap the innocent. There are unforeseen consequences when we in this House legislate poorly. We should learn the lessons of the original prevention of terrorism legislation, which was used first of all against Irish republicans and which allowed the police and other authorities to undertake widespread sweeps of that community. Those sweeps caught up the innocent who were then, in many instances, subject to miscarriages of justice. We make people vulnerable when we legislate unclearly and with such a breadth of impact as this legislation would have, and that is my worry.

Jeremy Corbyn: Does my hon. Friend agree that the effect of the prevention of terrorism Acts—and, indeed, the current proscribed lists—was often to choke off legitimate political debate and drive some people into the arms of extremists and others with bad intentions, whereas they should be brought into mainstream political discussion and debate?

John McDonnell: That is another of the unforeseen consequences of badly drafted legislation. The innocent may suffer and others may be mobilised. Protections are proposed, such as the use of discretion, and we have been given assurances on the Floor of the House about the way in which the legislation will be used. However, I remind the House of when we debated the most recent anti-terror legislation. We sought assurances at that stage from my right hon. Friend the Home Secretary, who was then a junior Minister at the Home Office, on whether peaceful demonstrators would be caught by that legislation. We were assured that peaceful demonstrators would not be affected by it and would not be liable to arrest. Within eight weeks, peace campaigners demonstrating outside an arms fair in east London were arrested under that legislation despite the assurances given on the Floor of the House. The bizarre experiences at Labour party conference—not just of Walter Wolfgang but the 460 other people who were detained under the legislation—gave the lie to the assurances that were given.

My hon. Friend the Member for Pendle (Mr. Prentice) made the point with regard to the Kashmiris and my hon. Friend the Member for Islington, North (Jeremy Corbyn) made it with regard to the Tamils. I have many Sikhs in my constituency, some of whom support the cause of Khalistan, and terrorist activity has been associated with that cause. Those constituents become vulnerable under this legislation on the issue of the interpretation of reckless behaviour because they will glorify the concept of Khalistan as a legitimate objective for people within the Punjab. They might be caught out by sweeps that bring the innocent before the courts, and an inaccurate interpretation of some of this legislation might leave them vulnerable.

The reason why some of us support the Lords amendment is that—despite opposing the concept in principle—it gives more certainty that the legislation will not be used in sweeps, to arrest the innocent or cause miscarriages of justice. It is for those practical reasons that I support the Lords amendment, not for any attempt to make political capital out of the issue, which I regret has been done so far. As a Londoner, I find it distasteful that the July bombings have been used to justify some of the measures in the legislation for party political purposes, rather than for their effect.

Miss Ann Widdecombe (Maidstone and The Weald) (Con): I admit that I have been in a dilemma during much of the passage of the Bill and, at times, I believed that the Government had got it right. For example, I believe that they were probably right about 90 days, and

[Miss Ann Widdecombe]

I would certainly have voted—had I had the opportunity—for 60 days. Therefore, I looked very carefully at this issue before deciding the appropriate course of action.

If my hon. Friend the Member for Beaconsfield (Mr. Grieve) had made the speech that he made today a few years ago, I would have told him to have a week's rest and a pair of aspirin, but today it rang horribly true. That is why I do not believe that the examples he gave were in any way trivial. When we make law in this place, we do not make it in a vacuum. We have to consider not only what we are doing, but the atmosphere in which the law will be implemented. We have to ask whether we have confidence that the implementation of the law will be moderated by the spirit intended, rather than simply carried out according to its letter. We have to ask whether we believe that we live in a state that is moderate, restrained and limited in the way that it intervenes in the name of law.

A few years ago, I would have said that, by and large—even then I could have thought of a few exceptions—we live in such a state. The reason that I sit on this side of the House is that I believe, both intellectually and emotionally, that the power of the state to intervene in our lives, and the power of its agents to intervene in our lives, should be as limited as is compatible with the right and just functioning of society. Today, I do not believe that we live in such a state.

We have the ludicrous examples of agents of law and order enforcement spending four days in the bushes to catch someone feeding birds. That is a ludicrous example, but it is real. A more worrying example is that the chief constable of Wales—not some misguided Mr. Plod—believes that it is appropriate to investigate the Prime Minister for making a disobliging comment to his own television set.

Vastly more worrying even than that example, as I said during the progress of the Racial and Religious Hatred Bill, is that we have seen four or five examples of the police intervening when no crime had been committed or threat uttered but a view had been expressed. My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) gave another example. Therefore, I ask myself whether I am confident that the Bill, if we pass it today in the form in which the Government have drawn it up, will be applied with the common-sense restraint suggested by the Home Secretary. Given all the evidence that now confronts us on how law and order is being implemented, I do not have that confidence.

I have a dilemma. I appreciate that the Government believe that the other place has redrawn the provision too narrowly and that people who should be caught by the Bill will not be so caught. The Opposition contend that the Government have drawn the provision so widely that many people who should not be caught will be caught. I echo the request made by my hon. Friend the Member for Stone (Mr. Cash): if possible, we should not look at each other over gun barrels but do a bit of parleying. It seems to me that we are so close in what we want to do that we could achieve a wording that meets the objections of both sides. If we could do that, the issue would not be about who will win and who will lose but about making good law to govern our country. I believe strongly that we should make a last-ditch attempt to come up with a wording that meets the objections of both sides.

I have a further dilemma because, in an ideal world, I would like to live in a society in which one could say that Osama bin Laden was the best thing since sliced bread. I would like people to be free to say that and for it to be left to social disapproval and pressure, rather than the blunt instrument of the law, to convince them that they were wrong. However, I accept that in the circumstances that is quite impossible and that 7 July, which the Government were right to invoke, changed things and that there is now a small section of the population who are sufficiently volatile as to be incited to action. Therefore, those who incite them should be answerable under the law even if that means that we have to limit severely the exercising of free speech.

3 pm

I believe that has to be done and that what the Government are trying to do is right. I believe that we can find a form of wording that will suit us all and convince us all, and that we have a duty to do so. In the last analysis, however, especially after what has happened over the past few months, with the police knocking on people's doors claiming that they have offended against the law when all they have done is express a point of view and with those actions being upheld at the most senior level in the police instead of being derided, I have no confidence that the law will be applied with the moderation and restraint necessary to convince me that we still live in a Britain that prizes freedom above all else.

I am not a million miles from the Government's view, so it is with great reluctance that I do not support the proposed wording. I make this final plea, however: we can get there with mutually agreed wording so let us invoke the procedures that will allow us to do so.

Richard Burden: I am saddened that we have to hold this debate, because I am not sure that it is necessary. When we discussed the matter in Committee, there were big differences and I was one of those who expressed reservations about what the Government were trying to do with the glorification offence.

I still have those reservations. Nevertheless, there was some movement by the Government between Committee and Report and we arrived at a form of words, which was still not perfect but allowed us to postpone discussion of our reservations until next year. Everything has to rely on Lord Carlile's report and in our debates we will have to reach a definition of terrorism that we think makes sense. As a result, I am not sure why the other place felt it so important to make the deletions, but equally I do not understand why the Government feel it so important to reinsert the word "glorification".

I am worried that we may be slipping back almost to the position before Report. Last week, the Prime Minister said:

"It is important that we send out a very strong signal that any group, or people, who glorify terrorism in any way at all will be committing a criminal offence and that those groups that rely on

glorifying terrorism to attract recruits should not be able to operate in our society."—[*Official Report*, 8 February 2006; Vol. 442, c. 870.]

I find it difficult to reconcile those comments with the assurances that I and others received today from my right hon. Friend the Home Secretary that we are not drifting back. I appreciate those reassurances, but I am worried that the focus is starting to turn back—certainly in terms of the signals that are being sent out, although I agree with Ministers that the signals are important—to saying that if somebody says something vile or abhorrent on terrorism, priority will be given to criminalising that utterance rather than working out the most effective way of stopping the actions that the person is glorifying. My opinion about that is stronger than it was in November.

Several people have given examples that are relevant, but easy to understand, such as Nelson Mandela, Chile or Wat Tyler. I want to discuss an example that is difficult and profoundly troubling for all of us. I was one of the international observers at the recent Palestinian elections when Hamas was elected with a parliamentary majority in a free and fair vote. Members of Hamas have been responsible for some appalling attacks that are unquestionably definable as terrorist. We are all agreed about how important it is that the international community make clear our abhorrence of such attacks and what Hamas should do. When I met members of Hamas in Gaza, I told them that—as did some of my hon. Friends. I am told that those conversations played a part, albeit a small one, in convincing members of Hamas to embark on a ceasefire that has saved lives in that part of the world.

I give that example in this debate because commentators are starting to notice that even though Hamas and al-Qaeda are both terrorist, they cannot be classified in the same way. People are starting to notice that although jihadist groups are calling for violence in response to the cartoons, Hamas has called on its supporters to reject suggestions that their objections to the cartoons, which are equally as strong, should involve a violent response. I am not claiming that Hamas has suddenly stopped being terrorist or has stopped glorifying terrorism—it has not; it is still a terrorist organisation. However, if a young Muslim in the UK who hears about a Palestinian child being shot by Israeli troops—as happened a couple of weeks ago—says that he supports Hamas and that Palestinians should take up arms against Israel, I question whether the right thing for us to do would be to criminalise him and threaten him with imprisonment, rather than telling him that he is wrong and why.

From all my involvement in the issue, whether it be talking to people in the middle east or in the UK, I know that to respond by immediate criminalisation of such a young Muslim—sending out those signals—is much more likely to win recruits for terrorism than to win people away from it.

Mr. Ben Wallace (Lancaster and Wyre) (Con): Does the hon. Gentleman agree that the same point applies to Northern Ireland? It would be far more damaging to demolish the war murals in west Belfast and Londonderry—free Derry—and to arrest the people who painted them than to deal with the community and promote reconciliation.

Richard Burden: The hon. Gentleman makes a good point, which he also made in one of our earlier debates on this subject, perhaps from his own experience. It is a relevant example.

I want to make an appeal to the House. There will be a Division and I intend to abstain for the reasons that I have set out, but if we are concerned about the signals that we send from this place it is important that the Opposition and my hon. Friends who share my reservations about what the Government are doing, and indeed those who disagree even more strongly, do not over-egg their case and claim that the Bill contains something that is not there—in other words, go back to our previous debates and imply an omission of the need for a link between glorification and incitement.

I ask my right hon. and hon. Friends—especially Ministers—who support the Government not to project the debate as an argument between people who want to defeat terrorism and people who do not. The argument is about how we do it, and that is the signal that we must send out.

Mr. Grieve: I can assure the hon. Gentleman that we are willing to do that. I simply make the point that, during the build-up to the debate, it has become harder to discuss these matters rationally, as the No. 10 propaganda machine has cranked up to a very high pitch of activity in trying to blacken the name of anyone who stands in its way. That is not conducive to sensible debate, and I for one am always happy to speak to the Home Secretary on such matters.

Richard Burden: I know what the hon. Gentleman has said. In fact, I had finished my speech.

Stewart Hosie: I am not quite sure how long we have, Madam Deputy Speaker, but I will start and stop when you tell me to do so.

In a previous debate I gave the Minister for Policing, Security and Community Safety an example that I thought would fall foul of the Bill—a meeting of Chilean political refugees, deemed to be terrorists by the Pinochet regime, at which someone said, "I really value what you did in Chile. I hope that one day you can go home and seize back your country from the dictator." The Minister suggested that would not be caught by the Bill.

The Minister suggested that six hurdles would have to be overcome before anyone could be caught and convicted under the Bill. I dug out the relevant copy of *Hansard*—2 November 2005, column 873—to find the Minister's response to the hon. and learned Member for Medway (Mr. Marshall-Andrews) in which she laid out the six hurdles to be overcome. If I have time, I shall go through my example again and compare it with her six hurdles and the term "glorification".

Let us consider the first test, where someone attends a meeting and says, "I really value what you did in Chile in the fight against Pinochet, even though he has deemed you to be a terrorist now. I hope that one day you'll go back and seize your country from the dictator." That

[Stewart Hosie]

person must know that they are glorifying the actions that were taken and asking that they be emulated in the future, and the recipient of the information must also be in no doubt about that.

The second test involves the likely effect. Indeed, people may well go back and commit the actions again to achieve the desired result. The third test relates to the context. In the context of a meeting of political refugees, there can be no doubt about the meaning of those words. The fourth test is whether there is a reasonable prospect of a conviction. Of course, if there were witnesses to the conversation, there would be a reasonable prospect.

The fifth test is whether a prosecution is in the public interest. It may not be in the public interest with this Government, but it may certainly have been under previous Governments and—who knows?—under future ones. The problem is that that is a very subjective and political decision, which is not helped by the vagueness of the word "glorification."

The sixth test is whether the Director of Public Prosecutions would take action. If a crime had been committed and there were reasonable grounds to believe that a conviction could be achieved, the DPP would have little or no alternative but to proceed; he would be obliged to do so.

I have struggled with this since 2 November, and I think that that is a very good example of how innocent people who say perfectly reasonable things to progress the cause of people fighting a despot might be charged, convicted and criminalised under the glorification element of the Bill. I do not believe that the six hurdles are safeguards; they are simply a description of the process of conviction. The bottom line is that too many people would be found guilty and convicted of crimes under the glorification provision simply for giving positive support to progress the cause of people fighting despots elsewhere.

The term "glorification" is so wide, so broad and lacks so much definition that it ought not to appear in the Bill. Furthermore, no Government Member has yet been able to give a single example of any organisation or individual who would be charged under the glorification cause who would not have been covered by provisions guarding against encouraging, committing, instigating or commissioning directly or indirectly acts of terror, or recruiting to a terrorist organisation, or fund raising for a terrorist organisation, or any of the measures that are already on the statute book. The provision is unnecessary. It is too wide. It is unhelpful. It will criminalise the innocent. Let us reach an agreement, find a formula and accept the Lords amendments, with the necessary changes, but let us not object to them today.

Mr. Cash: In view of the time, I shall speak briefly. The debate has demonstrated with absolute clarity the need to take back these provisions, to consider them in the recess and to propose words that will make sense and can be defined by the courts. This is not just simply a question of whether the public have a view about what is glorification. None of us in a general sense would want terrorism to be glorified, but that is not the problem.

3.15 pm

The problem is that such words have never been construed in any court. They are incapable of being construed properly in any court, and they will lead to grave uncertainty. Indeed, to turn the Prime Minister's argument on its head, far from producing the results that he seems to want to achieve, they will almost certainly lead to the acquittal of the very persons whom he would want to be prosecuted and convicted. That is the ultimate test.

What the Prime Minister and the Home Secretary have been saying today will lead to the acquittal of people on grounds under which they would have been prosecuted successfully in relation to the whole series of enactments that have been described already, including the two enactments of 1861, the Terrorism Act 2000 and a stack of others.

Such provisions are available. Including them in the Bill will create confusion and uncertainty, so they should be included in the consolidation Bill to which the Home Secretary referred the other day. In the meantime, he should go back to the drawing board and come up with proposals that both make sense and will result in what the people of this country really want.

It being two and a half hours after the commencement of proceedings on consideration of Lords amendments, MADAM DEPUTY SPEAKER *pursuant to Order [this day] put forthwith the Question already proposed from the Chair.*

The House divided: Ayes 315, Noes 277.

Division No. 168] **[3.17 pm**

AYES

Ainger, Nick	Browne, rh Mr. Des
Ainsworth, rh Mr. Bob	Bryant, Chris
Alexander, rh Mr. Douglas	Buck, Ms Karen
Allen, Mr. Graham	Burgon, C[illegible]
Anderson, Mr. David	Burnham, A[illegible]
Anderson, Janet	Butler, Ms Dai[illegible]
Armstrong, rh Hilary	Byers, rh Mr. Stephen
Atkins, Charlotte	Byrne, Mr. Liam
Austin, Mr. Ian	Caborn, rh Mr. Richard
Austin, John	Cairns, David
Bailey, Mr. Adrian	Campbell, Mr. Alan
Baird, Vera	Campbell, Mr. Ronnie
Balls, Ed	Caton, Mr. Martin
Banks, Gordon	Cawsey, Mr. Ian
Barlow, Ms Celia	Challen, Colin
Barron, rh Mr. Kevin	Chapman, Ben
Battle, rh John	Chaytor, Mr. David
Bayley, Hugh	Clapham, Mr. Michael
Beckett, rh Margaret	Clark, Paul
Begg, Miss Anne	Clarke, rh Mr. Charles
Bell, Sir Stuart	Clarke, rh Mr. Tom
Benn, rh Hilary	Clelland, Mr. David
Benton, Mr. Joe	Clwyd, rh Ann
Berry, Roger	Coaker, Mr. Vernon
Betts, Mr. Clive	Coffey, Ann
Blackman, Liz	Cohen, Harry
Blackman-Woods, Dr. Roberta	Connarty, Michael
Blair, rh Mr. Tony	Cooper, Rosie
Blears, rh Hazel	Cooper, Yvette
Blunkett, rh Mr. David	Crausby, Mr. David
Bradshaw, Mr. Ben	Creagh, Mary
Brennan, Kevin	Cryer, Mrs. Ann
Brown, rh Mr. Gordon	Cummings, John
Brown, Lyn	Cunningham, Mr. Jim
Brown, rh Mr. Nicholas	Cunningham, Tony
Brown, Mr. Russell	Curtis-Thomas, Mrs. Claire

Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Farrelly, Paul
Fitzpatrick, Jim
Fiello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Iranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Oiner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Mr. Parmjit Dhanda and Mr. Frank Roy

NOES

Abbott, Ms Diane
Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek

Corbyn, Jeremy
Cormack, Sir Patrick
Cousins, Jim
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Fisher, Mark
Flynn, Paul
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hoey, Kate
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Hopkins, Kelvin
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Glenda
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kilfoyle, Mr. Peter
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Marshall-Andrews, Mr. Robert
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osten, Mr. Mark
Opik, Lembit
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prentice, Mr. Gordon
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rowen, Paul
Ruffley, [illegible] David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Short, rh Clare
Simmonds, Mark
Simpson, Alan
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wood, Mike
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Crispin Blunt and Andrew Rosindell

Question accordingly agreed to.

Lords amendment disagreed to.

MADAM DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Lords amendments Nos. 11, 15, 28, 31, 32 and 34 disagreed to.

Government amendments (a) and (b) in lieu of Lords amendments Nos. 5, 11, 15, 28, 31, 32 and 34 agreed to.

DEFERRED DIVISION

Madam Deputy Speaker (Sylvia Heal): Order. I now have to announce the result of the Division deferred from a previous day.

On the motion on Northern Ireland, the Ayes were 279, the Noes were 226, so the motion was agreed to.

[The Division Lists are published at the end of today's debates.]

Terrorism Bill

Lords amendments considered.

Clause 3

APPLICATION OF SS. 1 AND 2 TO INTERNET ACTIVITY ETC.

Lords amendment: No. 22, in page 5, line 17, leave out ", in the opinion of the constable giving it,"

The Minister for Policing, Security and Community Safety (Hazel Blears): I beg to move, that this House disagrees with the Lords in the said amendment.

Madam Deputy Speaker (Sylvia Heal): With this it will be convenient to take Lords amendment No. 23, Government motion to disagree thereto, Lords amendment No. 29, and Government motion to disagree thereto.

Hazel Blears: Although I am sure that our debate on these amendments will be somewhat shorter than our debate on the previous group, they are detailed and controversial and I have no doubt that they will be subjected to proper scrutiny this afternoon.

The amendments relate to clause 3, which extends to the internet the offences set in clauses 1 and 2—encouragement to terrorism and dissemination of terrorist publications. I am sure that the House does not disagree with the principle of the clause that knowingly encouraging terrorism through the internet should be a crime. We have all heard about the radical material that is sometimes distributed via the internet and on the worldwide web, and the damage that it can cause. However, in applying the offences in clauses 1 and 2 to the internet, we faced a significant problem relating to knowledge of the offence.

As we all know, it is possible for someone who runs a bulletin board-style website to be unaware of the content posted on it. Clause 3 provides for a notice and take-down procedure to enable the police to notify those who are unaware of offending material of its presence and to request them to remove it from the public view. If they choose not to remove the material, they will be deemed to have endorsed it and they will lose the chance, if they are prosecuted under clauses 1 or 2, to use the defence of non-endorsement set out in those clauses.

The House should bear in mind, first, that refusal to obey the notice and take-down procedure is not an offence in itself. The legal effect of refusing to comply with the notice is merely that the statutory defences in clauses 1 and 2 of non-endorsement are not open to be used by the person in question. Secondly, even if an individual fails to comply with the notice, the prosecution will still have to prove that they intended to encourage terrorism or to make information or assistance available to terrorists, or they were subjectively reckless about that. Those are significant burdens on the prosecution. The clause provides simply that someone who chooses to ignore the notice and take-down procedure will not be able to avail themselves of the simple statutory defence of non-endorsement; the prosecution will still have to prove the offence. The intention behind clause 3 was to provide a method by which webmasters could be made aware of content on their websites, thus ensuring that they could not claim not to have known about it if they were subsequently prosecuted.

The internet is a fast-moving medium. In the field of removal of child pornography, in which the UK is the acknowledged world leader, it is accepted that offensive material can change location several times in one day. Shifts in location can take place between different computer servers, across countries and across continents.

Mr. Ellwood: The problem to which the right hon. Lady refers is an international problem, but we are prompted to act in this respect because we are trying to deal with a problem of international terrorism. What discussions has she had with ICANN—the Internet Corporation for Assigned Names and Numbers, which is the international organisation responsible for the servers themselves—which would be at the heart of any attempt to solve the problem? If we control what goes out on the internet, we stop the means of communication that terrorists use so freely.

Hazel Blears: Personally, I have not had any such discussions, but extensive discussions are under way with internet service providers and the communications industry both in the European Union and internationally to try to ensure that we tackle those problems in relation to terrorism and child pornography. Hon. Members will acknowledge that we have made significant progress in dealing with child pornography in this area. Those discussions are under way, but the hon. Gentleman is right—we face international problems, and the imperative is to maximise international co-operation on these issues.

Locating that material and ensuring that it is removed is sometimes a difficult job, as the hon. Gentleman pointed out. It was therefore proposed and accepted by the House that a police constable could issue a notice to the person responsible for disseminating or publishing content considered capable of prosecution. The amendments made in the other place drastically change the effect of clause 3, and stipulate on the grounds of protection of freedom of speech that a judicial authority, rather than a police officer, should be capable of issuing such a notice. Moreover, they stipulate that the judicial authority should be a circuit judge, a judge of the High Court in England and Wales or an equivalent judge in Scotland and Northern Ireland.

The argument advanced in the other place for such a change is that it would not be in the interest of a service provider or webmaster to ignore a notice, and that a police constable was not an appropriate authority to issue such a notice, given the effect on freedom of speech. I understand some of the concerns expressed in the other place, but I hope to reassure the House that they are unfounded. First, we are working to produce guidance on the issue of notices under clause 3 with a working group comprising members of the police, the Crown Prosecution Service and other interested parties. It is certain that a clearly stated protocol will be introduced under which notices will be issued. It is therefore not possible for a notice to be issued without serious consideration. Concern was expressed in the other place that a police officer could decide on a whim

[Hazel Blears]

that material on the web contravened the provision and could issue a notice. However, I can reassure the House that that will not happen.

Mr. Peter Bone (Wellingborough) (Con): I accept the Minister's reassurance but, under the Bill as drafted, it is possible for any constable to issue a notice, whatever protocol is introduced.

Hazel Blears: It is appropriate for a police officer to take such a step, but I am seeking to assure the House that that police officer will be an accredited specialist with proper training. I hope that, on the basis of my assurances, the House is comforted that we are trying to build in sufficient safeguards so that the powers are not exercised disproportionately.

Mr. John Redwood (Wokingham) (Con): How many cases will come to the attention of the police and result in such an order in a typical year?

Hazel Blears: I am not in a position to speculate about the effect of the provision because it is a new measure. The police, however, will look at the issue carefully. We all accept that some material circulated internationally on the web could fall foul of clauses 1 and 2, so it is appropriate to introduce a mechanism to request that that information is removed quickly—as I said, the internet is a fast-moving medium.

May I set out the detail of what the special branch officers will do, as it will give the House some reassurance? An officer in the anti-terrorism branch of the police service who carries out such duties is known as the single point of contact, and deals regularly with internet service providers and the communications industry. Our relationship with the communications industry does not simply focus on terrorism, and there are a range of issues on which the police must foster good relations. The accredited single point of contact officers will ensure efficiency and good practice in their management of relationships. They will use only practical and lawful requirements for the acquisition of communications data, and they will provide a guardian and gatekeeper function to minimise the burdens on internet providers so that a huge amount of bureaucracy is not created. At the same time, however, they will ensure that there is access to the information that could help us to tackle such problems.

Dr. Julian Lewis (New Forest, East) (Con): The policemen who undertake such work will be specialists, if only in linguistics, because much of the material will probably be in a foreign language. However, what would happen if something were posted on the web that genuinely quoted inflammatory material, perhaps to criticise it? On the other hand, to get round the law, a posting could quote inflammatory material and pretend to criticise it but, in fact, be seeking to propagate it.

Hazel Blears: Clearly, those are matters of interpretation of the material posted. Does it fulfil the conditions of the offences in clauses 1 and 2? Does it appear to be material of the kind that could qualify as the offence? The original notice and take-down procedure will be a judgment reached by the specially accredited officers who are properly trained to deal with these matters. It is important to stress that failure to remove the material is not a criminal offence. It simply stops the person availing themselves of the statutory defence that is in place.

3.45 pm

That is probably a good balance, so that we can get swift action. Things on the web move very quickly. If we had to go to judicial authority—a High Court judge—simply for the notification procedure, that would build inordinate delay into the process.

Dr. Julian Lewis *rose—*

Hazel Blears: I shall finish the information, for the benefit of the House, about the single point of contact officers. When people see the broad statement in the Bill about a police constable being able to take the action described, I understand their concerns and I am seeking to allay them.

The special branch officers who, as I said, are properly accredited, would assess whether it was necessary to get the information from the service providers, and they would try and offer assurance to those providers and work with them. I am assured that the officers have all been on a proper course of training. Details of all the accredited individuals are available to the service providers so that they can be reassured about the person they are dealing with.

We are considering the appropriate level for the authorisation of the power. In many areas powers are authorised at superintendent level. We have not reached a final decision about that, but if we read across from the regulation of investigatory powers legislation, that is the appropriate level.

Dr. Lewis: When service providers are informed about such a notification, will there not be a temptation on their part, assuming that they are just business men and women and non-ideological, to say, "Whenever we get a take-down notice, we will automatically comply. What's in it for us to resist it?", and will not the effect of the policy applied across the board be that all the websites will quickly find internet service providers abroad and the whole issue will become rather nugatory?

Hazel Blears: I do not accept the hon. Gentleman's premise that because there might be consequences, we should not try to limit the kind of information that is available. If we adopted that as a general approach, we would rarely legislate on anything. If, through the process, we can limit the amount of material that could be used to encourage people to engage in terrorist acts, it is a process worth adopting. I do not believe that the automatic response from providers will be to remove information. They have an interest in making sure that their websites, and access to the web, are relevant and interesting to the people who want to use them.

Mr. Redwood: It would help the House if the Minister could tell us why she wants the measure. How common is the problem on the web? Have there been cases of

terrorist outrages or ones that have fortunately been stopped where web material was important as part of the motivational briefing?

Hazel Blears: The right hon. Gentleman will be aware that people access material and images from the web. Sometimes people who have been involved in terrorist activity have said that they were influenced by material that they were able to access. The problem is therefore real. It is important that we take every step we can to try and prevent people from being unlawfully drawn into terrorist activity. Clause 1 includes the new offence of indirectly encouraging people to get involved in terrorist activity.

It is important that we seek to use all available means, because in this global world people are increasingly using technology, the internet and methods of communication other than writing a simple statement or making a speech. We have already debated how people communicate, and most people think it appropriate to limit the use of the web where it draws people into such activity.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The right hon. Lady has said that a specially trained police officer will consider the quality and quantity of the evidence and whether a prosecution could be mounted, but qualified lawyers, such as judges, should control all those things. If her main objection to the Lords amendment is the delay, I suggest the use of circuit judges as well as of High Court judges. Circuit judges in many fields of law are always available at a moment's notice to attend, for example, interlocutory injunctions. The delay is not necessary, because such matters can be dealt with quickly.

Hazel Blears: My objection to the Lords amendment is not based simply on the issue of delay, and I shall make a further point in due course.

I hope that I have assured hon. Members that the people in the anti-terrorism branch, which will be the point of contact, will be properly accredited and trained to carry out the work. It is important to point out that the process has been agreed with the internet industry, which did not ask for the Lords amendment in order to protect itself. The internet industry is content with the proposed procedure in the Bill.

Mr. Wallace: I understand the Minister's good intentions on dealing with rogue sites within the United Kingdom. Will she clarify what would happen if a nation such as Iran were to host a website calling on all Muslims to destroy the nation of Israel? In that case, an offence would obviously have been committed under clause 17, but would the Iranian ambassador to the United Kingdom be guilty of an offence while serving here because the site was hosted by their Government?

Hazel Blears: The hon. Gentleman has set out a complex example, and it is difficult to envisage the controls that we could introduce in those circumstances. As I have said, the impossibility of controlling every single eventuality is not a reason for inaction on other matters—I have encountered that issue in a range of areas.

The police are seeking to take action on internet transactions. It is difficult to implement provisions that affect the whole of Europe, let alone the whole of the world, but we are continuing to work on international agreements to limit illegality on the internet. The issue will become increasingly difficult as more and more information becomes available on the internet, and we are seeking to introduce robust laws to limit the problem. I do not think that we can eradicate radical material from the whole of the internet, but that is no reason not to do the best that we can.

Martin Horwood (Cheltenham) (LD): The Minister has rightly pointed out the complexity of many of the examples, so I shall give her a simpler one. If a newspaper were to carry a photograph of a direct encouragement to terrorism—for example, some of the recent placards—on its website, would that website be indirectly encouraging terrorism? Under the Bill, the encouragement would be indirect, but the judiciary rather than the police should make such fine judgments.

Hazel Blears: The hon. Gentleman has not appreciated the two-stage nature of clause 3. The police, who will be properly accredited, will say, "This is on your website and we would like you to take it down." People can properly refuse to remove such material, but it means that they cannot then take advantage of the defence that they did not know about the material and could not therefore endorse it. It does not mean that someone is guilty of an offence, but simply that they cannot take advantage of a defence that is designed to protect people who genuinely and innocently did not know that the material was on their website. It puts them on notice that the material is on their website and that they had better take it down or they may be prosecuted. However, the prosecution would still then have to prove every element of the offences in clauses 1 and 2. The person will have their legal protection, but they will not be able simply to say that they did not know about it, because they will have been put on very clear notice by the police officer concerned.

These amendments have not been asked for by the internet industry, which does not feel that it is rulable as a result of these provisions. We have been in discussions with its trade body—the Internet Service Providers Association. It welcomes the setting out in the provisions of a clear notice-and-take-down model. It had several concerns which we sought to address and which were discussed in the other place. However, at no time did the industry ask for the change that the amendments would make—that is, to bring in judicial oversight.

Mr. Marshall-Andrews: I appreciate precisely what the Minister is saying. We are dealing not with an offence but a defence, and that defence being abrogated as a result of knowledge of what one is doing. I suspect that it is not that different from a situation in which, were there to be no defence, a member of the special branch or a senior police officer went to the internet provider and said, "This is on your site, and if you don't take it off we're going to prosecute you for it." Let me offer the Minister a thought. The police's ability to do this is undoubtedly an in terrorem measure. May I suggest that we build into the Bill—we still have time—

[Mr. Marshall-Andrews]

an appeal process whereby, if it wishes, an internet provider that has been warned in this way can go to a judge for that judge to provide, on its appeal, whether proper or improper notice has been served? No delay would be involved. It would be at the internet provider's expense, we would not be in any way penalised by it, and it would assuage many of the problems that many of us have.

Hazel Blears: I understand my hon. and learned Friend's point. I do not know how many people share the same problems, but I think that the internet industry is content with the provisions as we have set them out and feels that they strike the right balance. It is not looking for extra judicial oversight or for an appeal process. We must get the balance right between being able to take swift action on a very fast-moving medium—the internet—and ensuring that people can still avail themselves of the proper defences to any prosecutions that might be brought but cannot avail themselves of the defence that they did not know about the material if they have been put on notice. That is a sensible and straightforward provision.

As I said, there is also no immediate penalty for failing to comply with a notice. In those terms, there is no need for an appeal process. If we want to prove offences under clause 1, we have to prove intent or subjective recklessness. In addition, there are the provisions on the consent of the Director of Public Prosecutions and the hurdle of the public interest. I talked about hurdles at great length when we debated this legislation in the past. I am concerned to ensure that there are safeguards.

I do not want provisions that lead to arbitrary prosecution, but I think that these provisions are appropriate. The amendments tabled in the other place would make them much less effective. If we are going to say that there needs to be judicial oversight of such material by a High Court judge, as suggested, that would subject the issuing of one notice, which merely notifies and requests the person to take down material, to the same amount of judicial scrutiny as the continuing detention provisions. I genuinely think that in this case we have got the balance right, with a specially trained special branch officer who works with the anti-terrorist unit, and is used to dealing with these issues, going to the service provider and saying, "This material is there, you ought to take it down, and if you don't you can't avail yourself of the defence that says you didn't know." It is a very straightforward issue, and with the greatest respect I think that Members are making heavy weather out of it.

Dr. Julian Lewis *rose—*

Hazel Blears: However, I always respect the views of the hon. Gentleman, so I give way.

Dr. Lewis: I am being persistent about the matter because I was one of the first people to issue a writ against an internet service provider for defamatory material. That is analogous to the position that we are discussing. The effect was instantaneous: the material was removed and promptly reappeared on the site of a foreign internet service provider. However, the Minister could consider a positive action—perhaps she has already considered it—that is more than the empty gesture that she is making. What is she doing about search engines? The danger of such material is not so much the people who know which websites to look for because they are already hooked, but those who enter terms into a search engine such as Google, which, as we know, is capable of deciding what it will produce if hit. Action on search engines would be of more practical value than what she is proposing today.

4 pm

Hazel Blears: My decision to give way to the hon. Gentleman is vindicated. As ever, he has knowledge and experience of such matters and makes a practical suggestion. I do not accept that our proposal is a gesture. I believe that it will have an impact on reducing the available material. However, I should like to investigate whether we could consider action—not necessarily in the Bill—to cover people who perhaps inadvertently go on to such websites and those who positively search for them. The hon. Gentleman makes a fair point.

I am sure that hon. Members want to try to ensure that our law is effective. I do not believe that an appeal process is necessary because providers can simply ignore the notice, in which case they cannot avail themselves of the statutory defence. We all accept the power of the internet today and the fact that it is capable of radicalising young men and women and exposing them to material that none of us wants them to see.

It is important that we disagree with the Lords amendments. They are cumbersome, not at the right level, would lead to delay and make the provisions much less effective.

Mr. Ellwood: Does the Minister concede that, if the internet played any part in the 7/7 bombings or any of the other international terrorist events, the websites and internet service providers are likely to have emanated from abroad? If we are to tackle international terrorism, the provision may be a step in the right direction but it will hit many innocent organisations that will now have to be careful, while not touching internet service providers and websites that deliberately send messages and are used by terrorists as a form of communication.

Hazel Blears: I am pleased that the hon. Gentleman accepts that the provisions will have some effect. I do not pretend that they will eradicate every bit of unacceptable material from the whole internet. It would be difficult to draft such provisions without their leading to complaints that they were too draconian and authoritarian. We are trying to get the balance right. We constantly work with our colleagues in the European Union and other nations throughout the world to try to ensure that we bear down on global information that can drag young people into terrorist activity.

Other member states are as concerned as us to try to reduce such internet activity in their countries. We have negotiated some good agreements, especially in the EU, about sharing information and trying to harmonise the retention of communications data. That, too, will help in our fight against terrorism. Hon. Members should

rest assured that the Government are not idle. We constantly try to ensure that we maximise our ability to intervene.

David Taylor (North-West Leicestershire) (Lab/Co-op): I have listened carefully to my right hon. Friend's comments about the attitude of internet service providers in the United Kingdom and elsewhere. Is not it at least possible that internet providers and the Governments of the countries where they are located are not necessarily reluctant for some of the more marginal material to be left on the web because one could thereby track the source and addresses of those who access the sites? Is not that a form of intelligence that could help tackle some of the problems that my right hon. Friend describes?

Hazel Blears: I do not necessarily accept the advice that we should allow material that is clearly dangerous to remain on websites to try to get intelligence.

David Taylor: Marginal material!

Hazel Blears: Those are matters of fine judgment and I do not want to consider the provisions that we discussing in that way. We have some straightforward provisions that would notify providers that material was unacceptable and that they should remove it, tell them that they could choose to ignore the notice but that, if they did so, they could not avail themselves of the statutory defence that they did not know about it. The provisions from the other place would elevate this matter to too great a level by seeking to have judicial scrutiny of the process. The internet service providers have not requested that; they are happy with this process and feel that it will help to reduce the amount of such material available. This is a practical and common-sense provision, and I ask the House to disagree with the Lords amendments and to approve the original wording of the Bill.

Mr. Grieve: I have listened with interest to what the Minister has said on this matter. We share her aims in clause 3. We entirely agree that it should be possible to give a notice to take down internet material that offends under clauses 1 and 2. We have no problem with that. The difficulty is, as the Minister will acknowledge, that the internet service provider is in a different position from the person who has put the material on the web in the first place.

We take the view in this country that the internet is a powerful tool for disseminating information, and that on the whole—although it can be used for bad purposes such as pornography, child pornography and, indeed, terrorism—the balance is in its favour in that it allows the distribution of information around the world. It is therefore in the public interest that the principle of the freedom of the internet should be maintained. Disquiet has been expressed recently that, under pressure from some foreign Governments, internet service providers and search engines have been prepared to reach accommodations with those Governments to withdraw certain material, particularly in China. That is an infringement of the ability to communicate freely. There is a serious public interest in maintaining the right to communicate freely on the internet.

I fully understand how the Government's provision will operate. There will be trained officers to carry out research work and serve the notices. That is all perfectly appropriate, but, as the hon. and learned Member for Medway (Mr. Marshall-Andrews) so rightly said, when a person receives one of those notices, it is in terrorem. They will receive a notice telling them that they risk prosecution unless they remove the material, and that they will not be able to rely on the statutory defence of lack of knowledge. Any internet service provider that is doing its job properly and is respectful of the public policy arguments relating to the maintenance of freedom of speech will have to make a judgment as to whether the police officer is right to serve the notice. There could be instances in which an internet service provider decided that the case was borderline. It would not be the first time in our history that a police officer had made a mistake, however well-intentioned they might be.

In those circumstances, what could be more sensible than to provide a mechanism to reassure the internet service provider that an independent third party had scrutinised the request from the police officer, so as to establish that there was at least a prima facie case to justify the officer's action? That is all that we were talking about, when the other place inserted the judicial scrutiny provision.

I was surprised to hear the Minister say that this would be no different from the scrutiny of control orders. She has failed to understand the nature of the review that a judge would carry out. I would assume that it would be identical to those made on an ex parte application for an injunction. The police officer would simply have to show the material to the judge, and the judge would have to make a swift assessment of whether he thought that it fell foul of clauses 1 and 2. The judge would then give his approval. That would provide the reassurance to the internet service provider that he was taking the right decision in taking the material off the web.

The Minister seemed to say that there was a great need for haste in such cases. I confess that I was a little surprised about that, because when we debated clause 3 it never occurred to me that it, or clauses 1 and 2, would be used as an emergency provision suddenly to remove or prosecute people. Instead, it seemed that it was part of the Government's perfectly commendable plan to ensure that the circulation of material that constituted a direct or indirect encouragement to terrorism could be controlled. The truth, I suspect, is that material of that kind is likely to have been on the web for weeks if not months or years before somebody finally starts taking action against it. That there will be some threat to the public from a delay of 24 hours, which is probably all that would be needed in order to go before a judge—in an emergency, the delay would probably be of a few hours, and the hearing could probably be done in the middle of the night were there some pressing reason—does not therefore seem to be the best point that the Minister has made in the debate, although I acknowledge that I do not take exception to the broad thrust of what the Government are trying to do.

I regret that the Minister has not persuaded me that the amendment was a foolish move by those in the other place to try to improve the Bill. I am a little disappointed

[Mr. Grieve]

not to have seen her telling us cheerfully from the Dispatch Box that it was rather a good idea and a minor improvement to the Bill that should commend itself to the House.

The hon. and learned Member for Medway made the point that the other approach would be to have an appeal procedure. That is another way of doing it. It would provide for some degree of judicial review of the decision taken. Where people are making a decision that interferes with the normal right to exchange information, it seems to me that the cost, which would not be much anyway, could properly fall on the state, at least in providing for this scrutiny measure. To be fair to the Minister, she has not suggested that the scrutiny measure will undermine the provisions of clause 3, as that would be rather far-fetched.

The measure is not of huge importance, but having read it and considered what the other place has done, it seems to be a material improvement to the Bill. When first confronted with the amendment, which did not come from my party, my colleagues in the other place took the view that it helped matters. I am therefore sorry to learn that the Minister is unsympathetic to the amendment. If, as I assume will be the case, the matter is pressed to a vote, Conservative Members will vote for the amendment to be retained, because although it is not of huge importance, it is a minor and sensible improvement to the legislation.

Lynne Featherstone (Hornsey and Wood Green) (LD): We agree in principle with wanting to take off the net material that would incite or encourage terrorism, on which there is agreement on both sides of the House. However, we want to preserve the protections put in place by my noble Friends in relation to free speech and freedom of information and a certain degree of protection for the police.

The internet is the most extraordinary communication tool. It brings light to some of the darkest places in this world because it circumvents the censorious nature of authoritarian Governments or dictatorships. We laud its freedoms when it suits us, because it brings news and the outside world into those countries where Governments would keep freedom at bay. We object when we see Governments interfere with those freedoms, as we did recently in the early-day motion on China and Google, which I signed.

The Government wish to disagree with my noble Friends' amendment. We believe, however, that free speech is threatened by intervention in what can and cannot be published on the internet. We therefore agree that the safeguards in relation to any removal of material should be strengthened. If the amendment is allowed to stand, the decision to serve a notice will be removed from the constable and will become a matter for judicial oversight. We want to ensure that the mischief that the Government rightly seek to address is confined to that particular mischief.

4.15 pm

Mr. Hollobone: May I give a rather flippant example? We all know of the case of Mr. Walter Wolfgang, who was removed from the Labour party conference under anti-terrorism legislation on the determination of a police officer. Were Mr. Wolfgang to have a website, the Bill would allow a police officer to insist on its removal. We all know that that is a flippant example and that it is unlikely to happen, but under the Bill it is possible.

Lynne Featherstone: That is true. A host of cases might be caught, or might not. The point of judicial oversight is to confer an extra level of security to any decision that is made.

If a notice is served, an internet service provider will inevitably remove material that is cited as being unlawfully terrorism-related, because it will not be in the provider's interest to risk the cost, the fight and the possible prosecution for the sake of something about which, ultimately, he may not care very deeply. He might not be caught for non-compliance with the notice, but he would be caught under the provision relating to an endorsement being seen to have been given if the material were not removed within two days, and would be exposed to prosecution. Obviously, service providers would fight shy of that. No wonder they are not complaining to the Minister; I do not think they can. Accepting the notice and removing the material is the line of least resistance.

The judgment on material thought to be unlawfully terrorism-related becomes crucial. The Bill refers to the opinion of a constable. I am impressed by the sudden escalation of the qualifications of that constable to the level of special branch, with authority to give particular guidance; but the Bill uses the word "constable" nevertheless. While I have the greatest respect and admiration for our police officers, the usual remit of the police is to submit those suspected of law-breaking to the judiciary for their decision. Under the Bill, a constable will be the arbiter.

There is a history surrounding the opinions of police officers, particularly in respect of issues of this kind. We know that stops under section 44 of the Terrorism Act 2000 resulted in a 300 per cent. increase in the number of stops after 11 September. We know of the disproportionality relating to stop and search and stop and account. To my personal knowledge the Met has worked hard to eradicate such tendencies from its police officers, but that disproportionality persists. But even when a constable's discretion—which is vital to police work—is used, it is used to bring a suspect to justice. The constable is not supposed to act as judge and jury.

Moreover, the likely consequences of making the constable, through his "opinion", the final arbiter over what is unlawfully terrorism-related may expose the police to public criticism or ridicule should the "opinion" be obviously and substantively wrong, and subject them to unwanted publicity. The same would apply if a provider took his case to court and won—although, as I have said, I doubt that that will happen. The police would become vulnerable if required to make a judgment that a police person is not trained to make, and which it is not appropriate for him or her to make. The police have enough to contend with. Their role should be to bring offenders to justice—to submit to a judge those who, in their opinion, deserve a notice to remove material from the web. Judicial oversight would afford some protection to free speech, and to police officers who would otherwise be charged by the Government's edict with an inappropriate power to

decide. Accepting the Lords amendment would have merely a time consequence, as the hon. Member for Beaconsfield (Mr. Grieve) said. We are talking about a delay of a few hours, not about going to court. The measure is akin to an arrest warrant rather than a court hearing, so the Minister's argument is somewhat specious.

Judicial oversight would lend weight and seriousness to a decision to issue a notice to remove such material, which can only be a good thing; such extra protection has to be a worthy thing. The added benefit is that in referring cases to judges, constables would have more time to weigh the decision being taken; as a result, they would not refer cases so lightly. Constables themselves would consider whether a particular case was worthy of judicial oversight, which provides an extra protection.

We all understand what the Government are trying to do, but we must ensure that we do not in any way become like those authorities and Governments around the world whom we judge so harshly for their censorship and lack of freedoms. The safeguards that we propose are relatively minor, but they are necessary.

Mr. Redwood: I rise to support my hon. Friend the Member for Beaconsfield (Mr. Grieve) and all those who are concerned about this provision. Like the Minister and all sensible people in this House, I wish to see every decent action taken against terrorism to make it less likely, and to curb those who want to participate in it. However, I am very nervous about the Government's proposal, which will leave our police in great difficulties. The use to which such material is put is in the eye of the reader and the mind of the beholder.

I trust that all Members believe in the rule of law, peaceful and legal protest and democratic action, not in violent or terrorist action. It is quite possible for us to read histories of recent or past events, of freedom movements and people who have gone beyond the rule of law in what they thought was a just cause, without them inciting us to do the same. To us, even if the cause was right, the means were wrong, and we read such histories with condemnation in our hearts and minds. It would be quite possible, however, for others to read such histories without that strong framework. One could argue that such histories incited them to do likewise in that cause, or in a cause that they regarded as similar. At what point does legitimate history, comment and reporting end, and incitement and the writing of dangerous material begin?

I would have been much happier to support the Minister this afternoon, had she been able to say how serious a problem this is, what kind of material she does—and does not—have in mind, and how many such instances we might be talking about. If she is saying that she knows of websites that contain outrageous material that is having an impact on a limited number of people, who are then using them to develop a terrorist mentality and to share intelligence with one another, that is one thing, and an argument that I can understand. If, however, she is saying that all manner of websites could be out there that could cause this problem, that is very different. My worry is that the latter is the case; and that the Government are taking a scattergun, very general approach that will place newspapers, opinion-formers, commentators and others in a very difficult position. They will not be sure whether their material could be struck down, or what processes they could use to defend themselves.

The suggestion is very good and because we wish to prevent terrorism by all sensible means, we will not try to prevent the Minister from extending the powers of the state in this way in order to have some control over internet material. However, in order to reassure all those involved in legitimate reportage, history writing or internet communication that they are not being targeted, a senior judicial figure should be involved in such cases. That would also provide an added protection for our constables. The Minister said that we are talking about a very limited number of specially trained people—people who need remarkable language skills and judgment in trying to distinguish between the different types of material that I have sketched out today—but in fact, the Bill states that any constable could deal with such matters. That places too big a burden on constables, and might lead to pressure being put on them by people who see websites that they do not like, and who think that this could be a route to getting them closed down. I therefore urge the Minister to think again.

Mr. Wallace: I shall be brief, but the Minister has just announced the effective expansion of some special branch duties as a way to alleviate Opposition concerns about take-down orders being put in place by a constable. In my time, I have served alongside special branch officers—in the special operations unit SO12 in Northern Ireland—and I know that they are among the best officers in the police force and that they do an extremely good job. However, I also know the practicalities of Government directions such as the Minister's, and I question whether the person placing take-down orders will in fact be the sort of officer about whom she gave the House assurances.

Special branch officers are incredibly overworked and bear a heavy burden. Among their many other jobs they run agents, liaise with intelligence services and implement new legislation. The Bill talks about a "constable", meaning a member of the mainstream special branch, but my experience is that that person will soon be merely a liaison officer attached to special branch, and then an ordinary constable who is asked to assist in a case. Inappropriate allocation of police officers to such tasks can lead to the sort of extreme events that we saw with the Manchester ricin plot. In that case, the wrong type of officer was deployed in the wrong job, and lives were placed in extreme danger.

I hope that the Minister will alleviate some of our concerns, perhaps in writing if she is unable to provide the answers to my questions this afternoon. What will be the cost of the extra training for some officers? Why do the Government believe that the Bill should speak so loosely of a "constable", without offering a closer definition of the expertise required? Why is the Minister not happy with GCHQ, the agency that does the job at the moment? It has linguists, and its intercept knowledge goes far deeper than that of the police force. Does not GCHQ represent the best way to go about these matters, in conjunction with a judicial appeal?

Dr. Julian Lewis: My hon. Friend's suggestion has the additional practical advantage that it meets the point made by the Labour Back Bencher who spoke about

[Dr. Julian Lewis]

those occasions when the intelligence services will want to track who is accessing sites. As part of the intelligence network, GCHQ will be able to make a balanced decision about when to take a site down and when it might be advantageous to keep it up for intelligence purposes.

Mr. Wallace: I am grateful to my hon. Friend for pointing that out, and I agree with him. I suspect that Cheltenham will continue to do the job anyway, and that a constable in some police force will get a phone call telling him to go down the road to enact a take-down order. That will not make for good policing, but it will cause police resources to be used up. For example, a terrorist group may want to take an officer off duties involving surveillance or running an agent. All it need do is to put up an inflammatory website, and that officer's time will be taken up with the ensuing take-down order rather than with trying to intercept information or interdict the terrorist organisation.

I hope that when the Minister sums up she will describe the expansion of the special branch role, and give details of the cost implications for the police force of placing on a constable the requirements set out in the Bill. Also, I hope that she will introduce more robust safeguards to ensure that the "constable" referred to by the Bill does not become merely any probationer or officer who happens to be on hand when a take-down order is required.

Mr. Llwyd: In all honesty, I cannot understand why the Minister will not accept Lords amendment No. 29. In her opening remarks she said that it seemed rather excessive, in this connection, to use the good offices of a High Court judge, but that is not what the Lords amendment proposes. In the context of England and Wales, it says that an "appropriate judge" means

"a circuit judge or a judge of the High Court",

while in Scotland, it would be

"a sheriff or a judge of the High Court of Judiciary".

Although I am sure that it was inadvertent, it was wrong for her to mislead the House in that way.

However, even if we need to give special training to a circuit judge or two, or possibly to a High Court judge, that is all that would be necessary, as we all suspect that these orders will be few and far between in any event.

I speak as a person who is fully supportive of the constabulary. My brother is a Surrey police officer and my late father was also a police officer. I have nothing against the police, but we are now asking police officers to be judge and jury in their own courts. They are highly trained to collect and collate evidence, and then to report to the prosecuting authority, which is, in nine cases out of 10, the Crown Prosecution Service. It is not in their remit to judge that evidence—although it was in days gone by, before the Crown Prosecution Service was introduced. If the Minister is suggesting that a police constable, however well trained, should be able to evaluate whether an offence has been committed—or would be committed if a site remained up—she is asking the impossible of a person who has not been judicially trained. I do not mean that in a snobby way; we all play our various roles in society and a police officer does not play that quasi-judicial role. I am sure that the safeguards in the amendments are reasonable and worthy of proper consideration.

4.30 pm

The Minister said that her main objection to the amendments was not related to the possibility of delay, but her speech was constructed around delay and I did not hear any other real reasons why the judiciary should not be involved. In any case, there would be no delay if one had at hand expert judges, available 24 hours a day, as is the case for domestic violence cases in the middle of the night or any other form of criminal or civil jurisdiction. I am sure, given the importance of this issue, somebody would be available to deal with cases without delay. I cannot understand why this extra safeguard is not being considered.

The hon. and learned Member for Medway (Mr. Marshall-Andrews) suggested a brief appellate procedure, in which the constable would decide, but the decision would be passed to a judge to evaluate whether it should stand. It is all very well for the Minister to say that if someone is warned about taking a notice down, they may ignore the notice. It is not that simple, because they then lose the right to that defence. If they refuse to take down a notice, having been told to do so by a constable, the statutory defence relating to knowledge would not be available to them. That is an important step, because it would mean that if any prosecution were brought, they would be bang to rights, on a decision initially made by a police constable. That is not very well thought out. The other place has provided a safeguard and I urge the Minister, who is a reasonable person, to reconsider the Lords amendments on that issue.

Mr. Ellwood: The purpose of any terrorist attack is to seek attention and create a sense of anxiety and panic among the public, and to provoke an over-reaction by the authorities. My concern about much of this Bill is that it is an over-reaction by the authorities, and that allows the terrorists to win a long time after the actual terrorist attack has come and gone.

I am pleased that we are starting to focus attention on the use of the internet. I am sure that the House will agree that the internet has played a pivotal role in the communication and planning of all the international terrorist attacks that have taken place. However, the examples mentioned in this debate show how much could have been achieved if we had focused more on the internet. In fact, what has been left out is of more concern.

We have talked about the role of the police and about the fact that we should start to police the internet in the UK, but we have not really discussed what happens to material in another language or the consequences when organisations using the internet as a means of communication shift their activities abroad. As I said earlier, a united effort is required and it would be nice to see examples of what is happening on the international platform to combat the use of the internet in terrorist incidents.

Earlier, I mentioned ICANN, which is based in California and is the core for all internet service providers. It has the technical power, although not yet the ability, to put limits on internet service providers

throughout the entire world. It does not yet happen, because the internet has advanced at such a pace that nobody has been able to take that step. Examples cited earlier about what is happening in China illustrate that such limitation can be successfully undertaken.

Although the Government initiatives in the UK are welcome, my challenge to them is that if we are to combat international terrorism, we must give robust consideration to the operation of ICANN. We must look at how it functions and determine whether it can better assist us to control a fundamental form of communication used daily between terrorist organisations and to recruit new members to them.

Hazel Blears: We have heard some useful contributions—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I remind the right hon. Lady that she needs the leave of the House.

Hazel Blears: With leave of the House, Mr. Deputy Speaker, I shall respond to the useful points that have been made.

The hon. Member for Bournemouth, East (Mr. Ellwood) made various points about international service providers. I have already indicated that regulating the international aspects of internet provision is not the easiest thing to do and that our measures broadly apply to UK service providers. We would not issue notices directly on international service providers, but would try to use our relationships with other Governments and our international partners in law enforcement to take action.

If a foreign Government implacably refused to take action, we might try to serve a notice on an international service provider, but that would not be our normal route, as enforcement would be difficult. Although it is theoretically possible, a prosecution would be unlikely to follow. The notice and take-down procedure is a precursor to prosecution, not an act in itself; the process prevents the provider from relying on the statutory defence that they did not know the content of their site. It is a preliminary step to subsequent prosecution, so if prosecution would be unlikely, due to international jurisdiction, it would be difficult to issue the initial notice.

The hon. Gentleman raised some important points about how we can develop our policies and procedures to maximise international co-operation on such issues. As I said earlier, we have a good record on such co-operation, especially in dealing with child pornography, where we are among the leaders in Europe and people are studying our organisation. We have invested a huge amount. We have specialist police officers and a specialist centre to deal with such issues, so we have good experience in tackling damaging information and images on the internet, but we can always learn from other people and we would be interested in doing so.

The hon. Member for Lancaster and Wyre (Mr. Wallace) obviously has experience in that field and asked whether it would be appropriate for GCHQ rather than police officers to issue the notices. The service of the notice is very much an operational task and is not the type of thing that would normally be undertaken by GCHQ, but that is not to say that on many occasions the officers involved would not be advised by GCHQ about the appropriate steps to take.

It is important that all our law-enforcement institutions involved in tackling terrorism—whether special branch, GCHQ or the Security Service—work together. Our machinery must be focused on trying to use every tool that we can to bear down on terrorism. Hon. Members have acknowledged that the tools of the internet and international communications are increasingly used by terrorists and those who want to encourage people to get involved in terrorism. Therefore, the hon. Gentleman makes a good point: if we need GCHQ's advice, operational police officers should be so advised.

The hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) has expressed his belief that judicial scrutiny is the appropriate mechanism to reassure people in these circumstances. Although I have made the valid argument about the risk of delay, I have also said that we need to find the right balance of judicial scrutiny; otherwise, every step that we take in trying to tackle terrorism could be subject to lengthy and serious judicial scrutiny. I hope that the hon. Gentleman, with his legal background, agrees that, as with everything we do in this respect, we must ensure that the judicial scrutiny is proportionate. This is a precursor process, not an offence. By saying that people cannot rely on the statutory defence if such things are not taken down from the internet, we do not require the same level of judicial scrutiny as that required if such an action constituted an offence in and of itself.

I ask the hon. Gentleman to think seriously about this matter. A company hosting such a site will not find that it is found guilty. We are saying, "We have notified you. Therefore, you cannot take advantage of the defence that says, 'I did not know.'" That seems to be a straightforward corollary: the company has been notified, so it cannot say that it did not know. That does not mean that it is guilty of the offence. If a prosecution were to ensue, every element that relates to indirect encouragement in circumstances likely to encourage people to emulate the act, and taking account of the phrases "in existing circumstances" and "in the context", would need to be proven.

Although I understand the hon. Gentleman's principle about judicial scrutiny, the prospect of going to a judge in the middle of the night simply to obtain a notice that only prevents the company from taking advantage of the defence that it did not know is perhaps a little beyond the balance of judicial scrutiny appropriate in these circumstances. I ask him to think about that very carefully indeed—I know that he does consider such matters properly and in detail.

I reiterate that the companies have not asked for judicial scrutiny, and they are content with the form of words that the Government have proposed and the procedure under which the police officers give the notice in the first place. The companies also want the process to be speedy, thus ensuring that it is as effective as possible. Our relationships and co-operation with internet service providers are extremely good. The companies are highly responsible, and they want to be involved in the fight against terrorism. They want to help us wherever they can. I would not be standing at the

[Hazel Blears]

Dispatch Box making proposals that try to avoid being in direct contravention of the companies' interests if that were not the case.

Mr. Winnick: This may not be a very helpful intervention, I am afraid. I believe that the Opposition much exaggerated the criticism about the glorification provision. I did not accept that criticism and voted with the Government, and I intend to do so again this time. May I tell my right hon. Friend, however, that one of dangers of coming into the Chamber is that we can be persuaded by the argument? It seems to me that the opinion of the constable is not really sufficient—hence the reason why I said that this would not be a very helpful intervention. Despite my right hon. Friend's comments, some judicial oversight would be welcome. I shall not break with the Government on this issue, but I wish that they would consider it further.

Hazel Blears: I am extremely grateful to my hon. Friend for his support on the other issues. I am not at all critical of the fact that he has just arrived in the Chamber—

Mr. Winnick: I was here earlier.

Hazel Blears: Indeed, I appreciate that, but if my hon. Friend had perhaps heard a little more of the debate, he would know that I am genuinely seeking to get the balance right between ensuring that we have an effective procedure that can tackle the kind of terrorist material that we see on the internet and trying to ensure that the service providers are not disadvantaged.

That is why I went into some detail about the level of qualifications that the officers who are engaged in this work will have. They will be accredited officers, properly trained and act as the single point of contact that currently exists in the anti-terrorism branch. They will not be simply any police constable. We are now working with the Crown Prosecution Service, the police and internet service providers on a proper protocol to ensure that the police officers who make such decisions are skilled, experienced and properly trained so that they have the specialist knowledge. I hope that this reassures my hon. Friend that the need to go to a judge in the middle of the night with such a notice is not the right level of judicial scrutiny in this process.

4.45 pm

I hope that I have been able to reassure hon. Members, but I am sure that I have not managed to persuade the hon. Member for Beaconsfield (Mr. Grieve). I genuinely believe that the Government's proposals will make the law effective and will ensure that we tackle the real problem of the use of the internet to draw young people particularly into terrorist activity. That is a widespread and growing problem, and I am absolutely determined that we will use every method at our disposal, through technology, legislation and our law enforcement forces, to make sure that we bear down on terrorism in this country and that we tackle the people who seek to use international means and technology to draw people into terrorism and to create a climate that can increase the possibility of terrorist acts occurring in this country. Tackling such uses of the internet will be an extremely useful part of the range of the efforts that we take to reduce terrorism in this country.

As I have said, I accept entirely that the provision may not eradicate the problem across the world, but that is no reason whatever for us not to do everything that we can in this country to make sure that we reduce the amount of information on terrorism and that we tackle the real danger of the use of the internet in promoting it. I therefore disagree with the amendments from the other place and—

It being four hours after the commencement of proceedings on consideration of Lords amendments, MR DEPUTY SPEAKER *pursuant to Order [this day] put forthwith the Question already proposed from the Chair.*

The House divided: Ayes 319, Noes 255.

Division No. 169] **[4.47 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara

Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Heppburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Mr. Alan Campbell and
Mr. Parmjit Dhanda

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Cable, Dr. Vincent
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark

Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julie
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Opik, Lembit
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Rogerson, Mr. Dan
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Alan
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Andrew Rosindell and
Mr. Crispin Blunt

Question accordingly agreed to.

Lords amendment disagreed to.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Lords amendment Nos. 23 and 29 disagreed to.

Clause 3

APPLICATION OF SS. 1 AND 2 TO INTERNET ACTIVITY ETC.

Lords amendment: No. 25, in page 6, line 17, leave out "capable of being" and insert "likely to be"

Motion made, and Question put, That this House disagrees with the Lords in the said amendment.—*[Mr. Alan Campbell.]*

The House divided: Ayes 319, Noes 255.

Division No. 170] **[5.3 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David

Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Pickthall, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prescott, rh Mr. John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Mr. Alan Campbell and
Mr. Parmjit Dhanda

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas

Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Borrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Mr. Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julie
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Last, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborn, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Andrew Rosindell and
Mr. Crispin Blunt

Question accordingly agreed to.

Lords amendment disagreed to.

Lords amendments Nos. 26 and 27 disagreed to.

Amendments (a) to (e) in lieu of Lords amendments Nos. 25, 26 and 27 agreed to.

Remaining Lords amendments agreed to.

Committee appointed to draw up Reasons to be assigned to the Lords for disagreeing to their amendments Nos. 22, 23 and 29: Vera Baird, Mr. Alistair Carmichael, Mr. Secretary Clarke, Mr. Dominic Grieve and Joan Ryan; Mr. Secretary Clarke to be the Chairman of the Committee; Three to be the quorum of the Committee. *—[Joan Ryan.]*

To withdraw immediately.

Reasons for disagreeing to certain Lords amendments reported, and agreed to; to be communicated to the Lords.

Prevention and Suppression of Terrorism

[Relevant document: The Twelfth Report from the Joint Committee on Human Rights, Session 2005–06, Counter-Terrorism Policy and Human Rights: Draft Prevention of Terrorism Act 2005 (Continuance in force of Sections 1 to 9) Order 2006, HC 915.]

5.17 pm

The Minister for Policing, Security and Community Safety (Hazel Blears): I beg to move,

That the draft Prevention of Terrorism Act 2005 (Continuance in force of sections 1 to 9) Order 2006, which was laid before this House on 2nd February, be approved.

The Prevention of Terrorism Act 2005 was introduced last year in recognition of our need to be able to tackle the threat posed to national security by individuals whom we could neither prosecute nor deport. The Government's response to the Law Lords' ruling on powers under part 4 of the Anti-terrorism, Crime and Security Act 2001 was the Prevention of Terrorism Act 2005, which introduced control orders enabling tailored obligations to be placed on an individual to protect the public from the risk of terrorism. The Act came into force—after, we recall, some fairly intense parliamentary scrutiny and debate—on 11 March 2005.

The threat posed to the life of the nation by terrorism and the consequences of terrorism is a subject that has necessarily occupied this House on too many occasions. The tragic events of last July brought home to everyone the fact that this is a very real and continuing threat.

Mr. Kenneth Clarke (Rushcliffe) (Con): I apologise for interrupting the Minister so soon. Does she agree, given the debates on control orders last year, that the Government would not have got the 2005 Act on the statute book, were in danger of losing a Bill and saved it only by promising fresh legislation in spring 2006, when both Houses of Parliament could reconsider, from the base up, the principle of the Home Secretary having powers to deprive someone of or limit their liberty? Is not it a disgrace that that promise is reduced to one-and-a-half hours' debate about an order on the eve of a recess, thus enabling the Government to retain powers that the vast majority of Members of Parliament in both Houses did not believe they should hold when they first sought them?

Hazel Blears: The right hon. and learned Gentleman is right to raise the undertakings that were given when the legislation was being considered. However, he, like all of us, knows that significant changes and events have occurred since that debate, not least the events of 7 July, which interposed between our discussion of the original Bill and now. He also knows that we had a timetable for the Terrorism Bill, which we debated earlier, that it was accelerated through all-party agreement because of the events, and that it has been tackled more quickly than was originally envisaged.

The right hon. and learned Gentleman also knows that we wanted to reconsider control orders when we had had the opportunity to examine Lord Carlile's report. He acknowledges that we have not yet had a full cycle of control orders because many of them are subject to the appeal provisions and various aspects of judicial scrutiny.

There has been cross-party agreement and my right hon. Friend the Home Secretary made a statement indicating that we would introduce draft legislation, which would be subject to pre-legislative scrutiny, to try to bring together much of our law on terrorism. That will provide an opportunity to reconsider the issues. That position is accepted by hon. Members of all parties.

The original undertakings have been affected by subsequent events. There will be an opportunity to reconsider control orders, but it is better to do that when they have been through their full cycle. Our deliberations will be better informed by some of the legal judgments on some of the appeals and applications.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Does the Minister accept that the reason for the long timetable for any consolidating Bill stems from the need for a definition of terrorism, on which my noble Friend Lord Carlile of Berriew is working? Does she also accept that that work would not apply to control orders and that we should deal with them in primary legislation earlier rather than later?

Hazel Blears: The hon. Gentleman makes the important point that we have asked Lord Carlile, as the independent reviewer, to review the definition of terrorism. As he knows, there are some difficulties with that. The United Nations is considering a definition of terrorism, and it is not an easy matter to resolve. However, we should consider control orders in the overarching context of our counter-terrorism legislation. They are one of the tools that we can use, together with our law enforcement agencies and the legislation that we have passed this afternoon, to counter terrorism in this country.

There is broad agreement that we should have pre-legislative scrutiny and take a good, long, cool, hard look at our counter-terrorism legislation to ensure that it is appropriate. I hope that the hon. Gentleman appreciates the sense of going through a full cycle of control orders before considering whether to make changes and amendments.

The UK Government must continue to tackle terrorism. As I said, control orders have a vital role to play alongside other existing powers and the new measures in the Terrorism Bill, which we debated earlier. My right hon. Friend the Home Secretary set out in his statement to the House on 2 February why he believed the powers were necessary and why we were seeking to renew them for a further 12 months. Lord Carlile's report on the operation of the 2005 Act was laid on the same day.

Today's renewal debate takes place in accordance with section 13 of the 2005 Act. Section 13 provides that the powers on control orders will automatically lapse after one year unless they are renewed by order subject to the affirmative resolution in both Houses of Parliament. I have dealt with the opportunity for legislative change and the time scale for that.

Prosecution is and will always remain the Government's preferred course of action in dealing with individuals suspected of terrorism and priority will continue to be given to prosecution. However, it is not always possible, for a variety of reasons. There might be

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insufficient admissible evidence—clearly there is a reliance on intelligence in some cases—an overriding need to protect sensitive sources and/or techniques, and other reasons why a prosecution is not in the public interest.

Mr. Carmichael: Does the Minister share my concern about Lord Carlile's observation on prosecutions? He said:

"I have seen letters from chief officers of police in relation to each controlee certifying that there was no realistic prospect of prosecution. Little is given by way of reasons."

Does the Minister accept that that is unsatisfactory? What steps will the Home Office take to rectify the situation?

Hazel Blears: Lord Carlile makes a number of recommendations on how the position might be improved. He also makes recommendations on keeping the prohibitions under regular review. We agree with him in regard to both those recommendations. The principle behind his recommendation on providing more information is absolutely sound. We should have as much information as possible about why a prosecution is not possible, but in some cases the information is based on intelligence and we have to take into account the operational implications when determining how much information can be put forward, particularly if it is to be disclosable in proceedings. Lord Carlile also makes reference to that. So, although it is a sound recommendation in principle, we want to take a little more time to consider the operational implications for the cases involved.

Deportation is also an option for foreign nationals, as removal can provide an alternative means of disrupting their activity and reducing the threat to national security. Again, however, this is not always possible, although we have made considerable progress in agreeing memorandums of understanding with a number of countries, which will provide a means by which individuals can safely be returned to their countries of origin.

Mr. Philip Hollobone (Kettering) (Con): Will the Minister tell the House with how many countries such agreements have been reached? How many individuals are involved?

Hazel Blears: We have signed memorandums of understanding with three countries. I cannot give the hon. Gentleman the exact number of individuals involved. I am sure that he will understand that these are complex, difficult and sensitive arrangements, but we are determined to continue our negotiations with a range of other countries, to determine whether we can agree memorandums of understanding with them. I was pleased that Lord Carlile's report stated that the memorandums of understanding were appropriate in the context of deportation. When commenting on arguments that it was inappropriate to proceed in this way, he stated:

"It really is a counsel of despair to suggest that no verifiable or satisfactory agreement can ever be reached with apparently recalcitrant countries. There are international organisations and mechanisms available and devisable to ensure an appropriate level of verification, and the effort is certainly well worth making."

I am pleased that Lord Carlile believes that our attempts in this difficult area are worth pursuing.

The Terrorism Bill that is now before Parliament will introduce some new offences, including the offence of acts preparatory to terrorism, but there will remain a comparatively small number of cases in which we are unable to prosecute but in which individuals pose a very real terrorist threat. In such circumstances, it is vital that the Government and the law enforcement agencies are able to act to reduce the risk that such individuals pose. Again, Lord Carlile has provided support for this view. His report states, in paragraph 61:

"As a last resort (only), in my view the control order system as operated currently in its non-derogating form is a justifiable and proportional safety valve for the proper protection of civil society."

Lord Carlile has clearly thought deeply about these issues, and come to that conclusion. I would like to thank him for the way in which he has conducted his analysis of the information he has seen. As he said in the introduction to the report, he has attempted to give a proper technical analysis of the operation of the Act, but he has tried to do it in a way that is accessible to the lay reader. Technical reports often do not have those characteristics, but Lord Carlile's report genuinely strikes the right balance between good operational information and accessibility. I would also like to thank the Joint Committee on Human Rights, which has produced a very informative report and a detailed reflection of the legislation and its operation. Both reports will be invaluable in informing the House in our consideration of these important issues.

I shall turn now to the working of control order powers. Sections 1 to 9 of the Prevention of Terrorism Act 2005 provide for the making of control orders. Control orders are preventive orders that enable one or more obligations to be placed on individuals that are designed to prevent, restrict or disrupt their involvement in terrorism-related activity. They can be applied to any individual, whether a UK or foreign national, when the Secretary of State has reasonable grounds for suspecting that the individual is or has been involved in terrorist activity and considers that it is necessary for the purposes of protecting members of the public from a risk of terrorism. The grounds that must be set out before an order can be made therefore have two limbs—that an individual is involved in terrorism and that it is necessary to make an order to protect the public. The obligations that can be set out in the order should be tailored to tackle particular terrorism activities on a case-by-case basis. Any breach of those obligations in a control order without reasonable excuse is a criminal offence punishable with a prison sentence of up to five years and/or an unlimited fine.

The Act makes provision for two types of order: derogating control orders and non-derogating control orders. The distinction between the two is that a derogation would be required if the obligations, individually or in total, amounted to a deprivation of liberty within the meaning of article 5 of the European convention on human rights. We have not sought to make any derogating control orders. At this stage, we have simply made non-derogating control orders. The Secretary of State must apply to the court for permission to make an order. Under the Act, in a case of urgency, the Secretary of State himself can make the order, but

that must be referred immediately to the court, which must start considering that case within seven days. The judicial scrutiny is therefore pretty intense, arising from many of our discussions when the provisions were first considered.

Once the control order is made, an automatic review process is triggered. That judicial review of the Secretary of State's decision provides independent judicial scrutiny. When we considered this legislation previously, the question whether judicial review provided robust examination was debated. Lord Carlile, in paragraph 67 of his report, says that, in his view, judicial review is a robust jurisdiction, and points out that the way in which judicial review has developed means that the courts take a close and rigorous interest in such issues.

Mr. Kenneth Clarke: The Minister is giving an extraordinary description of what she makes sound like a robust judicial process, which was at the heart of the reluctance of both Houses of Parliament to let the Government have the Bill 12 months ago. Will she confirm that, throughout the process, the Secretary of State has to have only reasonable suspicion that he has got the right person and that that person is involved in terrorism, and that a court can set aside what the Secretary of State does only if the judge is satisfied that the Secretary of State's decision is seriously flawed? Therefore, as long as the Secretary of State can say that he has reasonable suspicions and grounds to suspect that someone is involved in terrorism, there is little that the court can do.

Hazel Blears: I am aware that the right hon. and learned Gentleman has extensive legal experience, and he will know, as I do, that the courts take their responsibilities on judicial review extremely seriously. We had a long debate on what the appropriate standard of proof should be. For non-derogating orders, we decided that it should be reasonable suspicion. Were there to be derogating orders, we decided that it should be on a balance of probabilities, because the standard of proof should be higher. That was debated at great length in both Houses of Parliament, and the legislation was passed on the basis of that standard of proof. As he will know, the courts will need to consider whether the Secretary of State acted reasonably in coming to his conclusion, whether he took into account all relevant considerations, and whether he excluded all irrelevant considerations. He will also know that judicial review is no rubber-stamp process and entails rigorous consideration by the courts. Indeed, Lord Carlile expresses that view from an independent standpoint.

Once a control order is made, the automatic review process is triggered. Control orders have a maximum duration of 12 months, and can then be renewed by the Secretary of State. After 12 months, however, a separate right of appeal is provided, which is another safeguard. An individual can also make an appeal for an order to be revoked or an obligation to be modified when there is a change in circumstance. Again, a separate right of appeal is provided when the obligations are varied—another safeguard built into the system. I therefore feel that the Act provides full judicial oversight and proper rights of appeal.

In addition to those individual rights, there are reviewing and reporting requirements, including an independent review by Lord Carlile and the report that the Secretary of State must bring to Parliament every three months—which he has done on three occasions so far, I think—on his exercise of the powers, giving information such as how many orders have been made. The system contains robust safeguards, subject to reporting requirements and independent oversight. A delicate balance must be struck between safeguarding society and safeguarding the rights of the individual, and I think that the 2005 Act strikes that balance.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Minister will know that the report from the Joint Committee on Human Rights focuses on the human rights of the families of individuals affected by control orders. It speaks of the unjustifiable interference that often takes place, the severe impact that it has on the human rights of those family members—rights to family life, freedom of association and freedom of expression—and the mental suffering and anguish to which they are often subject. What rights will those family members have in respect of the establishment of a more satisfactory regime?

Hazel Blears: The Secretary of State considers the impact on family rights before making a control order. He has information about those important issues. Representatives of families have raised them with the courts, and they can be considered by the courts when each case is automatically reviewed.

Family rights are important, but they are part of that delicate balance between safeguarding the rights of the individual and safeguarding the rights and security of the wider community. I understand the implications for families, but we are dealing with people who are deemed to be a threat to national security, who cannot be prosecuted or deported but whose activities need to be controlled to protect the security of the nation.

The renewal debates here and in the other place are a further requirement of the Act. Affirmative resolution is required in both Houses of Parliament. The debates give all Members an opportunity to consider Lord Carlile's report and the merits of control orders more generally.

Lord Carlile made recommendations for improvement in the operation of the control order regime, including a procedure to monitor closely the necessity and proportionality of control order obligations and fuller information from the Government on why a prosecution cannot replace a control order. My right hon. Friend the Home Secretary has welcomed the recommendations. He has said that he will need to consider them after consulting the Intelligence Services Commissioner and the director general of the Security Service, as required by the Act.

The first of the two main recommendations concerns the procedure for monitoring and reviewing the obligations. We accept that there is scope for additional review of the obligations throughout a control order's life cycle, and we are discussing with our stakeholders how best to achieve that. We think that the second recommendation is sound in principle, but we shall want to examine the operational implications.

Without the order, the power to make control orders will lapse at midnight on 10 March 2006. Under the order, it will continue until 10 March 2007. As I have

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said, it requires approval by both Houses. The Government strongly believe that control orders are an essential element of the range of measures that are necessary to address the continuing threat posed by terrorism, and that belief is supported by Lord Carlile.

Let me quote from a paragraph that, for me, sums up the way in which the report highlights the issues while also being accessible. Lord Carlile says that

"the nature of the activities of which I have seen information"

—and we should not forget that Lord Carlile sees all the information—

"is sufficiently alarming for me to re-emphasise, as I have in other reports, the real and present danger of shocking terrorism acts involving suicide bombings . . . further suicide bombings in the UK must be expected and the target unpredictable".

Those are indeed chilling words, and it is crucial that we never underestimate the threat that we now face. Control orders are one of a number of options that the Government are employing to counter the very real threat of terrorism. They have an essential role to play, not just in countering the threat but in contributing to a more hostile environment for terrorists. Any Government's first consideration must be protecting the security of the nation.

When the legislation was originally considered, we were in some ways discussing this issue in theoretical terms. Since then, the events of 7 July and 21 July have had a real impact on people.

Patrick Mercer (Newark) (Con) *rose—*

Hazel Blears: I can probably anticipate the point that the hon. Gentleman is going to make, but I gladly give way.

Patrick Mercer: I am most grateful to the Minister for giving way. Given events in America, Madrid, Bali and elsewhere, her saying that we engaged in a theoretical debate on this issue is extraordinary. Surely she remembers what happened to this country at the hands of the Irish Republican Army, and she has seen what other terrorist groups have done to other countries. This is no theoretical debate.

Hazel Blears: No, it is not, but the hon. Gentleman will acknowledge that, in discussing control orders, the tenor of the debate in some quarters was to underplay the threat. Many people in the House did not recognise to the extent that he clearly does the real and ever-present terrorist threat. I am on record as saying that it is indeed a real and serious threat following events not just in America but throughout the world in the past decade, during which time many countries have been attacked. The point that I was making was that in some quarters the reality of the threat was perhaps not recognised; that threat has now been put beyond any doubt.

Mr. Kenneth Clarke: With the greatest respect, the right hon. Lady is totally misrepresenting the atmosphere that surrounded the introduction of the Prevention of Terrorism Act 2005. I recall saying that I expected major terrorist outrages to be committed in this country in time to come, and that there was no way of guaranteeing that we could prevent them. Sadly, I—along with the right hon. Lady—was proved right on 7 July. The argument was whether the best way to protect ourselves against terrorism was to leave aside the normal principles of the rule of law and to give rise to the possibility, sooner or later, of cases of gross injustice by giving the Secretary of State the right to deprive someone of their liberty, and by denying them the chance of defence or of proper judicial review. That remains an issue, to which the Government promised they would one day return.

Hazel Blears: The right hon. and learned Gentleman will have noticed that I chose my words carefully. I used the phrase "in some quarters", and in doing so I was not including him. However, it is undeniable that some people were not seized of the real and serious nature of the terrorist threat.

Reference has been made to miscarriages of justice, and I refer Members to Lord Carlile's report, in which he points out that although he regards control orders as a last resort, he also considers them a proper, justifiable and proportionate way of proceeding. He had access to all the papers, cases and information on which the Secretary of State based his decisions. He says that he would have reached the same conclusions, but that that does not necessarily mean that those conclusions were correct. That is why it is important that judicial consideration be given to all such cases, and that there is a series of checks, balances and safeguards to ensure that we get the balance right between individual rights and the security of the nation. That is a very difficult balance to strike, but everything that I and the Government have done has been aimed at ensuring that we strike that balance in the right way and preserve the essential freedoms that are so precious to us, while at the same time ensuring that we bear down in the best way that we can on those who would commit terrorist atrocities against this country.

I make no apology for seeking to ensure that this legislation is renewed, so that we can continue to exercise these powers. As I have said, we will have a further opportunity to examine these issues. Broad agreement has been reached with the Opposition parties and the timetable has been set out. In the early part of 2007, we will introduce draft legislation, which will be subject to proper pre-legislative scrutiny. We will try to achieve as much consensus as we can in getting our counter-terrorism law right and making it as robust and fair as possible. Such legislation is in the interests of this nation, and I am sure that all parties will take a very active part in scrutinising it and making sure that the powers are properly framed and used.

I therefore commend the order to the House and ask that the legislation be renewed for a further 12 months.

5.44 pm

Patrick Mercer (Newark) (Con): I am grateful to be able to speak on this subject. As always, I was very interested in what the Minister had to say, especially about the lack of understanding of the seriousness of the threat that faces us.

My right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) has said that, when this order came before the House a year or so ago, the

disagreement between the Opposition and the Government was one of the most serious of this Government's term in office. That is certainly my experience, although I have been in the House only a short time. The Minister has spoken about consensus, so I shall return to the subject of that disagreement on a number of occasions.

There is no doubt that the review and renewal procedures for control orders are the result of the contest in both Houses that took place before the last election. Lord Carlile's report supports the Government, and lays special emphasis on the close personal attention that the Home Secretary has paid to each case. This time last year, that was definitely a cause for concern and I, for one, was not convinced that the Government would give the right level of scrutiny to a measure with which I disagreed. However, Lord Carlile has said that the scrutiny has been appropriate, and we should acknowledge that the Home Secretary has done his job to the extent that Lord Carlile is happy to congratulate him.

On 28 February 2005, the Prime Minister was interviewed on "Woman's Hour", and his words stand in stark contrast to what has happened since. According to him, the security services were saying that

> "you have got to give us powers in between mere surveillance of these people—there are several hundreds of them in this country who we believe are engaged in plotting or trying to commit terrorist acts—you have got to give us power in between just surveilling them and being sure enough to prosecute them beyond reasonable doubt. There are people out there who are determined to destroy our way of life. There is no point in us being naïve about it."

It is interesting that the Prime Minister should have said that before the July attacks, and even more so in light of the past three weeks or so. In that time, there have been appalling demonstrations in the centre of the capital and the case of Abu Hamza, which I am sure that the Minister will agree could have been handled very much better.

The Minister said that several hundred people were out there, but the fact is that a maximum of 18 individuals have been placed under control orders. Only nine remain under those orders, with the other nine awaiting deportation. How does the Minister rationalise what the Prime Minister said with the reality of the past year?

In his report, Lord Carlile makes two specific recommendations. First, he said that a Home Office led monitoring system should ensure that the restrictions imposed were the minimum necessary, consistent with public safety. Secondly, he said that we must ensure that the police reach clear conclusions that the evidence needed to prosecute individual controlees is not available. The report supports the Government's case for control orders, at least in the short term, but Lord Carlile told the Home Affairs Committee yesterday that 20 imams were trying to recruit in prisons and universities.

I have already referred to the Abu Hamza case, and Lord Carlile's remark about the imams prompts me to ask the Minister how control orders are intended to be used against such targets. I am sure that all hon. Members respect the views of Lord Carlile. Given that only nine people are subject to control orders at present, what measures will be taken against the 20 imams to whom he referred? We are told that the security services have a list of nearly 100 people in this country who continue to preach hatred and to radicalise. I do not think that it is stretching a point to suggest that those people may adopt the sort of persuasive language that led to the attacks that took place on 7 and 21 July.

Mr. David Winnick (Walsall, North) (Lab): I am not certain whether the hon. Gentleman is criticising the Government because too few people are subject to control orders, but I was present for Lord Carlile's evidence to the Home Affairs Committee yesterday and I tried to get him to give a figure. He was good enough to give me a figure, but he did not suggest that it was an accurate figure because he could not know that. Even if 20 people were involved, would it really be useful for them to be subject to control orders? Would not it be far better—as I suggested yesterday—for the congregation concerned to take action to clear out those who are no more than hate merchants?

Patrick Mercer: That would of course be a much better solution. If people were committing criminal acts, it would be much better if they were arrested, prosecuted and sent to prison. I am interested to know whether the Minister sees any overlap between what Lord Carlile said and the working of the control orders. I hope that that answers the hon. Gentleman's question.

Mr. Winnick: I did not get the impression from Lord Carlile that the people concerned were actually committing a crime as such, but their sermons are undesirable, to say the least. It is a rather sensitive subject, involving worshippers as it does, and we have to be careful not to make martyrs where that can be avoided. However, I am in favour of control orders.

Patrick Mercer: I was not at the Committee sitting, but I appreciate the hon. Gentleman's comments. I would also be interested to hear what the Minister has to say on that subject.

I turn to the practical working of control orders. I wonder whether the limited surveillance resources that we have allow control orders to be exercised properly. I have heard from some of the individuals involved in mounting such covert and overt operations that such matters as the working time directive make covert surveillance very difficult. Can the Minister give me an indication of whether we have enough resources to carry out the surveillance for the number of control orders that she has mentioned so far?

That question leads me to speculate about the limited number of infringements of control orders. While I am delighted that such infringements are very few, I am cynical, because I have been involved in such matters in the past, and I wonder whether infringements simply have not been detected because of the lack of resources available for surveillance. I appreciate that I may be treading on ground of which the Minister is not necessarily aware in great detail, but I would be grateful if she would reply, verbally or in writing.

We have been told that the Joint Committee on Human Rights has five distinct reservations about the control order regime as it stands. First, the Joint Committee questioned whether a renewal should be

[Patrick Mercer]

allowed without Parliament having had the opportunity to debate whether a derogation to permit deprivations of liberty that challenge article 5.1 of the European convention on human rights should be allowed. That is the point that my right hon. and learned Friend the Member for Rushcliffe made earlier.

Secondly, the Joint Committee asked whether procedural protections are compatible with article 5.4 of the ECHR and the right to a fair trial in determination of a criminal charge and to a fair hearing in the determination of civil rights under article 6.1. Thirdly, it asked whether controlees are being subjected to inhuman and degrading treatment, contrary to article 3 of the ECHR. Fourthly, the Joint Committee wondered whether the control order regime has a disproportionate impact on the rights of family members—we have already heard about that particular proviso—under articles 8, 10 and 11. Lastly, it asked whether the control order regime is being applied disproportionately to foreign nationals in breach of article 14 of the ECHR. Those are serious charges against the control order regime and I would be interested to hear how sure the Government are that they could survive a challenge in the courts on whether they are able to derogate from those aspects of the ECHR, or whether they would get egg on their face. Again, if the Minister can give me some reason to feel confident about that it would reassure me.

We view the control order approach only as a temporary measure, to be replaced by proper judicial process. That is why it needs to be reviewed constantly, kept to a minimum and eventually replaced. The Minister is aware of the consensus produced by the attacks of 7 and 21 July and I am reluctant to destabilise it, but I must make it clear that our lack of opposition to this renewal is based on the fact that we see it as a temporary measure. I hope that the Minister can reassure me.

In a speech on 2 February, the Home Secretary referred to the Government's attempts to find a legal model to provide the necessary safeguards to allow intercept material to be used as evidence in court. That will allow us further to minimise the use of control orders and, I trust, to get rid of them completely in due course. My experience of the use of intercept makes me aware that we must be extremely careful to defend technology, techniques and sources. Of course, my experience of those techniques is about 10 years out of date and I have no doubt that both time and technology have moved on, but if intercept evidence is admissible in court, we shall be able to obtain more prosecutions and fewer people will be held under control orders, so I welcome what the Home Secretary said about it. Any further light that the Minister can throw on the matter will be welcome.

We have already referred to memorandums of understanding, about which I have two questions. First, how will the Government deal with an illegal challenge to deportation under the ECHR, where an MOU has already been achieved? There will be difficulties in achieving more than the few MOUs to which the Minister has already referred so, secondly, how will the Government deal with controlees whose parent country fails to agree on an MOU? What will happen to them?

In paragraphs 71 and 72 of his report Lord Carlile says that it would not be acceptable for significant restrictions on liberty to continue for years on end. If the MOUs cannot be agreed, what course of action will be open to the Government? How will they bring themselves into line with Lord Carlile's statements in paragraphs 71 and 72?

I welcome the Home Secretary's intention to simplify and consolidate terrorism legislation. That is the building brick for Conservative Members, because too many laws lie unused and too many hastily designed laws are used for inappropriate purposes. Despite the different stories in the press, I hope that we can try to move forward on a consensual basis for the remaining period of the legislation, so I am delighted that the Chancellor seems to be edging towards the creation of a single budget for security purposes. I have no doubt that that will lead to a single Department and a single Minister. If the Government are heading in that direction, I could not be more delighted, and on that aspect they will enjoy consensus in full measure and my 110 per cent. support.

Although we shall not oppose the further extension of the control order regime by 12 months, I accept the conclusions of Lord Carlile's report and I understand that control orders must be replaced by a proper judicial process. I look forward to effective legislation that will defend not just the lives of our constituents but their liberties as well.

5.59 pm

Mr. Alistair Carmichael (Orkney and Shetland) (LD): First, I acknowledge the contribution made in preparation for the debate in the report by my noble and learned Friend Lord Carlile of Berriew and in the trenchant report issued yesterday by the Joint Committee on Human Rights. Both take a careful and detailed look at the subject. The tone of the two reports is not necessarily immediately compatible, but it is clear on a close reading that their conclusions have a great deal in common, even though they may not be expressed with the same force.

It is worth reminding the House of the parliamentary history that has brought us to where we are today. On 16 December 2004, the House of Lords ruled that the detention of the nine foreign nationals held at Her Majesty's Prison Belmarsh was incompatible with the European convention on human rights. The powers created by the Anti-terrorism, Crime and Security Act 2001 were found to be in breach of ECHR on two counts. First, they only offered the possibility of indefinite detention where lesser restrictions on liberty could have been more proportionate. Secondly, they were discriminatory by reason of the fact that they applied only to foreign nationals. Either the detainees would be released, or new and proportionate restrictions had to be devised in the space of a few weeks.

What we got was a rushed and controversial Bill. We performed our own version of the parliamentary "Nessun Dorma", as I recall, and we went from Second Reading to Royal Assent in just two and a half weeks. Our preference at the time—indeed, this was the Home Secretary's stated preference—was to find ways to prosecute such suspects in the criminal courts. Given the impending renewal of the derogation order, a stop-gap

had to be found. I remind the Minister that we were willing to co-operate in finding an appropriate interim measure and that we started from the premise that control orders were acceptable on that basis, provided that the appropriate safeguards could be found.

We had serious reservations on two points, however. We believed that the standard of proof required for the Secretary of State to sign a non-derogating control order was too low and that the standard of proof should have been raised to that of whether an offence had occurred on the balance of probabilities. We also argued that the power to impose a non-derogating control order should reside with the court, not the Home Secretary.

Those points were echoed by the Joint Committee's report yesterday. On the first point, it said:

"As far as non-derogating control orders are concerned, reasonable suspicion is in our view too low a threshold to justify the potentially drastic interference with Convention rights which such orders contemplate."

On the second point, the Committee said:

"We agree with the view expressed by the European Commissioner of Human Rights, that Article 6 ECHR properly requires that non-derogating control orders should initially be made not by the executive but by the judiciary. We also consider that our own constitutional traditions of due process, and of the separation of powers between the executive and the judiciary, requires no less."

The Committee, however, reserves its strongest criticism for the way in which the various restrictions on liberty available to the Home Secretary in designing a control order have been used. The Committee makes a strong case that the impact of the restriction on liberty is so severe that, in fact, it breaches several of the convention's articles.

Lord Carlile very helpfully provided a standard list of control order restrictions as an annexe to his report. He notes:

"The obligations include an eighteen hour curfew, limitation of visitors and meetings to those persons approved by the Home Office, submission to searches, no cellular communications or internet, and a geographical restriction on travel."

If that regime is being imposed on controlees, with little or no variation to account for different risks and different personal circumstances, the Committee is surely correct to state that the obligations are

"so restrictive of liberty as to amount to a deprivation of liberty for the purposes of Article 5(1) ECHR"

Thus a deprivation of liberty is taking place without due legal process, contrary to the convention requirements. Similarly, the Committee believes that individuals are being denied a fair trial under articles 5.4 and 6.1, that control orders

"carry a very high risk of subjecting those who are placed under them to inhuman and degrading treatment contrary to article 3",

that there is strong evidence to suggest that the regime

"has a disproportionate impact on the rights of family members under Articles 8, 10 and 11"

and that the law impacts disproportionately on foreign nationals and is therefore in danger of breaching article 14. In fact, that is the very point that started our parliamentary journey with the judgment in 2004.

Let us also remember that the whole point of control orders was to remove the need for a derogation under the ECHR. The Act contains powers for the Home Secretary to issue a derogating control order. We were given to understand that that meant 24-hour house arrest, but that a vote of Parliament would be necessary to approve a formal derogation of the sort that was required by the Belmarsh legislation. The Act, however, neglected to set out any criteria for determining the dividing line between the control orders that would require a derogation and those that would not. This is a question that will ultimately be tested in the courts. In the meantime, can the Minister tell me where she thinks the line lies? What legal advice has she received and how sure can she be that the pro forma list of restrictions that was reproduced in Lord Carlile's report does not cross that threshold?

The Minister has prayed in aid Lord Carlile's report a great deal tonight. The truth is, however, that it is not the glowing endorsement that she claims it to be. Lord Carlile expresses very serious concerns about the question of proportionality. He says:

"On any view those obligations are extremely restrictive. They have not been found to amount to the triggering of derogation, indeed there has been no challenge so far on that basis—but the cusp is narrow."

Of course, the Home Secretary could have chosen to treat these control orders as meeting the threshold for derogation, in which case the higher safeguards in terms of the standard of proof and the role of the court would have applied. On what basis was the decision not to do that taken? The Minister may not be able to answer that question tonight, but I suggest that it is something that the Home Secretary should inform the House about. I hope that if he does not do so by placing information in the Library, he will, as is customary, do so in a letter to myself and the hon. Member for Newark (Patrick Mercer).

As we have heard, Lord Carlile does not call for a derogation but for

"the establishment of a Home Office led procedure whereby officials and representatives of the control authorities meet regularly to monitor each case, with a view to advising on a continuing basis as to the necessity of the obligations imposed on each controlee."

I hope that that will be acted upon with rather more dispatch than the Minister indicated in her speech. There is not a great deal of time; a great deal of urgency is attached to the matter.

I again make the point about prosecution that I made to the Minister in an intervention earlier. Lord Carlile says:

"I have seen letters from chief officers of police in relation to each controlee certifying that there was no realistic prospect of prosecution. Little is given by way of reasons."

Is that not reminiscent of the situation that we had with the Belmarsh detainees? Some of them were detained for several years, yet answers to parliamentary questions indicated that the police conducted no ongoing investigation during that time with a view to bringing them to trial. That demonstrated a complacency on the part of the Government. Once these extraordinary powers are in place, there is surely a moral duty on the Home Secretary to pursue prosecutions. That is the undertaking that we have always been given in the House. In the case of the 2005 Act, there is a statutory duty and it concerns me that the Home Secretary does not appear to be fulfilling it.

[Mr. Alistair Carmichael]

Neglect would also be an appropriate word to describe the unintended consequences of the Act on the innocent families of those who are subject to control orders. That is the point on which the hon. Member for North-West Leicestershire (David Taylor) intervened on the Minister earlier. She cannot afford to be complacent or blasé on that issue.

The annexe attached to Lord Carlile's report reveals another interesting fact. Hon. Members will have noted that it shows that there is essentially a fill-in-the-gaps exercise that allows the Home Office to tailor a document to include details such as a suspect's address and a list of individuals with whom he is not allowed to communicate. I was rather surprised to read the following examples of statements that are used:

"You shall not outside of the residence . . . attend any pre-arranged meetings or gatherings (other than attending, but not leading, group prayers at a mosque)"

and

"You shall only attend one mosque of your choosing, subject to prior approval from the Home Office before your first visit."

The system seems pretty much like one designed for Muslims. It is unfortunate that the hon. Member for Leicester, East (Keith Vaz) is not in the Chamber because he said during our earlier debate on the Terrorism Bill that in his experience, which is probably more substantial than that of anyone else in the House, the Muslim community was beginning to feel persecuted by the nature of the Government's terrorism legislation. When one sees conditions framed in such terms, one can certainly understand why. Why are not more neutral phrases used, such as "place of worship", instead of "mosque"? Do not the documents lend credence to those in the community who argue that the Government's anti-terrorism powers are used disproportionately against Muslims? Will such an approach build the inter-community harmony on which the Government put so much stress?

The Government's approach to terrorism is a mess—it has been a mess since November 2001. We want to hear from the Government how we shall get out of that mess. In the closing debate on the Prevention of Terrorism Bill, the Home Secretary produced a timetable for further legislation that would have given the House the opportunity to consider in detail and change the control orders regime. A commitment was given to produce a draft Bill in the late autumn of 2005 and introduce a substantive counter-terrorism Bill in spring 2006. The events of 7 July led to renegotiation among the three main parties. It was agreed that control orders would be decoupled from other new offences and considered in a separate Bill in the early part of 2006.

The Home Secretary indicated in his statement on 2 February that he favoured a further rethink, with draft legislation produced in spring 2007, followed by a Bill that would almost certainly be carried over into the next Session. I have no difficulty with the concept that a consolidating Bill is necessary. Such a Bill is inevitable because of the extremely rushed way in which we deal with much of the terrorism legislation that comes before the House. It is almost certainly inevitable as a result of the way in which the Government use programme motions, which mean that Bills do not receive proper scrutiny. The principal reason given for the time scale was the fact that the various reviews on the definition of terrorism needed to be concluded, but the definition is not central to the operation of control orders, although it is central to other measures, such as those in the Terrorism Bill.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): My hon. Friend is making important points. The events of July may have given the Government room to drop back from their earlier timetable—he was right to point out that that has happened—but the Government asked Lord Carlile to review the definition of terrorism to avoid conflict on another matter and the process is not the sort of force majeure that should allow the timetable on control orders to move. The review is delaying a decision on the definition of terrorism and substantive action to deal with control orders.

Mr. Carmichael: I do not think that I can add to my hon. Friend's good point.

We accept the need for a consolidating Bill to bring together the disparate elements of anti-terrorism legislation, and the debate has demonstrated that control orders must be dealt with soon. The Joint Committee on Human Rights report shows that they cannot be left in place for as long as the Government seem to propose. Although the renewal of the powers is deeply unsatisfactory, we shall not oppose the order, for the simple reason that we believe that there should be a credible alternative on the statute book before we take that step. However, if the Terrorism Bill is passed by Parliament, that will change. The new offences of acts preparatory to terrorism and encouragement to terrorism are designed to plug gaps in the law and should have a major impact in the area that we are discussing tonight, and by the end of the year we shall have a good idea of how those powers are working.

I ask the Minister to look again at the proposed timetable for legislation. It is surely possible to produce a Bill that will allow the House to consider the case for amending the control orders legislation by January next year, and to make time available to make those amendments to the law before the order before us tonight comes up for renewal again next March. As I said, we shall not oppose the renewal order tonight, but I put the Minister on notice: if the Government fail to honour the commitments that they made, our position cannot be guaranteed this time next year.

In conclusion, I cannot do better than quote the view of Liberty, set out in its briefing for tonight's debate. It says:

"Terrorism poses a threat to the rule of law, to our democratic values and to our human rights. By responding to terrorism with legislation which undermines these very values we also undermine the ultimate antidote to the threat from terrorism and the values that separate us from the terrorist."

6.16 pm

Mr. Kenneth Clarke (Rushcliffe) (Con): I begin by protecting myself against allegations that I might be regarded as soft on terrorism if I query the order. I am sure that we face a continuing and serious threat of terrorism, and I do not think that anyone in this House can guarantee that we will not experience again attacks on the scale of the ones seen on 7 July, or even worse. We all hope that we will not, but plainly it is one of the first duties of Government to be vigilant against that danger.

I accept that the people who pose that threat cannot always be dealt with by the ordinary process of the criminal law. I have never queried the fact that, in certain circumstances, one has to anticipate the dangers that such people might create and take preventive measures. I also accept that one cannot always resolve such cases by producing criminal charges to be considered by a jury in the ordinary, open process that, in normal circumstances, everyone in this country cherishes.

I do not think that any significant opponents of the Act on which control orders are based challenged either of those propositions when the Government got into so much trouble. The Government are now in trouble for failing to explain why, for several years, no prosecution took place of a man who has just been convicted under a 19th century law when he was parading up and down the country plainly inciting violence—but the case of Abu Hamza lies outside the scope of this debate, so I shall not dwell on it.

Let me remind the House of the circumstances in which the 2005 Act was passed, which gave rise to the need for the order before the House tonight. The Government were in a state of acute crisis when they produced that legislation and they came within a whisker of losing the entire Bill because they could not persuade the House of Lords, certainly, and a substantial body of opinion in this House that they were entitled to have control orders in the form that they preferred.

The legislation aroused great public concern—it was the dominant political issue of the day. There was a great crisis, with the Prime Minister's views on how Parliament should be handled and how the matter should be resolved clearly in conflict with the views of his then new Home Secretary. The public were aware that, for the first time, the Government were proposing that someone in this country should be deprived of their liberty, or have substantial constraints put on their liberty, on the order of a politician—the Secretary of State—and not of a judge. It was a dramatic change to all our traditions. I am not criticising the Home Secretary, who is a distinguished holder of his post and whom I hold in regard, but a fundamental principle was being changed in the proposal that a politician, not a judge, should be able to deprive a person of their liberty.

On the question whether there would be any judicial review the Government resisted even the involvement of a judge, and a modest system was then put in place. Finally, there was tremendous debate in both Houses about the standards that were set for the Secretary of State before he could use his powers. The Bill, alas, was eventually accepted on the basis that under non-derogating orders it was necessary only for the Secretary of State to have reasonable suspicion of someone who was subject to those orders. There was no requirement that he should be certain that he had the right person and there was no balance of probabilities to assess whether someone was probably responsible or had threatened to do things of concern. It was merely sufficient for the Secretary of State to have reasonable suspicion about someone and for the threat to be so grave that the powers should be used.

That was the nature of the crisis facing the Government. I do not believe that the Bill would have survived the process to which we give the absurd name of "ping-pong" if the Government had not said that they would legislate in the near future so that Parliament could address all those matters. The procedure was rushed, as the hon. Member for Orkney and Shetland (Mr. Carmichael) reminded us—proceedings on the Bill took two and a half weeks from start to finish, and it was drastically rewritten—and we were promised a repeat of the legislative process in spring 2006 in which the principle of control orders and many other things in the measure could be addressed. That undertaking has not been honoured.

There is all-party agreement because of the arguments about 7 July which, I am afraid, did not change anything. It was exactly the kind of thing that we had discussed, arguing about how best we could defend ourselves against such an eventuality. May I suggest to Opposition spokesmen that the constant allegations that we are soft on terrorism may have begun to have an effect if they result in our raising these important matters? Everyone retreated—it is no good one or two hon. Members saying that we should have held the Government to the spring 2006 arrangement and that we should have had a proper Bill and a proper debate. Instead, we have the order, which was trailed during those debates. Some people including, I believe, myself—I am not sure, as I have not read the debate recently—predicted that the offer of renewal within 12 months and early legislation would be reduced to a routine debate in which only a few Members would participate and in which the motion would go through on the nod. Twelve months ago, both Houses were full of hundreds of Members consumed with passion for the great issue of civil liberty, saying that the Government of the day should not have their way unless we were satisfied that a British citizen's fundamental rights were safe. The number of Members in the Chamber today scarcely reaches double figures, and the debate, which is restricted to an hour and a half, is being held on the eve of a recess. The vast majority of hon. Members are well on their way to wherever they will spend the weekend.

Mr. Carmichael: I intervene merely to place on the record the fact that there are 13 hon. Members in the Chamber.

Mr. Clarke: The hon. Gentleman's arithmetic is better than that of the Government Chief Whip, although hers has improved.

I therefore have severe doubts about whether we have moved further forward. The Minister kindly thanked the all-party Joint Committee on Human Rights for its work. It could only look at the order after it was announced on 2 February, and we are grateful that it has produced a report on the renewal of control orders in the very short time that it was given. Besides considering derogation from the European convention and so on, it touched on the way in which control orders work and their fundamental nature, as hon. Members have said. Page 4 of the report says:

> "The Committee's overall conclusion on this matter is that it has significant concerns about whether, in the absence of sufficient safeguards, this regime of control orders is compatible with the rule of law and with well-established principles governing the separation of powers between the executive and judiciary."

[Mr. Clarke]

The Committee complained—I quote from page 9—that

"Instead of detailed debate and scrutiny of a Bill there will now be a single debate in each House with no opportunity to amend the legislation".

That refers to the present debate. The Committee argued strongly against the renewal of the legislation unless Parliament had time to debate it.

That underlines the fact that the matter must not be allowed to be buried. It is a feature of modern politics that the agenda moves on. What is an issue of great principle upon which the political futures of Ministers and the stability of Governments depend may last for a week while it takes the headlines, and it returns only if some event or some whim of the media brings it back again. If we are not careful, we are in danger of the tremendous near-constitutional crises of 12 months ago being reduced to renewal orders such as this 12 months later and steadily becoming part of the routine background of politics and our law, where what we all thought were great principles 12 months ago are regarded as silly and fuddy-duddy and will never again be revisited.

We are told that there will be a consolidating Bill early in 2007. I endorse the comments of the hon. Member for Orkney and Shetland about that. It would be utterly shameful if for any reason that timetable slipped. I take it from everything that the Minister of State said that that Bill will address in principle the content of the legislation. She implied strongly that that was the case.

Consolidating legislation normally just puts together existing Acts of Parliament. It is out of order to start challenging the content of a consolidating Bill on its merits. I have not served on one of those Committees for very many years, but my recollection of the Committee stage of a consolidating Bill is that one is in order if one queries whether it is correctly being consolidated and correctly being restated, but to query whether the measure should ever have been passed in the first place is completely out of order.

I trust that the word "consolidating" is not being used in its strict sense, and that the Minister will be able to reassure us that what she means is that in 2007 a Bill will be introduced covering the entire scope of our exceptional terrorism legislation and that it will be redrafted in the light of experience, so giving the House and the other place an opportunity to consider and amend it. Because of the rushed Bill 12 months ago and because of today's debate, neither House has ever had a chance to consider properly and at length the principles of control orders and of whether a politician should be allowed to deprive someone of his liberty without a trial and without that person having any opportunity of knowing exactly what is the basis of the charges that are being made against him.

I hope we will get the reassurance that the timetable will not slip again and that we will have a proper debate on the fundamentals. My major fear, which I have already expressed, but it is the most important feeling I have and the reason that I come along to take part in the debate again, is that these matters cease to be a crisis, become routine and then the use of them grows.

The first of the extraordinary pieces of legislation that the Government introduced in this field was in 2001 and has already led to the most extraordinary uses. We accept that vast numbers of people are being stopped and searched under anti-terrorism legislation, far beyond anything we ever expected. A heckler at a party conference was detained under anti-terrorism legislation because he upset the Foreign Secretary, and a lady reading a document at the cenotaph with a list of names was arrested—anybody, it seems, but somebody waving a placard demanding death for those who defame their religion, is getting arrested quite causally under some of the provisions.

Control orders are a more serious matter. At present only nine people are subject to them. One is a British citizen, which gives rise to the question whether the orders are being used in a discriminatory fashion. If this House gets relaxed about control orders and we stop hearing concern about the underlying principles, how quickly will that number grow? How long will it be before 50 people are held for one reason or another and scrutinised more or less adequately? Quite a lot of people may be deprived of their fundamental liberty to know what they have been charged with. What chance will they have of challenging such an allegation, satisfying a judge of their innocence and not being subject to a decision made by a political officeholder who has been given far too many powers by Parliament?

If those powers are left on the statute book, someone will abuse them one day. The current Home Secretary is extremely conscientious and would not abuse any of the powers that his office gives him. However, the legislation is there for the future, and who knows what future Home Secretaries will do if we become complacent about the legislation, which in my personal opinion we should never have passed in the first place.

6.30 pm

John McDonnell (Hayes and Harlington) (Lab): I want to address the same point as the right hon. and learned Member for Rushcliffe (Mr. Clarke). When the House debated the legislation, it agreed to enact this unusual process on the basis that the measures were proportionate to the threat that faced the country at the time. If hon. Members had been able to read the Joint Committee on Human Rights report on the impact of the measure on the individuals concerned and, more importantly, their wives, children and families, I wonder whether they would have accepted that it was proportionate. In the report, Lord Carlile states:

"The key to the obligations is proportionality. In each case they must be proportionate to the risk to national security presented by the controlee. I would urge that in each case the individual risks are examined closely, and the minimum obligations consistent with public safety are imposed."

Page 63 of the report includes evidence from Liberty about the impact of the operation of control orders on the individuals concerned. The evidence is not only distressing, but well beyond what hon. Members assumed would be the impact when they agreed to the process. One person was

"required to comply with his curfew between the hours of 7 pm and 7 am, was entirely isolated in the premises in which he was placed in March 2005 after being taken abruptly from Broadmoor Hospital and had no means of contacting the outside world. He ... became an outpatient of concern to his local psychiatric hospital. On several occasions"

Liberty

"became aware he was attempting to take his life, on one occasion by attempting to throw himself out of a window. His life, after release under a Control Order, has been one beset by serious psychiatric, physical and emotional difficulty."

It behoves a Government who place an individual in such circumstances to ensure that support is available.

Page 72 of the report includes evidence from Gareth Peirce about

"The return home of men already mentally damaged by indefinite detention for three and a half years to homes where families had also been damaged, or had been unaccustomed to the presence of their father or husband for a number of years."

That

"created circumstances in which considerable flexibility and adjustment could be anticipated as being required, and where support for those in those homes including support on an easily accessible basis would clearly be needed. Instead, the Control Orders have ensured that in large part support is not available . . The families believe themselves to be imprisoned in their own homes, to be stigmatised and isolated from society".

The evidence includes cases in which children have been affected by what has happened to their parents. When we enacted the legislation on control orders, no one appreciated the scale of the Government's lack of concern about individual cases, their failure to provide support and the impact on the children involved.

Today's debate is limited, and I concur with the right hon. and learned Member for Rushcliffe that it was predictable that instead of its becoming a major debate each year, a derisory amount of time would be allocated and few hon. Members would be interested.

Mr. William Cash (Stone) (Con): The hon. Gentleman may recall that I was very concerned about control orders in the first place, but perhaps for somewhat different reasons from those of the hon. Gentleman, who speaks eloquently on these matters, and my right hon. and learned Friend the Member for Rushcliffe. Does he agree we should insist upon habeas corpus, a fair trial, and due process within the terms of our own legislation instead of getting caught up in the tortuous attempts to provide for compliance with the European convention on human rights, which creates more problems than it solves?

John McDonnell: I made my position clear in the previous debate. I believe that, as the hon. Gentleman says, we should apply habeas corpus and have due process of law. If the Government wanted to propose alterations to those processes, they should have done so swiftly with primary legislation and a thorough debate. We had a debate about the enactment of control orders and the promise of an opportunity of primary legislation, that would be fully debated in this House within a limited period of time. That has not occurred and has yet again been put off.

Several people are suffering as a result of control orders—not only the individuals themselves, who have as yet had nothing proven against them in law, but more importantly their wives and children, against whom we have no objections or allegations. They are suffering through a lack of support from the state and a lack of adequate consideration of the proportionality of the effects of control orders in these individual cases.

I urge the Minister not only to bring back as swiftly as possible the debate about primary legislation but to provide a report on the impact of control orders on the individuals concerned, on a case-by-case basis, which could be examined by Members who were involved in the original debate on the process. It is the Government's responsibility to protect those individuals, who have not as yet been prosecuted for anything, and, more importantly, to protect their families and give them adequate support.

6.36 pm

Hazel Blears: I will do my best to respond to the remarks that Members have made. Although, as has been said, the House is not particularly full, that did not undermine the quality of the contributions that they made to the debate on these very important matters.

I am grateful to the hon. Member for Newark (Patrick Mercer) for recognising that the Home Secretary has considered all these cases in detail and in depth, personally making the decisions and looking at the intelligence and information. Lord Carlile confirms that the Home Secretary has fulfilled his duties in a very responsible manner. I am also grateful to the right hon. and learned Member for Rushcliffe (Mr. Clarke) for his comments about the Home Secretary's approach.

We regard these matters as extremely serious and important because they inevitably involve constraints that are put upon people to limit their freedom of action. They are certainly not taken lightly.

The hon. Member for Newark raised some practical issues about the surveillance resources made available to the police and the security service to allow them to monitor control orders. He will have heard me say on previous occasions that we have substantially improved the resources available to the police, special branch and the Security Service. There have been dramatic increases in the numbers of people working in those services, and we are confident that there are sufficient resources for the control order regime, as it currently operates, to run effectively. I cannot go into any further detail than that—I am sure that the hon. Gentleman would not expect me to—but there are certainly enough resources in place to ensure proper monitoring of the conditions that have been imposed on people.

The hon. Member for Newark, among others, raised issues that were highlighted in the report by the Joint Committee on Human Rights. Let me go through some of those briefly, as I cannot give an in-depth analysis in the time available. Members asked about non-derogating control orders being operated in a way that amounts to a deprivation of liberty. The orders were considered by the court and made with the permission of the court, which did not consider that they amounted to derogating control orders. None of the people concerned, all of whom are legally represented, has made a legal challenge to say that the prohibitions placed upon them are such that in total they would amount to a derogating order.

There has been no legal challenge to that effect. Lord Carlile says that the prohibitions are restrictive in some cases, but he does not believe that they fulfil the definition of deprivation of liberty, although they approach the cusp of that. Those are his words and he clearly takes a careful view. The fact that the orders have not been challenged is important because it is always open to those subject to them to make such a challenge.

[Hazel Blears]

The compatibility of the procedural protections with the provisions of the European convention on human rights has been questioned. It is important to stress that we do not accept that control order proceedings amount to a criminal charge, which engages all the rights that pertain to a trial situation. We are considering an application for a civil order and the proceedings are regulated by civil rules of procedure. As I have said, it involves a two-stage test. First, is there a reasonable suspicion that the person is involved in terrorism? If so—the second test—is it necessary to make the order to protect the public from whatever action the person might commit? There is therefore a range of civil procedure regulations for making control orders. I am not convinced at this stage that the view of the Joint Committee on Human Rights constitutes the right approach.

Hon. Members asked whether the subjects of control orders suffered inhuman and degrading treatment. We do not accept that to be the case. The European Committee for the Prevention of Torture has visited the UK and it will report on some issues in March. Our view is that the prohibitions do not constitute inhuman and degrading treatment.

My hon. Friend the Member for Hayes and Harlington (John McDonnell) asked about the families of those subject to control orders. Those are serious questions and we are trying to get the balance right—Lord Carlile said that proportionality was key. He is satisfied that, as a last resort, control orders are a proportionate "safety valve", as he put it, to protect the public. Lord Carlile had access to all the information and intelligence and he said that he would have made the same decisions as the Home Secretary. With great respect, Liberty has not had access to that information and intelligence. It cannot therefore strike the balance between prohibitions on a person who is involved in terrorism and for whom it is necessary to make an order and the rights of the family. One has to see the situation in the round, with access to the information about how dangerous the individual may be.

We are considering circumstances in which there are fairly dangerous people whom one cannot prosecute for various reasons, or deport. We therefore have control orders. The alternative is no prohibitions or restrictions on them and allowing them to walk the streets in freedom. I am sure that many people would be seriously worried about that.

Mary Creagh (Wakefield) (Lab): Is my right hon. Friend aware that the Joint Committee on Human Rights met on Monday and that it divided on several paragraphs in the report? I draw that to hon. Members' attention because the report was not unanimous. Does my right hon. Friend agree that there is a great difference between being the subject of a control order and being in a category A prison such as Wakefield in my constituency? The freedom and ability to have contact are different in those two circumstances.

Hazel Blears: My hon. Friend shows that there is not unanimity on those difficult issues. However, I shall study the Committee's report in great detail. She makes the important point that a control order, even if it requires fairly extensive restrictions on liberty, means that family contact, which it is clearly important to maintain, can continue.

Dr. Evan Harris: On the court judgment that the control orders do not require derogation, I draw the Minister's attention to the paragraph in the Joint Committee report that points out that the obligations by themselves may not amount to a deprivation of liberty but that they may be combined with other obligations. Lord Carlile drew attention to the fact that duration, which is not known at the outset, and all the specifics of a case may have a bearing on whether it amounts to a deprivation of liberty, which would require article 5 derogation.

Hazel Blears: I have made the point that none of the orders has been subject to challenge. I take the hon. Gentleman's point about the totality of the restrictions, and I shall come to the length of the orders in a moment.

On the question of discrimination, we reject the possibility of the orders being applied disproportionately to foreign nationals. Control orders are made on the basis of risk, not of nationality. Indeed, there is a control order in place on a UK citizen at the moment. The orders last for only 12 months, and have to be reviewed and renewed after that period. All the circumstances have to be looked at afresh. It is possible that, after an order has been in place for a year, the danger that was posed by an individual might have decreased—in regard to their contact with other individuals, for example—but all those issues would have to be examined. Lord Carlile expressed a genuine concern that orders should not remain in place for years and years, but they can be reviewed after 12 months.

The hon. Member for Newark mentioned memorandums of understanding and asked what would happen if no memorandum were agreed. I can assure him that we detain people pending deportation only if we are satisfied that there is a reasonable prospect of their being deported. That is why we are so keen to work on getting the memorandums of understanding in place as quickly as possible. We have had some success, and we are continuing to work on that.

The hon. Member for Orkney and Shetland (Mr. Carmichael) mentioned the standard of proof. We have debated that issue at length, and the House decided on an appropriate standard. He asked whether the obligations passed the threshold. We sought the permission of the court in relation to the orders containing more stringent conditions, and the court did not think that they amounted to derogating orders. He also mentioned the pro forma that contained a prohibition on attending a mosque. I am informed that that is simply an example from an individual case, and that it is not a pro forma that applies to everyone. These obligations are tailored to the individual concerned. They do not pick out people from a particular faith or community.

Mr. Cash: Will the Minister give way?

Hazel Blears: No, I have only 30 seconds left.

The right hon. and learned Member for Rushcliffe brought to our attention the great importance of these issues. I am grateful for his continuing contribution to

the debate, and I have no doubt that he will continue to raise the issues at every possible opportunity. I can confirm that, although we have referred to this as consolidating legislation, there will be an opportunity to examine each element of the terrorism legislation, especially the amendments on the control orders. He commented earlier on the time scale for this debate. We are not on the eve of a recess; there is a full day's sitting tomorrow, and we have had a proper debate today.

Question put and agreed to.

Resolved,

That the draft Prevention of Terrorism Act 2005 (Continuance in force of sections 1 to 9) Order 2006, which was laid before this House on 2 February, be approved.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No.118(6) (Standing Committees on Delegated Legislation).

NORTHERN IRELAND

That the draft Stormont Estate (Northern Ireland) Order 2006, which was laid before this House on 23rd January, be approved. —*[Tony Cunningham.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No.118(6) (Standing Committees on Delegated Legislation).

PENSIONS

That the draft Pension Protection Fund (Risk-based Pension Protection Levy) Regulations 2006, which were laid before this House on 18th January, be approved.—*[Tony Cunningham.]*

Question agreed to.

PETITIONS

Orchard Lea Residential Care Home

6.47 pm

Angela Browning (Tiverton and Honiton) (Con): I wish to present a petition of some 350 signatures to the honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled.

The humble petition of Rosemary Cecilia Spooner and staff, residents, carers and supporters of Orchard Lea residential care home, Cullompton, Devon.

Sheweth that the decision by Devon County Council to close Orchard Lea is opposed by the petitioners.

Wherefore your petitioners pray that your Honourable House will consider the impact of the Care Standards Act and the presumption of care in the community which fails to address the needs of the current residents of Orchard Lea or the future residential needs of elderly people, in the Cullompton area.

To lie upon the Table.

Health Bill

6.48 pm

David Taylor (North-West Leicestershire) (Lab/Co-op): The historic vote that we took 24 hours ago was a major leap forward for public health in England, and the progenitors of the long and successful campaign to highlight the dangers of environmental tobacco smoke are numerous. They include two organisations that are anxious to see the Health Bill reach the statute book undiluted. They have therefore organised two separate petitions, which I rise to present.

The first has been facilitated by the *Health Service Journal*. I commend the editor, Nick Edwards, and his colleague, Helen Mooney, and others, for their tremendous efforts. The names on the petition represent a broad spectrum of NHS staff, including the senior managers and clinicians who have to cope with the effects of poor public health.

The petition states:

To the House of Commons.

The petition from the Health Service Journal and 1,092 staff and managers in NHS organisations.

Declares that the Health Service Journal and signatories, as health professionals and managers working in the NHS, support the House of Commons in the enactment of legislation to eliminate tobacco smoke in all enclosed public places and work-places.

The petitioners therefore support a comprehensive ban on second-hand tobacco smoke in enclosed public places and work-places, without which health inequalities in England will deepen, and urge the Commons to see that the Health Bill will not be weakened in that regard.

And the petitioners remain etc.

To lie upon the Table.

6.50 pm

David Taylor: The second petition is of a professional group charged with the promotion of public health at community level, the Association of Directors of Public Health. It is signed by Dr. Steven Whitehead of the Leicester City West primary care trust and 190 other directors of public health.

The petition states:

To the House of Commons.

The Petition of the Association of Directors of Public Health and 190 signatories from their membership.

Declares that the Association of Directors of Public Health and their member signatories believe that:

- There should be a complete ban on smoking in public places and workplaces in England. A partial ban would permit deaths and occupational injuries due to second hand smoke to continue; it would be difficult to enforce and will increase health inequalities. Therefore, as serving Directors of Public Health, they urge parliament to adopt a total ban.

The petitioners therefore support the enactment of the legislation necessary to afford people in England protection without exemptions, from the health hazards of second-hand tobacco smoke and urge the Commons to see that the Health Bill will not be weakened in that regard.

And the Petitioners remain, etc.

To lie upon the Table.

China (Human Rights)

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

6.51 pm

Mr. David Amess (Southend, West) (Con): I welcome this opportunity to debate human rights in China in the House. I fully understand that the Minister has a difficult card to play, but I hope that I and other hon. Members who might contribute will encourage him to tell the House clearly and firmly how the Government feel about human rights as they exist in China at the moment.

In 1948, the United Nations General Assembly set forth the universal declaration of human rights to inculcate the level of human decency to which all people were entitled. Fifty-eight years later, however, its largest member state and the country with the third largest economy in the world is allowed to violate article after article with impunity. I want the Minister, as a representative of the Government, to respond to that. It is appalling that the largest member state of the United Nations is being allowed to get away with that.

China has an atrocious record on human rights abuses. Without the intervention of the international community and individual trading partners that economically empower the communist regime, such as the United Kingdom, there is little hope for the innocent citizens seeking justice, the journalists seeking to broadcast the intricate horrors perpetuated by the Chinese Government, the religious individuals seeking to express peacefully their devotion, the women seeking to free themselves from reproductive regulation and all within China who desire to be free of want, strife, fear of torture and arbitrary punishment.

Article 19 of the United Nations declaration of human rights states:

"Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers."

David Taylor (North-West Leicestershire) (Lab/Co-op): I suspect that the hon. Gentleman is about to speak about the internet. Before he does so, may I ask whether he agrees that there is little doubt that the Chinese are vastly freer than they were during Mao's period of misrule, although conditions for intellectuals have become rather tougher, not least because of the internet? During the Russian repression, samizdat literature was an early sign that things were breaking up; nowadays the internet gives activists the necessary oxygen of publicity, which is being clamped down on in China. Nevertheless, Chinese society is surely freer than it was 20 years ago.

Mr. Amess: The hon. Gentleman has not seen my speech, but he has certainly read my mind, as I am about to deal with that point. I certainly agree that Chinese society is freer than when Chairman Mao ran the regime, but, like the hon. Gentleman, I am very concerned about the oppression of intellectuals and their freedom to express themselves in writing and conversation.

The Chinese Government's censorship of the print and broadcast media has resulted in the imprisonment of many brave journalists who have dared to breach their constraints. According to the Committee to Protect Journalists, 32 journalists are currently imprisoned in China, 15 of whom are internet journalists. China is the world leader in imprisoning journalists. That is something to be proud of—I don't think!

One such journalist is Shi Tao, who is serving a 10-year sentence for sending an e-mail, via his Yahoo account, to the United States illuminating the tenets of a Government directive on how reporters were to cover the anniversary of the Tiananmen square massacre in order to quell any potential social unrest. Some of us remember only too clearly what happened in Tiananmen square, and the free world should never forget those disgraceful scenes.

Shi Tao was officially charged with

"illegally providing state secrets to foreign entities".

His arrest is of particular concern, as Yahoo provided the Government with the details of the e-mail and Tao's account information. That is only one example of a series of submissions by huge IT corporations that have bowed to the demands of Chinese officials and suppressed their consumers' rights to freedom of expression and exchange of information.

Last year Microsoft launched a portal that blocked such democratically inclined terms as "freedom". More recently, the company closed down Michael Anti's online blog after he articulated support for a strike against the politically motivated sacking of an officer of an editor at the "Beijing News". Google also contributed to the restriction of accessible information for Chinese citizens in the launching of a self-censoring search engine. According to a statement by the company, it has

"removed some content from the search results available on *Google.cn*, in response to local law, regulation or policy."

Those examples of corporate adherence to the insidious policies of the Chinese Government that limit freedom of expression and information will only serve to further circumstances in which citizens are devoid of accurate information on world conditions and affairs that could help them to rise above their suppressive regime—and Britain remains silent.

Article 18 of the United Nations universal declaration of human rights states:

"Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance."

Despite the fact that the Chinese constitution asserts that all Chinese citizens enjoy the right to exercise their religion, the Chinese Government officially recognise only five religions. Religious affiliation and practice outside the sanctioned sects does persist, but at the risk of beatings, humiliation, welfare deductions, the withholding of medical treatment, torture, imprisonment, detainment at re-education labour camps, and even submission to—

It being Seven o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Alan Campbell.]*

Mr. Amess: I was getting carried away there, Mr. Deputy Speaker, not realising that 7 o'clock had arrived.

As I was saying, such affiliation and practice does exist, but at the risk even of submission to mental institutions.

In a report on religious freedom, Christian Solidarity Worldwide lists the plethora of cases against Protestants and Catholics in China. Next Wednesday, I will lead a delegation to meet Pope Benedict XVI, and I hope to raise that issue with him.

Mr. Philip Hollobone (Kettering) (Con): I am grateful to my hon. Friend for giving way and I congratulate him on securing this important debate. Does he share my concern that those who persecute Christians in China have forgotten the good work that Christian missionaries did in bringing education to the Chinese over the past 200 years?

Mr. Amess: Absolutely. My hon. Friend is entirely right, and it is a shame that that point is entirely missed. I am delighted that he has taken this opportunity to remind the House and the Chinese Government of it.

David Taylor *rose—*

Mr. David Drew (Stroud) (Lab/Co-op) *rose—*

Mr. Deputy Speaker (Sir Michael Lord): I call Mr. David Drew.

Mr. Drew: Thank you, Mr. Deputy Speaker. I shall be very brief, as my hon. Friend the Member for North-West Leicestershire (David Taylor) obviously wants to get in. I congratulate the hon. Member for Southend, West (Mr. Amess) on raising the issue of Christianity in China. He doubtless met the pastor whom I met when Christian Solidarity Worldwide brought him over from China 18 months ago. The most damaging evidence against the Chinese concerns their efforts to close house churches. Many Christians can pray only in their own homes, but even then the secret police spy on them and try to break up house churches. That is disgraceful. Does the hon. Gentleman agree that one thing that the Government could do is to make it clear that such conduct is outwith any form of acceptable behaviour?

Mr. Amess: I agree entirely. I am sure that the Minister has listened very carefully to what the hon. Gentleman said, and I hope that he will respond to that point when he winds up. The pastor's visit was deeply moving and we were all shocked by what he had to tell us.

Page after page of the CSW report lists cases involving the beating, torture and arrest of church patrons, Bible students, pastors and other church leaders. It also describes the ongoing repression of the underground Catholic Church—another issue that I shall raise with the Pope—and a situation that has resulted in all 40 bishops being jailed, put under house arrest or strict surveillance, or going into hiding. Authorities in the Xinjiang region, which contains some 8 million Uighur Muslims, are, according to the UN Commission on Human Rights, responsible for

"systematic torture and the largest number of executions for those accused of state security crimes in China".

Religious leaders are required to pass loyalty tests. Government approval for religious activities is mandatory. Those aged under 18 are prevented from receiving religious instruction or entering mosques, and there are extremely strict controls over the publication of religious texts.

The Falun Gong has been classified by the Chinese Government as a heretical cult, and its leaders are continually subject to criminal sanctions. Its members are tried when they refuse to renounce their religion, even after spending time in re-education camps. Law firms have been forbidden from consulting, or offering legal advice to, its members, and its affiliates have been put into prison, labour camps and psychiatric institutions without trial.

David Taylor: Before the hon. Gentleman leaves this part of his speech, will he pay tribute to the adherents of the Falun Gong beliefs in the UK? They have mounted a sustained, vigorous and very effective campaign to alert Parliament and other organisations to the problems faced by Falun Gong in China.

Mr. Amess: I welcome the opportunity to join the hon. Gentleman in paying tribute to those brave people in this country who are fighting for what they believe in. I salute what they are doing, and I hope that the Minister will find time to comment on the Government's approach to what they are trying to do.

Tibetan Buddhists continue to face persecution as the Chinese Government attempt to diminish support for their independence. They interfere in every aspect of Tibetan life, and impose restrictions on the numbers of monks, nuns and monasteries, while populating all occupations with secular administrators. Leaders are continually persecuted, beaten and exiled—and Britain remains silent.

Article 9 of the UN declaration on human rights states:

"No one should subjected to arbitrary arrest, detention, or exile."

As has been noted previously, there are numerous examples of arbitrary arrest, detention and exile among religious and media groups, but those instances of injustice are not limited to them. Innocent citizens filing petitions—the only real means of recourse, albeit typically futile—have been beaten and arrested for seeking justice on matters such as work compensation, local authority abuse and obtaining electricity, among other things.

Political dissidents are targeted and subjected to some of the cruellest treatment. Often, they end up being incarcerated in mental institutions, as happened with the pro-democracy Wang Wanxing. In such instances, the so-called criminals are forced to undergo electro-shock therapy and to ingest high doses of antipsychotic drugs. They live in terror among people who are truly insane and often violent.

Sadly, defenders of human rights are the group most targeted for illegal arrest. Zhen Enchong is a lawyer and human rights activist. He has been in prison for three

[Mr. Amess]

years, and his family has been denied the ability to visit him or communicate with him. That perpetuates fears of ruthless beatings and mistreatment. When he was finally allowed to speak to his family, he reported that he had received a severe beating for requesting a piece of paper on which to write a letter to the Government listing the names of people who had died after forcible relocation.

Many people regarded as disturbances to the state are punished by being incarcerated in "re-education through labour" camps. They can be held without charge for up to four years, with no legal counsel and no opportunity to face trial or undergo judicial review of their case.

China's corrections institution can boast of one statistic—its position as the global leader in executions. Amnesty International has said that at least 3,400 executions—84 per cent. of the global total—were performed last year, while another 6,000 people were condemned to death in China alone. The true figures are classified as state secrets, but are believed to be much higher.

People can be sentenced to death when found guilty of one of 68 crimes, ranging from murder to non-violent and economic offences that include tax fraud, smuggling and counterfeiting. Those statistics are a cause for much concern, given the widespread flaws in the judicial system such as lack of transparency and rampant corruption, and the seeming impossibility of attaining justice or even recourse, especially in rural China—yet Britain remains silent.

Given those aspects of the Chinese criminal justice system and the criminal practices the Government exert on their female population, I am baffled by the lack of concern shown by our Government about China's one-child policy and reproductive regulations. Article 16.3 of the United Nations declaration of human rights states:

"The family is the natural and fundamental group unit of society and is entitled to protection by society and the State."

That being so, it is unbelievable that the Chinese Government could actually sanction a policy of murder and prevention of life, via forced abortion and sterilisation, to ensure the obedience of the female population to the one-child rule, through the Population Association of China. In four months in the Linyi county alone, 7,000 women were subjected to such reproductive practices. According to Chinese Government statistics, IUDs and sterilisation account for more than 80 per cent. of all birth control methods employed. Thanks to reports such as Lord Alton's column in *The Universe* pertaining to China's one-child policy, those disgraceful policies are now being uncovered. However, the UK still provides international aid that helps fund agencies that finance the Chinese Population Association, such as the United Nations Population Fund—the UNFPA. In contrast, the United States has cut all funding to the UNFPA and instead directed the monetary contribution to humanitarian organisations that help women and children directly.

Not only are women in China being subjected to horrid reproductive procedures, but the female gender suffers from the moment of conception. There is a natural inclination towards male children in order to perpetuate the family name. That traditional preference has led to massive female infanticide, sex-selective abortions, and abandonment and neglect of baby girls. In 2002, a survey in the Hainan province discovered that 68 per cent. of all abortions were of female foetuses. The male-female birth ratio is 116.9:100, whereas the global norm is 106:100. For second births, the ratio jumps to 151.9:100. Women are also threatened with job loss, demotion, eviction, property confiscation and exorbitant fines up to 10 times annual income.

I would like the Minister to address the following points. Why is the Government's criticism of China much weaker than that directed at other countries that commit human rights abuses, such as Zimbabwe? Why do the Prime Minister and Foreign Secretary not publicly criticise China in the same forthright terms as their own human rights annual report? Do the Prime Minister and Foreign Secretary stand by the criticism of China's political system by US Defence Secretary Donald Rumsfeld? If so, why have they not publicly raised it in the same terms? If not, do they disagree with the Americans about the need for the Chinese to have political freedom?

Trade with China is very important, but as it benefits both us and the Chinese, it is in neither the Chinese nor the British national interest to restrict it. For decades, the Government have tried quiet diplomacy and it has not worked, and nothing the Minister can say in his response will convince me that it has. Is not it better to combine openness to trade and business with frank criticism of Chinese human rights abuses?

Article 5 of the universal declaration on human rights states:

"No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment."

The Chinese Government are indisputably in violation of that important article, as well as the majority of the remaining 30 articles that I have not had time to mention.

I ask the Government, rather than continuing the EU-China dialogue on human rights that has been going on for more than a decade, and the UK-China talks that have been going on for even longer, when will the talking end and the action begin? How can the Government persist unabashed with their trade with China in the knowledge that it continues to empower that oppressive regime? How can the Government continue to supply aid to fund programmes such as those of the Population Association of China, which contributes to the sterilisation of thousands of women and the abortion of millions of babies?

It is time for our Government to stand up and implement strong measures to deter Chinese persistence in unconscionable human rights abuses. It is time for the UK to admonish international business for perpetuating the policies of the Chinese Government. It is time for UK to begin supplying funds directly to humanitarian groups that will unequivocally aid Chinese women and children. In the interests of a silenced population, it is time for the UK to end economic empowerment of the Chinese regime. It is time at long last for the British Government to speak out clearly, loudly and firmly against human rights abuses in China.

7.17 pm

The Minister for Trade (Ian Pearson): I congratulate the hon. Member for Southend, West (Mr. Amess) on securing the debate and I acknowledge the contributions of my hon. Friends the Members for North-West Leicestershire (David Taylor) and for Stroud (Mr. Drew) and the hon. Member for Kettering (Mr. Hollobone). In response to the hon. Member for Southend, West, I shall outline in broad terms the Government's assessment of the human rights situation before explaining what we are doing to encourage improvements.

Over the past 25 years the Chinese Government have done an enormous amount to reduce poverty levels within China and to promote economic development. Impressive growth rates fuelled by a strong trade performance have enabled the country to take about a third of a billion people out of poverty. The World Bank estimates that in the 1980s and 1990s, China was responsible for 75 per cent. of poverty reduction in the developing world. The 11th five-year plan, which is expected to be approved at the forthcoming session of the National People's Congress, aims through harmonious development to reduce further the number of Chinese people living in poverty.

As so often when talking about China, the numbers can be difficult to digest, but it is clear that the scale of transformation taking place in China is unprecedented and will have a global impact. We should not forget that China experienced great turmoil in the last century. War and famine have left a deep impression, so it is not surprising that many Chinese people focus on the right to an adequate standard of living, as set out in article 25 of the universal declaration of human rights. The Chinese Government know that their citizens are judging them on their ability to continue to deliver economic well-being.

Economic growth has been accompanied by fundamental changes in Chinese society and a growing appreciation by individuals of their rights. I agree with my hon. Friend the Member for North-West Leicestershire that a great deal of change has occurred. Since the economic reforms began, there has been more freedom to move around China and to travel outside the country. Chinese citizens no longer need official permission to marry or divorce. There have also been welcome moves to develop the rule of law and some engagement with international institutions and foreign Governments on human rights issues. China ratified the international covenant on economic, social and cultural rights in 2001. It also welcomed a visit by the UN working group on arbitrary detention in September 2004, and a visit by the UN special rapporteur on torture in November 2005.

I also welcome the fact that, today, representatives of the Dalai Lama arrived in Beijing for their fifth round of talks with the Chinese Government. We hope that both sides will make serious efforts to address their differences and to try to find solutions.

But for all the progress China has made, we continue to have a wide range of serious human rights concerns. Those concerns include the arbitrary harassment and detention of lawyers, journalists and activists, including trade unions; severe restrictions on freedom of association, speech and the practice of religious belief; ongoing extensive use of the death penalty, torture, forced labour; and the situation in Tibet and Xinjiang.

China needs to make substantive progress on human rights, not only in alleviating poverty, although that is welcome. We want the Chinese Government to make steady progress with civil and political rights. That is why the UK Government have regularly, and at high level, lobbied the Chinese Government to issue a timetable for the ratification of the international covenant on civil and political rights—a covenant that, if ratified with minimal reservations and applied in its true spirit, could do much to improve the lives of China's citizens.

The UK is pursuing a policy of critical dialogue and engagement that aims to lead to real progress in China. We are not remaining silent. The hon. Member for Southend, West obviously disagrees with our strategy, but the process of critical engagement is producing change and is the best possible means to ensure that further change takes place in the future. In practice, under that policy, we use a variety of mechanisms, including the UK-China human rights dialogue, ministerial contacts and EU mechanisms to raise concerns about certain practices or incidents in China, which, in our view, are incompatible with international human rights standards. We urge the Chinese Government to change their behaviour and to try to share our own practice and experience on human rights, where possible.

The Foreign and Commonwealth Office also funds a number of human rights projects in China that focus on priority topics, such as the death penalty and torture, and aims to work with those institutions that are interested in bringing Chinese practice into line with international standards.

Mr. Drew: A simple thing that we could do is ask the Chinese to stop arbitrarily sending back North Korean émigrés who have fled for their lives to China. North Korea has an even worse regime than China, and we know that many of those people face all sorts of problems when they go back to North Korea.

Ian Pearson: My hon. Friend knows that we raise those issues directly with the Chinese authorities.

Obviously, we are not the only country that is concerned about the human rights situation in China. We encourage others, particularly our EU partners, to pursue a similar policy of critical engagement to help improve the situation. China is re-emerging on to the world stage and is taking an increasingly proactive role in international affairs, while rapidly becoming a global economic power.

The UK wants a stable, predictable Chinese state to play its hand in world affairs responsibly and in accordance with international rules. That will enable everyone—whether Chinese, European or from another region or country—to benefit from the process of globalisation. It is clearly in the UK's interests to have a relationship with China on a number of levels and in a range of areas. We hope that, through our engagement, we can have an open exchange on how we and China view the international system and can both play a positive role in it.

I should like to add a word about how trade figures in our relationship with China. Strong trade and investment links are essential in building relationships

[Ian Pearson]

between countries, and both the UK and China benefit enormously from two-way trade. Isolationism is unhelpful. The British Government and others were rightly keen to see China join the World Trade Organisation, and China's WTO membership is good for the world trading system. However, there is no question of a trade-off between human rights and trade in our dealings with China. In our view, it is perfectly legitimate for the Government to support British exporters who are involved in the Chinese market, but such support is not at the expense of a robust approach on human rights.

The hon. Gentleman mentioned the recent press coverage about the decision of Google to co-operate with the Chinese censors and, a few months ago, many non-governmental organisations expressed concern about the decision of Yahoo to share details of a journalist's user account with the authorities. The journalist, Shi Tao, to whom the hon. Gentleman referred, was subsequently sentenced to 10 years in prison. It is a matter for Google, Yahoo and other internet companies to answer questions about their decisions to co-operate with the Chinese Government on internet restrictions. However, I would like to make it clear that the UK Government are very disappointed that the Chinese Government are taking such a hard line on limiting freedom of expression and information. We believe that both are essential to the development of a modern, stable and sustainable society.

We have raised our concerns about the course that the Chinese Government are pursuing. We made freedom of expression a theme of our bilateral human rights dialogue with China in June 2005. We led a series of EU petitions during our presidency on a number of freedom-of-expression cases of concern to the EU, including the case of Shi Tao. We were pleased that one of the prisoners, Jiang Weiping was released early from prison in January this year. We have also, of course, regularly raised at high levels the jamming of the BBC World Service in Mandarin and the blocking of the BBC Mandarin language website.

I should also like to respond to the hon. Gentleman on China's one-child policy. The UK Government have never questioned China's right or need to implement family planning policies, but we have made it clear that we believe such policies should be based on the principles of the international conference on population and development—that is on consent, not coercion.

We have noted recent developments in China that outlaw any coercion in the course of family planning activities. We have raised concerns about reports of enforced sterilisation and abortion and expressed concern about the treatment of activists protesting about this policy. We did so most recently in the case of Chen Guangcheng, a lawyer who has campaigned about abuses of the one-child policy in Shandong, and we led three EU petitions on his case during our presidency, the most recent being on 29 December.

Let me briefly consider our concerns about the freedom to practice religious belief in China. We have serious concerns about the treatment of Christians who are not members of state-sanctioned religious organisations. We are equally concerned about the ongoing political education campaign in Tibetan monasteries and the way that China implements policies on religious belief in Xinjiang. At the initiative of the UK, freedom to practice religious belief was a focus of the most recent EU-China human rights dialogue held in Beijing in October 2005.

Our specific concerns about the way the Chinese authorities view religion and try to control it are well documented, and I spoke about the situation of religious believers in China at some length during a parliamentary debate in July last year. In view of the time, let me just add today that our exchanges at the EU dialogue confirmed our views about the severe restrictions in place in China. We urged the Chinese Government to review their policies on religion as they are certainly not in keeping with the provisions of international legislation.

In conclusion, I want to assure the hon. Gentleman and the House that the UK Government will continue to do all that they can to encourage improvements in the human rights situation in China. The Department for International Development remains engaged on poverty alleviation; the Department for Constitutional Affairs is supporting schemes to train Chinese lawyers and judges; and the Foreign Office will continue to engage robustly on human rights issues of concern. We will advocate change through our embassy in Beijing, through our regular UK-China human rights dialogue and through our project work. I assure the House that Ministers will continue to raise specific human rights issues with our Chinese counterparts at every appropriate opportunity.

Question put and agreed to.

Adjourned accordingly at half-past Seven o'clock.

Deferred Division

NORTHERN IRELAND

That the draft Rates (Capital Values, etc.) (Northern Ireland) Order 2006, which was laid before this House on 26 January, be approved.

The House divided: Ayes 279, Noes 226.

Division No. 167]

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Anderson, Mr. David
Armstrong, rh Hilary
Atkins, Charlotte
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Brennan, Kevin
Brown, Lyn
Brown, Mr. Russell
Browne, rh Mr. Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hood, Mr. Jimmy
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khabra, Mr. Piara S.
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacDougall, Mr. John
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, John
McFadden, Mr. Pat
McFall, rh Mr. John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh Mr. David
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morgan, Julie
Mountford, Kali
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Norris, Dan
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Reed, Mr. Andy
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andrew
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Timms, Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Winnick, Mr. David
Winterton, Ms Rosie

Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, Mr. Jeffrey M.
Dorries, Mrs. Nadine
Duddridge, James
*Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Durkan, Mark
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Hemming, John
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, rh Beverley
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Law, Peter
Laws, Mr. David
Leech, Mr. John
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
McDonnell, Dr. Alasdair
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paisley, rh Rev. Ian
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Reid, Mr. Alan
Rennie, Willie
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Robinson, Mrs. Iris
Robinson, Mr. Peter
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Salmond, Mr. Alex
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Dr. Richard
Teather, Sarah
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Question accordingly agreed to.

House of Commons

Thursday 16 February 2006

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRADE AND INDUSTRY

The Secretary of State was asked—

Manufacturing/Research and Development

1. **Mr. Jim Cunningham** (Coventry, South) (Lab): What steps his Department is taking to encourage manufacturing and research and development in Coventry, South and the west midlands region; and if he will make a statement. [51995]

The Minister for Industry and the Regions (Alun Michael): The manufacturing strategy has been designed by the Government to encourage manufacturers in all regions to move to high value-added production through the application of science and innovation, world-class practice and skills development. There is a long list of the support given by the Government, directly and through the regional development agency, but to save time I will send that to my hon. Friend.

Mr. Cunningham: I thank the Minister for that answer and I appreciate that there has been considerable investment in the west midlands, but does he understand that we need considerably more, particularly in manufacturing—I am sure that he knows of events with Rover—where there is serious concern about the intentions of Peugeot? What discussions has he had with that company on future investment models?

Alun Michael: I recently met the chief executive of Peugeot, Mr. Folz, to discuss the issues and to stress my concern, which very much reflects that of local Members of Parliament. There was a positive response to the wish of the Government to work closely with the company and an understanding of our concerns and hopes for the future. These are obviously commercial decisions for the company, but we continue to maintain those contacts—for instance, my officials are having a meeting with the company in the next few days.

Miss Julie Kirkbride (Bromsgrove) (Con): Can the Minister give us any information about the prospects of car manufacturing at Longbridge? He will be aware that the plant is now owned by the Chinese, and they have promised that they will reinstate a car business at Longbridge. However, we heard earlier this week that the first six months' option on the land owned by St. Modwen has lapsed. The Chinese can still produce cars if they take up that option, but does the Minister have any information as to whether they intend to do so and to make good their promises?

Alun Michael: The company is certainly saying that it intends to develop production in the way that has been promised and is publicly maintaining that position.

Richard Burden (Birmingham, Northfield) (Lab): Does my right hon. Friend agree that the west midlands has a really good research base—in Birmingham itself there are three excellent universities? All too often, however, the problem is linking that to development and translating it into products. He and my right hon. Friend the Secretary of State will shortly be considering the report of the MG Rover taskforce, and the key thing will be to ensure that technology corridors work and that that is translated into regeneration in the Longbridge area and the broader west midlands. That will regenerate local communities as well as attract investment to the area, which it so desperately needs.

Alun Michael: My hon. Friend makes a good point. He is aware that the grant given in recent times has included £32 million to the premier automotive research and development centre at Warwick university. He is right that the important thing is to link research and development work to the sharp end of business. There is a very good story to be told by the automotive industry in the west midlands, and we want to support that and see it continue.

Michael Fabricant (Lichfield) (Con): Notwithstanding the recent announcement of the closure of GKN in Lichfield, the Minister is right to stress that businesses and manufacturing should concentrate on high-value production, but what can he do about the tax credit system for research and development? Although it is a good system in principle, it is very difficult for smaller high-tech industries to claim R and D tax credits. They vary so much from region to region and inspectors make different value judgments on whether a project is an R and D project. The problem is that there is no consistency in the United Kingdom or ease in applying for such a tax credit.

Alun Michael: Sometimes it is down to a lack of information and of knowledge on the part of companies. We want to promote such information. For instance, the Manufacturing Advisory Service has generated £212 million-worth of added value for companies. We want to spread that knowledge and understanding. Secondly, since its inception, the research and development tax credit has provided £795 million in Government support, the majority of which has been for manufacturers. The hon. Gentleman makes the important point that there is a need for greater knowledge and to ensure that it is applied at the sharp end.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend will be fully aware that manufacturers move into and expand in an area only if there is a skilled work force

to produce their products. He will also be aware that the west midlands work force have the lowest level of qualifications. Has he had discussions with my right hon. Friend the Secretary of State for Education and Skills on plans for joined-up government to improve the qualification base in the west midlands?

Alun Michael: My hon. Friend makes an important point. We are working closely with colleagues at DFES to ensure that there is a proper focus on the development of skills. One way of ensuring that that happens properly is the work to link the regional development agencies with the skills bodies, particularly through the regional skills strategy. We have, too, the manufacturing academy, which is being developed in a positive way to make sure that the skills at every level through industry are appropriate to its needs. That must be done by focusing on the regional and local need in the way that he suggests. That is very much at the forefront of our minds.

Mr. Alan Duncan (Rutland and Melton) (Con): Following the disastrous intervention of the right hon. Member for North Tyneside (Mr. Byers) in the sale of Rover, which unfortunately sealed its fate, it now turns out that the sale of the Longbridge plant to Nanjing was somewhat botched. There is, however, some potentially good news: there is a serious prospect of moving the plant from Longbridge to Coventry so that car production can resume. What can the Minister tell the House about that? *[Interruption.]* Is he prepared—now that he has had something whispered in his ear—to engage fully with Nanjing and all the investors involved in trying to make that happen and, in doing so, to encourage the project, give grants where appropriate and attend any meetings that might assist the project?

Alun Michael: The hon. Gentleman seeks to promote misery and misapprehension by his comments. He should be aware that the Government and colleagues in the Department are fully engaged in all these issues to try to achieve the best possible outcome. As I suggested earlier, there is every indication that the company intends to pursue the intended prospects. He referred to employment, and he is surely aware that it is at virtually its highest level for the past 15 years.

International Trade

2. **Andrew Selous** (South-West Bedfordshire) (Con): If he will make a statement on his Department's policy on increasing the UK's share of international trade and inward investment. [51997]

The Minister for Trade (Ian Pearson): Overseas trade is an essential part of the UK's prosperity. UK Trade & Investment helps companies in the UK to develop their businesses internationally. UKTI also works to attract high quality inward investment and the UK is the No. 1 location in Europe for inward investment.

Andrew Selous: The United Kingdom's 2005 trade deficit was not only the largest ever at £47 billion, it was a fifth larger than the year before. Even within the European Union, we are running a trade deficit in goods of some £3 billion a month. Do the Government think that we, as a country, can go on indefinitely importing more than we export? Even Belgium sells more to India than we do.

Ian Pearson: The UK's trade performance with India is growing strongly and it is absolutely right that we do more to trade with China, India and other emerging markets. Our trade deficit is about 2 per cent. of gross domestic product. The United States trade deficit is 6 per cent. of GDP. In 1989, under a Conservative Government, our trade deficit was 5.1 per cent. Our current account deficit is forecast to widen a little this year, but it is easily sustainable.

Rob Marris (Wolverhampton, South-West) (Lab): In terms of international trade, two growing areas are medical technology, and pollution control equipment and environmental control materials and so on. What is the Department doing to encourage UK companies to invest, research and export in those two sectors?

Ian Pearson: My hon. Friend is right to point out that those are two important areas. Certainly, with regard to countries such as China, health care and pollution technology are recognised as key priority areas where we have expertise in the UK in our research base and in many of our companies. We are actively supporting those companies to win business contracts in China. It is not just China, but India, Brazil and other emerging markets where we need to up our economic performance in such areas and in other sectors as well.

Peter Luff (Mid-Worcestershire) (Con): I think that the Minister said two slightly contradictory things. In answer to my hon. Friend the Member for South-West Bedfordshire (Andrew Selous), he said that our trade performance in India was very good. Now, quite rightly, he has just said that we need to up our game. Has he seen the recent survey from KPMG that suggests that British businesses are retreating to the comfort blanket of north America and Europe and are largely ignoring the opportunities in the emerging and developing economies of the world? What can the Government do to re-engage those companies and help them to rediscover the sense of enterprise and adventure that created the wealth that we now enjoy in this country?

Ian Pearson: I did say that our trade with India is increasing, and that is to be welcomed, but to quote a Japanese quality guru, Shigeo Shingo,

"Those who are not dissatisfied will never make any progress."

We need to improve continuously trade performance, just as our manufacturing and other industries need to improve continuously. I am aware of the study to which the hon. Gentleman refers, and I want to see more UK companies taking advantage of the opportunities available in the emerging markets of China, India, south-east Asia, Brazil, South Africa, Mexico and other countries.

Mr. John McFall (West Dunbartonshire) (Lab/Co-op): I acknowledge the importance of manufacturing industry, but the Minister is aware that service industries account for 70 per cent. of gross domestic product. What specific initiatives in the emerging markets of China and India is he undertaking to ensure

that companies already in those countries and doing well in the financial services industry are given further stimulus from the Department of Trade and Industry?

Ian Pearson: My right hon. Friend is right to point out the importance of the service sector to the UK economy and to our international trade. He knows that Lloyd's of London managed to enter the Chinese market. The deal was sealed during President Hu Jintao's state visit to the UK last year. We are doing a great deal on financial services in both China and India, working with the Mayor of London and a number of others to open up the insurance, re-insurance and financial services markets. These are areas where the UK has a great deal of expertise. Public-private partnerships are another aspect of financial services where we have tremendous expertise, which we can trade internationally. There is a great deal of work going on, particularly in China and India and through the joint economic trade relationships that we have with those two countries.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): My hon. Friend the Member for South-West Bedfordshire (Andrew Selous)—

Mr. Speaker: Order. If the hon. Gentleman is unhappy about who I call, he is out of order. Those on the Conservative Front Bench make a demand on these questions, and I am obliged to call Front-Bench Members. That means that Back Benchers lose out.

Sir Nicholas Winterton (Macclesfield) (Con): Further to your observation, Mr. Speaker, which was obviously directed—

Mr. Speaker: No, there are no points of order. I will not take the hon. Gentleman complaining—

Sir Nicholas Winterton: I never complained. I never uttered a word.

Mr. Speaker: Well, that is news to me. I have heard him complain. Mr. Clifton-Brown.

Mr. Clifton-Brown: My hon. Friend the Member for South-West Bedfordshire has the done the House and the country a favour by drawing attention to our record trade deficit, up 25 per cent. on last year. Yet at the same time the United Kingdom's main trade and investment body, UKTI, has had its budget cut this year by £6 million. The Government's obsession with fragmentation and dilution to the rural development agencies and the devolved Assemblies is blurring our trade effort throughout the world. Is it not a fact that UK plc's trade and inward investment effort could and should be a great deal more effective?

Ian Pearson: The hon. Gentleman tried to get angry, but the simple fact is that UKTI has a budget of £280 million per annum. It helps companies in over 100 markets worldwide through its network of posts and staff. It provides a range of services. According to the most recent trade figures, our export volumes are 9.7 per cent. higher than in the same period last year. Value for money is important to the Government, and £65 million was spent on four main business support programmes. That helped 6,000 companies and produced £1.1 billion in net additional benefit. By any measure, that must be good value for the taxpayer's money.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I hear what my hon. Friend says about the increasing trade with India and China, but does he believe we are doing as well as our competitors? For example, are we encouraging joint ventures at the rate at which we ought to be doing so, and are we encouraging larger companies to piggy-back smaller companies into those markets—a measure with which the Germans were very successful in the mid-1990s? Are such initiatives being taken up by UKTI?

Ian Pearson: My hon. Friend makes several good points, and I can assure him that UKTI is taking them up. Our performance is lagging behind in relation to India—we should be doing better. We have strong historical and cultural ties with India, and we are not leveraging those to maximum benefit. I am dissatisfied with that, and I want us to make more progress. We have made great strides with China in recent years. There is a bumper crop of exchanges at top levels. We have formalised relationships through the joint economic trade committee, and that is bearing fruit. Exports to China are up massively. Two-way trade and investment is growing strongly, and I am sure that it will continue to do so in future years.

Energy Prices

3. **Mr. David Amess** (Southend, West) (Con): If he will make a statement on recent increases in energy prices. [51998]

The Secretary of State for Trade and Industry (Alan Johnson): The recent increases in energy prices are causing great concern, particularly in relation to their impact on industrial competitiveness and fuel poverty. Prices are rising mainly as a result of increasing oil prices, leading to higher wholesale gas prices, and higher international coal prices. I can assure the House of our determination to reduce the impact on those least able to cope.

Mr. Amess: As the sponsor of the Warm Homes and Energy Conservation Bill, now enacted, which committed the Government to eliminating fuel poverty within a set period, does the Secretary of State share my concern that gas prices have increased by 38 per cent. and electricity prices by 30 per cent. since October 2003, pushing another 200,000 people into fuel poverty? What does he intend to do to address that very worrying trend?

Alan Johnson: The hon. Gentleman is absolutely right to raise this issue. I congratulate him on his sponsorship of the Warm Homes and Energy Conservation Bill in 2000. Fuel poverty is the most serious consequence of rising gas prices. We have had great success in pulling more than 4 million people out of fuel poverty, but the fact that it is defined as fuel taking up more than 10 per cent. of one's income automatically means that people on fixed incomes, particularly pensioners, will get pushed back into fuel poverty, so those figures are bound to rise.

We have to put more money into the projects that help people to tackle those problems. My right hon. Friend the Chancellor of the Exchequer announced in the pre-Budget report an extra £300 million for this area, £250 million of which will be dedicated to the Warm Front campaign in England. There will be a total of more than £800 million. We need to ensure that elderly people use the helplines that are set up to give them advice on what to do. We also need to give them the confidence to switch suppliers, because doing that, in our competitive environment, can save up to £60 per year, which is significant for the kinds of people who are particularly affected. We have to consider those and a whole range of other measures, including the winter fuel allowance, which my right hon. Friend the Chancellor has announced will be in existence for the whole of this Parliament. Those are all crucial issues. The hon. Gentleman is absolutely right to raise the matter and to try to ensure that we tackle this difficult problem.

Paddy Tipping (Sherwood) (Lab): Reliable indigenous affordable fuel supplies can reduce costs. What steps is my right hon. Friend taking to support UK Coal? In particular, when will he make an announcement on the loan guarantee application at Harworth colliery?

Alan Johnson: We are helping UK Coal inasmuch as it is private company that makes its own commercial decisions. In relation to Harworth, we are in discussions, as my hon. Friend knows. I congratulate him and other hon. Friends on raising this important issue. We are hoping to find a solution, providing that it does not breach state aid rules and is consistent with the need to ensure that there is a proper economic outcome for the taxpayer. We will announce the result of our deliberations as soon as we can.

Norman Lamb (North Norfolk) (LD): Does the Secretary of State agree with this morning's statement by the chairman of Ofgem, Sir John Mogg, that British consumers are paying nearly £1 billion more for gas this winter as a result of the failure of the interconnector to import at the full rate and the lack of effective competition in the European energy markets? Does he accept the Energy Watch estimate that by the end of this year 3 million households will be in fuel poverty compared with just 1.2 million in 2003? We have a combination of a lack of liberalisation of markets and a failure of Government policy to eradicate fuel poverty. Energy Watch points to myriad different schemes—

Mr. Speaker: Order. That is enough supplementaries—the hon. Gentleman must finish.

Alan Johnson: I agree with the comment made by the chairman of Ofgem this morning. Opposition Members claim that Government policy on fuel poverty has failed, but our record is excellent, and hon. Members on both sides of the House should commend our taking 4 million pensioners and disabled people out of fuel poverty. May I put the increase in prices in context, Mr. Speaker? The issue involves not only the UK, but Germany, where wholesale gas prices have increased by 75 per cent., and Denmark, where they have increased by 50 per cent. The central questions are how we help the fuel poor tackle the problem and how we liberalise the EU market, which, as the hon. Gentleman has rightly said, is a major factor in the problems that we face this winter and next.

Mr. Anthony Wright (Great Yarmouth) (Lab): The Government should be proud of having eradicated fuel poverty for 4 million households. However, there are particular problems, and security of supply is also an issue. Will the Langeled pipeline, which will come on stream in 18 months' time, affect the price of gas? What talks has the Secretary of State held with industry on that development and on eradicating fuel poverty in households across the country?

Alan Johnson: My hon. Friend is right to raise that issue. Langeled will lead to a 16 per cent. increase in our gas supplies. Next year, we will have the gas pipeline from Easington to Norway and the new BBL interconnector with the Netherlands, so the problem should ease. If we are to have a mature debate, however, we must accept that the days of plentiful, cheap, indigenous energy are gone—we can probably wave goodbye to the prices that we enjoyed for many years. Our position is the same as that of almost every other G7 country—only Canada has sufficient indigenous supplies to be a net exporter of energy, and, like every other major economy, we will become a net importer of energy. Perhaps reflection on the days of cheap, indigenous energy being gone for good will focus us on energy efficiency, on which we can do a lot more.

Charles Hendry (Wealden) (Con): To pick up on the Chinese proverb, the Secretary of State sounds dissatisfied, but he is not making much progress. Eighteen months ago, British small businesses paid 12 per cent. less than French small businesses for their energy, but now they are paying 15 per cent. more. Companies renewing their energy contracts this spring are being told to get ready for price increases between 60 and 100 per cent. The Government wasted a unique opportunity during their EU presidency to make European energy markets more efficient. Now that businesses and consumers are paying the price, does the Secretary of State understand why they are so angry?

Alan Johnson: I hope that we are not going to get a series of displays of superficial anger from Opposition Front Benchers. If the hon. Gentleman wants knockabout, I have got all the figures: in the nine years since 1997, the average price for energy was 23 per cent. lower than in the nine years before 1997, and UK domestic gas prices have only just returned to their 1990 level. We have a good record on energy and climate change. On the problems that companies face now, it would be disastrous if we were to interfere in the market, and we must ensure that we have the proper liberalisation of the EU energy market. The hon. Gentleman has said that we wasted the six months of our presidency, but it is a bizarre idea that having the presidency allowed us to click our fingers and make everything change. We have put in place mechanisms to change the situation, and I hope to provide further details later in answering the question tabled by the hon. Member for Banbury (Tony Baldry).

Gas Supplies

4. **Huw Irranca-Davies** (Ogmore) (Lab): What measures are in place to increase capacity for gas supply and storage in the UK. [51999]

The Minister for Energy (Malcolm Wicks): By 2010, Britain's gas market will have received some £10 billion of investment in new gas storage and import projects. In addition, we intend to bring forward legislation to facilitate innovative new offshore storage and supply projects. We are also working to ensure that there are no unnecessary non-commercial barriers in the existing regulations to new onshore gas storage projects.

Huw Irranca-Davies: The Minister knows that we are playing our part in Wales with the new Pembrokeshire facility. He will recognise that we need a much wider, balanced portfolio of energy products. What future does he envisage in the energy review for marine tidal energy off Wales, coal production in Wales and clean coal technology? We have a great part to play but it must be wider than one confined to imported gas.

Malcolm Wicks: The Government are investing heavily in research and development for marine tidal, which is part of a new range of technologies that we need to take seriously. On clean coal technology, we have a fund of some £35 million for carbon abatement projects. We have, in principle, much indigenous British coal and, with clean coal technology, there should be a future for it. That is a feature of our energy review.

John Hemming (Birmingham, Yardley) (LD): The Minister has been rescued by the Atlantic from any further problems of gas supply this winter. However, does he have any proposals to ensure that perverse market actions, whereby gas is taken out of storage rather than imported on the interconnector, do not occur in future?

Malcolm Wicks: I do not believe that the Secretary of State or I have been rescued by the mighty Atlantic. There were always Jeremiahs about this winter, who will want to look at what they said come April. Supply is plentiful but we recognise the problem of prices for intensive users. As we speak, there is plenty of gas in storage. Although we are not complacent, with the Langeled pipeline and the rest coming on stream later this year and more storage projects, we face a better future than our experience this winter suggested.

Mr. Eric Illsley (Barnsley, Central) (Lab): My hon. Friend said that gas supplies are plentiful and that we have plenty of gas storage, which tends to suggest that problems of supply were not the cause of the quadrupling of industrial short-term gas prices in November, which continues to affect the market. Heren Energy forecasts a short-term gas price of around 70p per therm this summer compared with 40p in the same period last year. Will my hon. Friend examine gas trading, bearing in mind that the biggest buyer of industrial gas in this country is Barclays bank? He must investigate the trading aspects of gas.

Malcolm Wicks: We need to understand better what happened this winter. Although there was a plentiful supply and the Jeremiahs were wrong, intensive users, usually buying short term and often on the daily spot market, paid very high prices. The commercial sector needs to reflect on that and so do we. As the Secretary of State said, things are changing and the days of cheap prices are probably gone for ever but there is more supply capacity into Great Britain and that should ease the position, albeit in the context of a huge global demand, not least from China, for the world's energy.

Mr. Alan Duncan (Rutland and Melton) (Con): After eight years in office, what is the Government's policy for establishing onshore strategic energy stocks that stand a chance of lasting more than 11 days?

Malcolm Wicks: We have not only a policy but practice. Next winter, Britain's import capacity will be double today's figure. By winter 2009–10, it could be trebled. Investment in new gas stocks is increasing all the time. We will have more capacity for storage next winter and the following winter than previously. The issue that the hon. Gentleman raises is a feature of the energy review.

Intellectual Property Crime

5. **Mr. Robert Flello** (Stoke-on-Trent, South) (Lab): What steps the Government are taking to combat intellectual property crime. [52000]

The Parliamentary Under-Secretary of State for Trade and Industry (Barry Gardiner): The UK is widely recognised as one of the lead countries in the world on intellectual property enforcement. Through the Patent Office, the Government have implemented the national IP crime strategy. It put in place a multi-agency IP crime group, involving Government, public enforcement bodies—including police, trading standards, Her Majesty's Revenue and Customs—and key industry sectors to deliver better-targeted enforcement action. In December 2005, we carried out the first multi-agency operation at Wembley market in London, where more than £1.5 million of counterfeit and pirate goods were seized. I pay particular tribute to Brent police and Brent and Harrow trading standards for leading the action. There were a number of arrests, which are being pursued to prosecution by trading standards and the police.

Mr. Flello: I am grateful to my hon. Friend for that response. Given my interest in the ceramics industry, and the pressure that that industry is under from rapidly rising energy prices, will my hon. Friend explain what measures specific to that industry are being considered to ensure that the theft of ideas and designs does not become yet another nail in the industry's coffin?

Barry Gardiner: The whole House is aware of my hon. Friend's strong support for the ceramics industry, with which his constituency has long been proudly associated. He is right to point out the threat that the industry faces from counterfeit goods, particularly from China and the far east. We have developed specific training programmes to ensure that Chinese enforcement agencies develop strategies to stop such infractions at source. Last year, the Chinese Government reduced the threshold for offences there, and in the past year there has been a 23 per cent. rise in

successful actions in the Chinese courts against such perpetrators. In the European Union, under directive 85/500/EEC, we have been campaigning to ensure that a back stamp goes on to ceramic goods, which will help to prevent counterfeit goods from entering this country.

Mr. Philip Hollobone (Kettering) (Con): Which countries does the Minister regard as offering best practice in regard to the protection of intellectual property rights? What lessons are to be learned from them?

Barry Gardiner: As I said earlier to my hon. Friend the Member for Stoke-on-Trent, South (Mr. Flello), this country has one of the proudest records on the protection of intellectual property rights. We have been working with our partners in Europe to develop that further as an EU-wide strategy, because this is an issue that all developed countries are facing. As we seek to make the UK the hub of the intellectual creative industries, not only for Europe but for the world, it will be increasingly important to have provisions in place to protect not only our ceramics market but the music industry and all the other creative industries for which this country is so well positioned.

Nuclear Power Stations

6. **Mr. David Drew** (Stroud) (Lab/Co-op): If he will bring forward earlier comprehensive decommissioning of nuclear power stations. [52001]

The Minister for Energy (Malcolm Wicks): The Nuclear Decommissioning Authority has set out its proposals for the decommissioning and clean-up of its sites in its draft strategy. The Scottish Ministers and I have until 31 March to consider and approve the proposed draft.

Mr. Drew: I thank my hon. Friend for that response. He will soon receive a report from those involved with the Berkeley site in my constituency, which contains exciting proposals for the next stage of the decommissioning and clean-up of the site. I hope that he will look favourably on the proposals, and ensure that there is a proper role for both the public and private sectors in undertaking the work. I hope that he will have some positive things to say on that.

Malcolm Wicks: I hear what my hon. Friend says. The clean-up of our waste legacy is one of the big challenges that we face; in my judgment, it should have been tackled before now. We now have in place the Nuclear Decommissioning Authority, and an expert committee will be advising us in the summer on the equally important issue of a final repository for nuclear waste. Once both of those are in place, we shall be in a position to discuss with the public—should we need to, and should that be our decision—the future of civil nuclear power in this country.

Kitty Ussher (Burnley) (Lab): Does my hon. Friend agree that the costs of nuclear decommissioning depend very much on the methodology used, and in particular on the discount rate that is applied? In the context of the present energy review, will he commit at an early stage to publish the Government's methodology, so that we can have a proper debate on the issue before the conclusions of the review are reached?

Malcolm Wicks: We are looking at the economics and carrying out a cost-benefit analysis of a range of technologies, and I will certainly consider what my hon. Friend has said. By any judgment, the cost of clearing up the nuclear legacy, calculated over time—possibly 50 or more years—is estimated at £56 billion, with the annual cost at present about £2 billion. This is a very expensive project, and I shall consider what my hon. Friend has said.

European Energy Market

7. **Tony Baldry** (Banbury) (Con): When he next expects to meet the European Commissioner with responsibility for competition to discuss opening up the European energy market. [52002]

The Secretary of State for Trade and Industry (Alan Johnson): I last met Competition Commissioner Neelie Kroes to discuss opening up the European energy market and other issues on 27 January 2006. I continually emphasise to the Commissioner that she has our full support for the sector inquiry that she is carrying out and that we look forward to seeing the results.

The inquiry's initial report in November last year identified a number of issues in the European energy market, in particular a lack of unbundling and transparency in some parts of the EU. We hope that the latest report, which is published today, will build on those findings and that it will identify individual cases where there has been a distortion of competition.

Tony Baldry: The Secretary of State earlier drew the House's attention to the new realities in the electricity markets and the Prime Minister told the House yesterday that it is very important that we have a level playing field in energy pricing. Can the Secretary of State promise the House that the Government have got a grip on this; that time is of the essence; that competitiveness for the UK, and indeed for Europe, will be critical in terms of energy pricing, as we have the highest wholesale gas prices in Europe; and that this will not be shuttled off so that, whenever we ask a question, we are told that the EU Commission is dealing with it? We all want the understanding and the guarantee that this is something that the Government are genuinely taking seriously and that we are not just getting some holding line to take.

Alan Johnson: I think that the hon. Gentleman is absolutely right. What happened over Christmas between Russia and Ukraine was a wake-up call for the rest of the EU. It builds on the suggestion, which we made at Hampton Court during our presidency, that the EU needs to get a grip of this issue, right across the EU. Earlier I mentioned Germany. Its prices have gone up 75 per cent. wholesale, and 41 per cent. of its supply is dependent on Russia.

There is a question first of liberalisation. In that respect, not only the industry sector report is important. We also instigated a report on the specific incidents last

year when gas was not coming through the interconnector. The Chancellor and I wrote to the Commissioner, and there is a separate inquiry on that. There is a third inquiry, which the transport and energy directorate-general is handling, to consider whether additional measures are needed to enable the internal energy market to develop properly.

There are three strands there in the EU, as well as the wider question of the geopolitical issue. There is a real need to ensure that, in future, our energy supplies are not dependent on some unstable countries and some countries that are huge monopolies and able to exert the power that huge monopolies can.

Mr. Denis MacShane (Rotherham) (Lab): I congratulate my right hon. Friend on keeping the home fires burning while in Italy, by contrast, power cuts are leading to central heating being switched off and Italians having to snuggle under their blankets and stay warm in bed together, which might explain why the Italian Prime Minister has given up sex for the general election. Will my right hon. Friend send one of his excellent Ministers to Italy to show how a sensible energy market might be run?

On a specific point, waiting for Europe to do what we want might mean a long wait. The profits of the British glass industry have been wiped out by the rise in gas prices and 150 jobs in my constituency of Rotherham went yesterday, in part because of high energy prices.

Mr. Speaker: Order. The Italian part was all right.

Alan Johnson: My hon. Friend the Minister for Energy has just said that the energy review will look very carefully at two people snuggling together under a blanket as one solution to our problems for the future. As for the situation in Italy, I think I need to go myself.

My right hon. Friend the Member for Rotherham (Mr. MacShane) raises an important point, and the glass industry in particular has been severely affected by the price increase. It is still the case—I say this although it offers little comfort to those affected—that over the past 10 years British companies have paid £9 billion less for their energy than German companies, for instance, but there is an issue here that we need to tackle.

We are working with the energy-intensive users such as the company in my right hon. Friend's constituency to get the right transparency, to see what we can do to reduce energy consumption and to avoid what happened in Italy, which was a disastrous imposition by Government that we want to avoid at all costs in this country.

Mr. Owen Paterson (North Shropshire) (Con): De la Rochefoucauld said:

"Every man complains of his memory but no man complains of his judgment".

What happened in Ukraine was a reminder of how successive Russian regimes have treated weaker neighbours. What, in the Secretary of State's judgment, is the maximum percentage of gas that should be imported from Russia?

Alan Johnson: I have never thought about what the maximum should be. All I know is that the Ukraine-Russia spat did not affect the UK, because none of our gas comes from Russia. If we do nothing, however, and carry on decommissioning nuclear plants, and decommissioning coal-fired plants because of emissions problems, by 2020, 80 per cent. of our gas supplies would have to be imported. It is inconceivable that a large chunk of that would not come from Russia. That is a specific reason why the review needs to go right across the field, considering renewables, energy efficiency, nuclear, fossil fuels and clean coal technology. The hon. Gentleman is right that we need to ensure, not just in this country but throughout the European Union, that the dominance of Russia does not become a real problem in future, as it was for Ukraine over Christmas.

Mr. Dennis Skinner (Bolsover) (Lab): Does the Secretary of State agree that if we are to remove ourselves from the stranglehold of rising gas prices, enormous reliance on gas and all that goes with it, we need to make sure that our coal industry does not fade away? There are only half a dozen pits left, one of which is Harworth, which has 288 miners. Its coal is important, and he should make sure that the loan guarantee is granted. If there are any problems in the tinpot Common Market, he should tell that Commissioner to pull her finger out and allow those miners to work.

Alan Johnson: I refer my hon. Friend to the answer that I gave to my hon. Friend the Member for Sherwood (Paddy Tipping) in relation to Harworth. There is an opportunity for coal, because rising gas prices have meant that coal has become much more competitive. Imports from South Africa and other countries, however, are still far cheaper than indigenous coal. Nevertheless, the advent of new technology such as carbon capture and storage provides an opportunity to consider coal with a completely fresh eye. Things have moved on even from the 2003 White Paper. The support for the coal industry that my hon. Friend the Member for Bolsover (Mr. Skinner) has given over the years will be important in relation to the energy review.

Bank Charges

8. **Andrew George** (St. Ives) (LD): What recent assessment the Office of Fair Trading has made of the regulation of charges imposed by banks on their customers. [52003]

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): The OFT wrote to eight major credit card companies in July 2005 to consult on its provisional conclusion that the default charges that they impose are excessive. The investigation is continuing.

Andrew George: I thank the Minister for that answer. Since the finding that some of those charges are unfair under the Unfair Terms in Consumer Contracts Regulations 1999, however, the OFT has failed to act on its three-month deadline to demand that the banks either seek to justify or remove those charges. A large number of customers have challenged those and received out-of-court settlements, because the banks are not prepared to defend the cases. In view of the fact that the Government are keen to encourage low-income

families and those in receipt of benefit to open bank accounts, can the Minister assure the House that they will do everything that they can to inject urgency into the inquiry and to make sure that customers are properly protected?

Mr. Sutcliffe: The hon. Gentleman knows that the OFT is an independent agency, and it would be wrong for the Government to interfere in its investigation. I know that he has had correspondence with the OFT. The Government are committed, however, to supporting low-income families in getting bank accounts, as we are to examining consumer credit, which is why we introduced the Consumer Credit Bill. I am sure that he will achieve what he wants in due course, but I will write to him as soon as I have any information from the OFT.

Mr. Nigel Dodds (Belfast, North) (DUP): Will the Minister join me in welcoming the opening of hearings by the Competition Commissioner in Belfast today following a referral to the OFT by the consumer council of a super-complaint about high charging for customers in Northern Ireland? Does he agree that it is essential that customers, business and domestic consumers in Northern Ireland should have the same level of competition and charges as our counterparts in the rest of the United Kingdom?

Mr. Sutcliffe: I am grateful to the hon. Gentleman for raising this matter, which proves that the process works. Through the Enterprise Act 2002 and the Competition Act 1998, the opportunity to have the super-complaint means that disparities in the marketplace can be investigated and consumers can have a voice. I welcome his comments and the inquiry.

Rolls-Royce Contract

9. **John Robertson** (Glasgow, North-West) (Lab): What discussions he has had with the US Administration concerning the cancellation of the contract for the GE Rolls-Royce F136 engine. [52005]

The Minister for Industry and the Regions (Alun Michael): The issue of the F136 engine has been raised with the United States Government at all levels. Although it is not in the Administration's current budget proposals, we will keep pressing the case for the engine. That will not reach a conclusion until the US Congress has approved the budget.

John Robertson: I am sure that my right hon. Friend realises how important the engine is to GE and Rolls-Royce. Will he redouble his efforts to ensure that the project does not end up on the scrap heap, that we do our bit for the air fighters and their engines, and that the workers, particularly those in Rolls-Royce, are looked after?

Alun Michael: I am sure that the engagement of everyone up to my right hon. Friend the Prime Minister will reassure my hon. Friend about the efforts that are being made. It is worth pointing out that the F136 project is a joint project between the two companies, in which Rolls-Royce has a 40 per cent. share. A cancellation would therefore have serious implications for American business as well. We will certainly maintain our efforts to achieve a positive outcome.

Mr. Tobias Ellwood (Bournemouth, East) (Con): The consequences of the ITAR waiver, which is at the heart of the issue, have affected not only Rolls-Royce but other companies. What measures is the Minister taking, not just in regard to Rolls-Royce but in regard to the wider impact on the relationship between the United States and Britain, bearing in mind our close collaboration on both military and civil projects? If that breaks apart, and if we do not have the necessary guarantees, many more companies than Rolls-Royce will be affected.

Alun Michael: The relationship between British and American industry, as well as our relationships on defence issues, is extremely important, and the hon. Gentleman is right to refer to it. I refer him to the defence industrial strategy, which my right hon. Friend the Secretary of State and I supported along with our colleagues at the Ministry of Defence. The strategy document is very significant for the defence industry.

At the beginning of the week I visited Rolls-Royce in the Bristol area. I was particularly struck by the engagement down the supply chain in improving efficiency and competitiveness, and the involvement with our defence industry's real needs at every level.

MINISTER FOR WOMEN

The Minister for Women was asked—

Family-friendly Employment Rights

19. **Mrs. Janet Dean** (Burton) (Lab): What measures the Government are taking to secure family-friendly employment rights for parents and carers. [52015]

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): The Work and Families Bill builds on the strong foundations of support that we have already introduced for working families. It proposes to extend maternity and adoption pay, give fathers a new right to additional paternity leave, and extend the flexible working law to carers for adults.

Mrs. Dean: I welcome the proposals, and the progress that has already been made with family-friendly policies. What analysis has my hon. Friend conducted of the impact of maternity and paternity rights on both industry and families?

Meg Munn: Companies that take account of the need for flexible working and recognise that they need to draw from the whole pool of talent, men and women, generally do better. Keeping an employee in work following maternity leave is often far less expensive than recruiting and training someone new.

Let me take this opportunity to congratulate the right hon. Member for Witney (Mr. Cameron) on the birth of his child. I note that he is taking paternity leave, which I am sure will benefit his family. He did not, of course, vote for that right; nor did his party.

Mr. Philip Hollobone (Kettering) (Con): What discussions has the Minister had recently with her ministerial colleagues about improving the provision of respite care for those who look after adults?

Meg Munn: We take the issue of carers' rights very seriously in the Work and Families Bill. We have issued a consultation document on the definition of carers. That is obviously connected with the issue of respite care, and discussions are ongoing. Respite care, along with flexible working, obviously helps those with caring responsibilities to go on working, which is often in their interests and those of the people for whom they care.

Barbara Keeley (Worsley) (Lab): I am currently advertising a post in my constituency office that I have opened up to job sharing, and I hope that lots of other Members do the same. What steps are being taken to encourage other employers to open jobs up to job sharing?

Meg Munn: We introduced three years ago the right for parents of children aged under six, and of disabled children aged under 18, to request flexible working. Flexible working covers a range of areas, including job sharing, and the right to request it has proved very successful for employers and employees. So the encouragement is there to look at all types of flexible working, including job sharing.

Mr. Lindsay Hoyle (Chorley) (Lab): I recognise that family-friendly policies are very important in enabling people to continue in work. What measures has my hon. Friend put in place to help industry to implement such policies, and what financial support can she provide in that regard?

Meg Munn: We consulted widely on the issues with which the Work and Families Bill deals—it is being led by the Under-Secretary of State for Trade and Industry, my hon. Friend the Member for Bradford, South (Mr. Sutcliffe)—and they were examined carefully to ensure that we proceed at the right rate. We have decided not to extend the right to request flexible working to families with children aged over six at this stage, but to consider introducing that right on a steady basis. The costs associated with introducing flexible working arrangements are minimal—much less than those arising from having to recruit new employees.

Mrs. Eleanor Laing (Epping Forest) (Con): I am glad that the Minister recognises that my right hon. Friend the Member for Witney (Mr. Cameron) will now discover that looking after a new baby is even more difficult than leading the Conservative party. [HON. MEMBERS: "Oh no it is not."] Oh yes it is. She will also recognise that we Conservatives have supported the measures in the Work and Families Bill, but will she undertake, in considering the regulations following on from that Bill, to get the balance right and to make sure that unnecessary burdens are not placed on small businesses? If the balance is wrong and too many burdens are placed on them, that will be bad for such businesses, bad for their employees and bad for families.

Meg Munn: I agree with the hon. Lady that it is important to get the balance right, which is why we have proceeded at the rate that we have. We have not rushed into these matters, and we have consulted business. She will know that small businesses are often the best at introducing flexible working; indeed, they often adopt such practices so that they can ensure that their small number of employees can cover the work, and that they can get the right people in. There are skill shortages in many fields, and they are often the ones in which women are under-represented. So getting more women into the labour market in those fields will help such businesses, rather than preventing them from making progress.

Pensions (Women)

20. **Adam Price** (Carmarthen, East and Dinefwr) (PC): When the Government will publish their report on the pension position of women. [52016]

The Minister for Women (Tessa Jowell): Last November, the Government published an analysis of women's pensions. The evidence showed that 30 per cent. of women retiring today are entitled to the full basic state pension, but that by 2025, on average, more than 90 per cent. of both men and women will be entitled to the full basic state pension—a figure that reflects the much larger number of women in work.

Adam Price: I thank the Minister for her reply. The Government should be congratulated on the detailed analysis set out in that report. I hope that such reports will become an annual event, until we get genuine pensions equality between men and women. Are the Government finally going to scrap the 25 per cent. rule whereby women with less than 10 years-worth of contributions do not qualify for the full pension?

Tessa Jowell: I thank the hon. Gentleman for his question and for his congratulating us on the approach that we are taking to one of the most intractable issues that we face. No decisions have yet been taken about the final settlement. My right hon. Friend the Secretary of State for Work and Pensions will in due course publish proposals, in response to the Department for Work and Pensions' own evidence and that of the Pensions Commission. I should point out that fairer pensions for women is one of our key objectives, given the scale of such inequality and the risk of poverty in old age that too many women still face today.

Miss Anne Begg (Aberdeen, South) (Lab): My right hon. Friend mentioned the Pensions Commission, which recognised that the present system was designed by men for men and reflects a society that no longer exists. Will she put pressure on my right hon. Friend the Secretary of State for Work and Pensions to ensure that the White Paper addresses the question of women and their pensions and that the present inherent inequalities are ended once and for all?

Tessa Jowell: My hon. Friend is right. The deep-rooted gender inequalities reflect the different nature of

the working lives of men and women, and addressing that problem is one of the most important challenges involved in getting the new pensions settlement right. We are actively engaged in discussions about how to do that.

Sandra Gidley (Romsey) (LD): Home responsibilities protection provides a welcome but partial solution to pension poverty among people who have had caring responsibilities, but it can be unfair. For example, a woman with 20 years of home responsibility and 10 of employment accrues only 50 per cent. of the basic state pension, whereas a man with a 30-year employment record accrues 70 per cent. Will the Minister commit to making the system fairer for those with caring responsibilities?

Tessa Jowell: I have made it absolutely clear that achieving equality between the positions of men and women is one of the key outcomes that the Government are determined to achieve in the new pensions settlement.

Human Trafficking

21. **Mary Creagh** (Wakefield) (Lab): What discussions she has had with the Home Secretary on the steps that he is taking to provide victims of trafficking with specialist care and protection to enable them to make choices about whether to remain in the United Kingdom. [52017]

The Parliamentary Under-Secretary of State for Trade and Industry (Meg Munn): As a member of the ministerial group on human trafficking, I work closely with Home Office colleagues to ensure that provision for victims is sensitive to women's needs. We have a comprehensive support scheme to help women make informed decisions about their futures. Our consultation on a UK action plan includes plans to further develop support arrangements.

Mary Creagh: I thank my hon. Friend for that reply. May I urge her to work with her colleagues to ensure that we sign the European convention on action against trafficking in human beings? That would give victims an automatic cooling-off period to recover from the sexual abuse that they have suffered.

Meg Munn: I pay tribute to my hon. Friend's interest in this very important matter. She will know that the Government were involved when the action plan was drawn up, and that we are considering moving towards signing it. Our concern is that automatic periods could act as a pull to bogus asylum claims, but we are looking at the experience of other countries. We consider all victims on their merits: the cooling-off periods are not automatic but are on the basis of each person's need.

John Bercow (Buckingham) (Con): The hon. Member for Wakefield (Mary Creagh) is absolutely right. The Council of Europe convention on human trafficking was agreed in May 2005, and no fewer than 24 of the council's 46 members have signed up to it. Therefore, will the Minister tell the House what discussions she has had with the Home Secretary in respect of why the Government still feel unable to sign up to the convention, which would provide minimum standards of protection and treatment for all trafficked people?

Meg Munn: The ongoing discussions on this matter are very detailed. The UK took a lead and made human trafficking one of the key issues of our EU presidency. We are enormously concerned about it, and are consulting on our UK action plan. As I said in response to my hon. Friend the Member for Wakefield (Mary Creagh), we are looking at this issue. We consider every case on its merits, and women are given time to reflect. Our concern is that an automatic period may act as a pull factor in a way that would be unhelpful to real victims. However, there is no end date for the period in which the UK can sign up to the convention. That is under active consideration, and many other measures are in place to deal with the terrible problem of human trafficking. We are having great success in finding the people involved in it, stopping it happening, and dealing appropriately with the victims.

Business of the House

11.34 am

Mrs. Theresa May (Maidenhead) (Con): Will the Leader of the House give us the business for the week following the recess?

The Leader of the House of Commons (Mr. Geoffrey Hoon): The business for the week following the recess will be as follows:

MONDAY 27 FEBRUARY—Progress on remaining stages of the Government of Wales Bill.

TUESDAY 28 FEBRUARY—Conclusion of remaining stages of the Government of Wales Bill—[HON. MEMBERS: "Hooray!"]—I hope.

WEDNESDAY 1 MARCH—Opposition Day [14th Allotted Day]. There will be a debate on dentistry followed by a debate on the future of cancer services. Both debates arise on an Opposition motion.

THURSDAY 2 MARCH—Second Reading of the Children and Adoption Bill *[Lords]*.

FRIDAY 3 MARCH—Private Members' Bills.

The provisional business for the following week will include:

MONDAY 6 MARCH—Second Reading of the Police and Justice Bill.

I should also like to inform the House that the business in Westminster Hall for the first two weeks in March will be:

THURSDAY 2 MARCH—A debate on lone parent employment.

THURSDAY 9 MARCH—A debate on violence against women.

It may also assist the House to know that the Chancellor of the Exchequer proposes to deliver his Budget statement on Wednesday 22 March.

Mrs. May: I thank the Leader of the House for giving us the business for the week after the recess. I am grateful that the Children and Adoption Bill has found a place in the business of the House for that week.

The right hon. Gentleman and other hon. Members will have noticed that we will use our Opposition day on 1 March to discuss dentistry and the treatment of cancer patients in the NHS. I asked last week for a debate on dentistry, as did my hon. Friend the Member for Congleton (Ann Winterton), and the Leader of the House suggested that Members should raise the issue in today's debate on NHS inequalities. He was being somewhat disingenuous in saying that because the debate today not only covers the whole of the NHS, but will probably last for only two and a half hours. There will not be much time to talk about dentistry.

In 1999, the Prime Minister gave a commitment that by the end of 2001 everyone would have access to an NHS dentist—a commitment on which he has failed to deliver. However, hon. Members may care to know that the Government have a radical and innovative answer to ending the queues of people waiting to sign up to a new NHS dentist. They are going to ban people from queuing and force them to apply by phone or post. We need a debate about the real answers to the problems, and we will give hon. Members that debate.

On the issue of cancer patients and the use of Herceptin, and following yesterday's court decision—which revealed that, despite the comments by the Secretary of State for Health last autumn, the Government had not changed their policy—will the Leader of the House ensure that the right hon. Lady makes a statement to the House on Herceptin before the debate on 1 March?

We waited a long time for it, but I was pleased to hear the Leader of the House announce the date of the Budget today. It is a pity that it was announced on Sky News before he could announce the date in this House. Talking of long waits, when will the education reform Bill be published?

I realise that referring to the economy usually brings a torrent of statistics from the Leader of the House about inflation, interest rates and employment, but yesterday we saw the biggest rise in unemployment for 13 years, and there are serious underlying problems that need to be addressed, particularly the position of young people. Does he share my concern that over the past year there was a 28 per cent. increase in youth long-term unemployment; the number of economically inactive 18 to 24-year-olds has risen by nearly a quarter since Labour came to power; and that the number of young people who are not in education, employment or training has risen to 1.2 million? The Chancellor of the Exchequer said that he would not be satisfied until the Government had removed the scar of long-term unemployment from the face of Britain. Yesterday's figures show that he is failing to achieve that goal, so will the Leader of the House make time for a debate on youth long-term unemployment?

Finally, on a day when a review of the work of the Electoral Commission has been announced, I note that the Leader of the House has previously said that in order to engage people in the electoral process we should force them to vote by making it compulsory and by fining people who do not vote. Is that still his view, or has he now realised that the more people who vote at the next general election, the bigger the Conservative majority?

Mr. Hoon: I am grateful at least for the right hon. Lady's last, rather entertaining, comment. I suppose that Opposition Front-Bench Members have to live in hope, but that is all they will be living in.

On the right hon. Lady's specific points, I see no reason at all why right hon. and hon. Members should not make contributions about dentistry in today's debate. I am sure that one of the things that they will want to do is to note the fact that the Government have recruited the equivalent of 1,453 more dentists to the national health service, which has contributed to a net increase of 1,100 dentists; that overall there are 4,000 more dentists in primary care since 1997; that we are in the process of agreeing a new contract that will enable committed NHS dentists to earn an average of £80,000 a year; and that a third of dentists are already working under those new arrangements. There is significant progress, over and above the difficulties caused—in case the right hon. Lady has forgotten—by the reduction in the number of places for trainee dentists under the last Government. We inherited that problem and have sought to tackle it.

[Mr. Hoon]

On the nonsense about queues and forcing people to register by telephone, I would have thought that in the 21st century the right hon. Lady might welcome the fact that it is possible to register by telephone rather than having to stand outside in a queue, but clearly the Conservative party is still looking backwards. I recognise that for some of its members the telephone is a new-fangled invention, but it is nevertheless one that most people in society have got used to using. I welcome the efforts of the right hon. Member for Witney (Mr. Cameron) to modernise the Conservative party; perhaps soon it will use the telegraph rather than the pigeons that are clearly part of its internal communication system.

On Herceptin, I am sorry that the right hon. Lady raised the issue in the way that she did. Obviously, everyone has sympathy for those diagnosed with cancer and it is important that we try to ensure that the drug is made available, especially given the promising results of recent trials, but it is equally important that we have a proper process to determine how new drugs are used, and I would have thought that all Members would agree about that. It remains the case that once the drug is licensed it can be generally used, but before it is licensed the matter is for local decision. That remains the position, and I would have thought that Members would support and welcome it.

We have made it clear that the education Bill will be published before the end of the month. I have set out that position before and I am delighted to repeat it.

On the economy, the right hon. Lady is on rather weak ground when she criticises the Government about unemployment. We realise that the Conservatives are experts on unemployment—they created and fostered so much of it during their period in office. The truth is that since 1997, 2,341,000 new jobs have been created, filled by people who are working hard to contribute to the success of the country's economy—expressions that could never, ever have been used during the Conservative period in office. I would hope that, rising occasionally above party political rhetoric, the right hon. Lady might acknowledge that success and congratulate the Government on it.

I have always made clear my personal support for compulsory voting. It seems a modest commitment to expect of citizens in society, but I recognise that there are many views in that debate. I am happy to contribute to them.

Mr. Wayne David (Caerphilly) (Lab): As my right hon. Friend represents a former coal-mining constituency, he will know of the great progress that has been made on compensation payments to former miners. However, the issue of surface workers has yet to be satisfactorily resolved, so may we have a debate on that important matter?

As my right hon. Friend is in such a good mood, will he consider giving an extra day to the Government of Wales Bill?

Hon. Members: Oh no.

Mr. Hoon: I prefer not to be drawn further on my hon. Friend's latter question, but he raises an important point about compensation payments. The Government have provided enormous funds to ensure that those harmed as a result of their experience of working in collieries are provided with compensation, although more work remains to be done to ensure that the final payments are made. Certainly, I recognise that there is an outstanding issue in relation to surface workers. I will ensure that my right hon. Friend the Secretary of State for Trade and Industry—who, incidentally, has just answered questions—will contact my hon. Friend with the details of this matter.

Nick Harvey (North Devon) (LD): Will the Leader of the House make time for a debate on the future of the Post Office card account? Is he aware that there is very great concern in many parts of the House about the news that it will cease in 2010—not only the fact of that, but the manner of it as well? Is he further aware that although the Government argue that it was always known that the card account would be temporary, the Under-Secretary of State for Work and Pensions, the hon. Member for Warwick and Leamington (Mr. Plaskitt), said yesterday in Westminster Hall:

"Of course, it is a temporary arrangement"—

but if we had told people that at the beginning, it—

"would have been interpreted as . . . a barrier to . . . taking up the account."—[*Official Report, Westminster Hall*, 15 February 2006; Vol. 442, c. 496WH.]

So it seems to me that he has blown the gaff.

We need such a debate not only for the sake of the 4.3 million people who have those accounts and rely on the convenience that they bring, or, indeed, because of the £1 billion a year that the contract is worth to the Post Office, but—this is a very immediate point—because sub-postmasters who have reached retirement age who want to sell their businesses now discover that, as a result of that major blow, the business itself has a much smaller value and they are now struggling to sell. It is a very important issue and I urge the Leader of the House to make Government time available to debate it.

Will the right hon. Gentleman also find time for a debate on local government reorganisation, as contradictory signals are coming from the Government about their intentions, about the time scale and about the process—not least from the Deputy Prime Minister, as we heard yesterday?

Mr. Hoon: I do not know whether I am supposed to welcome the hon. Gentleman to his new responsibilities. Perhaps his hon. Friend the Member for Somerton and Frome (Mr. Heath) is out in the country campaigning for the write-in vote that I thought should be required of such an outstanding candidate for the leadership of the Liberal Democrat party, but we are all sorry that he is not here to receive our continuing support in his efforts to lead the Liberal Democrats.

The Government have always made it clear that the Post Office card account was an interim arrangement. I hope that all right hon. and hon. Members will accept that it is an arrangement whereby those who want to continue rightly to use their local post office to receive a range of benefits can do so. Between now and the end of the arrangement in 2010, it would clearly be possible—pilot schemes are already under way—to allow people, having learned from the experience of using a Post Office

card account, to use many of the similar accounts made available by the Post Office. They operate on exactly the same basis as the Post Office card account and will enable them to continue to receive benefits that way. That seems a wholly sensible and straightforward arrangement, and it will allow post offices to continue to receive the same level and quality of business as they enjoy under the present arrangements.

David Taylor (North-West Leicestershire) (Lab/Co-op): We have heard the happy news from Opposition Members of the flurry of babies that have arrived, but may we have a debate in Government time on the contrasting attitudes in the Chamber to the family-friendly policies that have been introduced? Apparently, the Leader of the Opposition is on paternity leave, but someone very like him was seen in the voting Lobby yesterday. Perhaps we can find out whether personation has taken place. Among Government Members, we are seeing the use of family-friendly policies affecting those with coming babies and upcoming retirement in that, according to the TV bulletins, job sharing and hot desking are taking place on a grand scale in Downing street.

Mr. Hoon: I am trying to work out which part of my hon. Friend's observations has anything to do with me. I will probably resist a running commentary on the various issues that he has raised, but the Government are certainly committed to family-friendly policies. I am delighted that the right hon. Member for Witney (Mr. Cameron), whom I should congratulate on the birth of a child, has been converted to the cause of paternity leave. We all know that he voted against the provision when it came before the House, but we always welcome a conversion, and we seem to be welcoming a conversion of large parts of the Conservative party to Labour policies. Long may it continue.

Mr. David Heathcoat-Amory (Wells) (Con): The Leader of the House will know that the press and the public are excluded from the weekly meetings of the European Scrutiny Committee. The Committee asked to meet in public during the past Parliament, but the then Leader of the House did nothing to change Standing Orders to allow that. What is the right hon. Gentleman's attitude towards openness and transparency, or is this another issue on which the Government lecture everybody else—in this case about the need for public access—and then do nothing to alter our parliamentary procedures to permit it?

Mr. Hoon: I have not received any specific request from those involved in European scrutiny during this Parliament, but it is something that I will look at carefully. As the right hon. Gentleman will be aware, there are proposals from the Modernisation Committee to look at the way we scrutinise European legislation. Those proposals are under consideration, so perhaps we can have a fuller discussion once they have been published.

Keith Vaz (Leicester, East) (Lab): May I draw my right hon. Friend's attention to early-day motion 1654, which deals with the siting of three mobile phone masts outside St. Joseph's Catholic church in Evington?

[That this House notes with concern the construction of three telecommunication masts outside St. Joseph's Church, Leicester; calls on the companies building telecommunication masts to work together to reduce the number requiring construction; acknowledges that since the Stewart Report, published over five years ago, there have been significant advances and changes to mobile telecommunications technology; urges the Government to commission further research into the effects on health of telecommunications masts; and calls on the Government to carry out further consultations.]

As a result of that decision, the church is to lose the possibility of having a children's nursery because parents are very concerned about the effects on their children's health of having those masts so close to the church and its hall. Can we have a debate on the Stewart report and consider introducing guidelines so that mobile phone operators are able to share one site and mast, rather than creating three?

Mr. Hoon: I have now had the opportunity of reading early-day motion 1654. My hon. Friend has set out, with his usual commendable clarity, the concerns of the people in his constituency who are affected. I think that he probably made his point in the course of his question.

Sir Nicholas Winterton (Macclesfield) (Con): The Leader of the House will be aware that there is huge opposition in England and Wales to the restructuring of police forces. The so-called consultation, which has been an utter fraud and charade, ends in a few days. When that period ends, will the Leader of the House arrange for a debate on the subject in the House? Is he aware that Bernard Hogan-Howe, the chief constable of Merseyside, with which Cheshire is to be merged, has stated that if the merger goes ahead the people of Cheshire will have huge resources transferred to Merseyside, and Cheshire's council tax will increase dramatically? Is that not reason enough for a debate in this House?

Mr. Hoon: The hon. Gentleman talks about huge opposition. I am certainly aware that there is some opposition. There is always opposition to this kind of change, which necessarily affects, in some cases, traditional boundaries and, in others, boundaries established for a number of years. I am sure that the hon. Gentleman would recognise that we cannot simply say that there will never be any change in the organisation of our police forces. Indeed, the organisation of those forces throughout the country has been in a steady process of evolution over many years.

A proper subject for debate is the recommendation by very senior police officers—after all, the proposals come from a committee of the Association of Chief Police Officers—that there should be a reorganisation to ensure that police forces throughout the country are equipped to deal with the challenges that they face in the 21st century. I would be much more interested to hear from the hon. Gentleman and other Members who raise this issue why the Government should reject the advice from senior police officers that they need a reorganisation, rather than them simply making an argument based on traditional boundaries and a traditional way of doing things.

Dr. Alan Whitehead (Southampton, Test) (Lab): Will my right hon. Friend find time for a debate on the co-

[Dr. Alan Whitehead]

ordination of the contents of Government reviews? I am sure that he will be aware, for example, of the publication two days ago of the waste review, which proposes a threefold increase in energy from waste between now and 2020—a fact that appears to be wholly absent from the considerations of the energy review, which is, at precisely the same time, considering energy supply up to 2020.

Mr. Hoon: My hon. Friend raises an important issue. A constant challenge for Governments organised on a departmental basis, and indeed any organisation that operates in that way, is to ensure that decisions taken in one part of the organisation are consistent with decisions taken elsewhere. This Government have spent a great deal of time and effort ensuring that there is co-ordination across government, improving cross-cutting efforts by different Departments. I recognise that there is still more work that we can do in that respect to achieve the ambition that my hon. Friend rightly sets out.

Mr. Peter Robinson (Belfast, East) (DUP): Will the Leader of the House arrange for time for discussion in this place of the facilities for Members, in particular the roll-out of IT equipment? I understand that after the allocation of equipment to new Members, existing Members are having it distributed in alphabetical order, and we are only at "C" at present, with some Members whose surname begins with "C" still not having had their equipment delivered to them. Those of us at the tail end of the alphabet will be more interested in pension arrangements than IT equipment by the time it is our turn.

Mr. Hoon: The hon. Gentleman makes his point with characteristic style. I was not aware that the process was going so slowly, but I shall certainly investigate and write to him once I have found the answer.

Helen Goodman (Bishop Auckland) (Lab): I know that the Leader of the House is committed to having more women Members of Parliament, but may I suggest one practical step that he might take to make Parliament more family-friendly? I read in the newspaper that he is considering shortening the summer recess. Before he does that, will he ensure that it still fully covers the school holidays? There is a problem with the next recess as I find that at Easter my children's school holiday overlaps with the recess by only a week. That may not be a significant problem for him, but for my nine-year-old daughter it is.

Mr. Hoon: I assure my hon. Friend that it is also a significant factor in the Hoon household, so I take her point very seriously. I have to say, however, that most of the criticism directed at the House is not that we are shortening the summer recess, but that we have far too long a summer recess. I recognise that that has provided significant opportunities for right hon. and hon. Members not only to spend more time with their families, but, crucially, to spend more time in their constituencies. That is something that we need to bear in mind. I assure my hon. Friend that the question of summer vacations is taken into account as we look at the dates for parliamentary sittings, but I also draw to her attention the consistent complaints from our Scottish colleagues that the summer recess very rarely takes account of Scottish summer holidays, so it cannot be an exact process that will satisfy everyone.

Andrew Rosindell (Romford) (Con): I hope that the Leader of the House has had time to read early-day motion 1637, which I tabled, regarding the Falkland Islands, following the hostile remarks of the President of Venezuela only a week ago.

[That this House completely rejects the suggestion that the UK should hand over the Falkland Islands to Argentina made by Venezuelan President, Hugo Chavez, on 9th February; believes that all matters relating to the Falkland Islands, especially sovereignty, are issues concerning the Falkland Islanders and the British Government alone; notes the illegitimacy of the Argentine claim on the islands; and urges the Government to rally round these loyal subjects of the Crown whenever their sovereignty is questioned and to declare that the Union Jack will permanently fly above Port Stanley.]

Will the Leader of the House find time for a debate in the House not only on the defence of the Falkland Islands, but on all British territories overseas?

Mr. Hoon: As someone who has had the privilege of visiting the Falkland Islands on a number of occasions, I recognise the hon. Gentleman's point. I hope that he will forgive me, but I have not read the early-day motion that he mentions. However, I can hazard a guess as to what it contains, and obviously I strongly support the continuation of the Falkland Islands as part of this country's heritage. It is something that we maintained absolutely as a priority in government, and we will continue to do so.

Gwyn Prosser (Dover) (Lab): Will my right hon. Friend find time for a debate on surplus school places and the way in which Conservative county councils such as Kent seem arbitrarily and unfairly to be targeting schools in deprived and low-income areas? Such a debate would allow us to expose the reasons why Kent has suddenly singled out Dover and said that it wants to close down St. Radigund's school, Melbourne school, South Deal school and St. Joseph's school in Aylesham, against the wishes of people in those areas.

Mr. Hoon: My hon. Friend raises an important issue and one that clearly directly affects his constituents. I am sure, his having raised it in the way that he has today, that notice will be taken by Kent county council.

Mr. Roger Gale (North Thanet) (Con): On 1 February, the propaganda unit at the Treasury, the Government news network, published the headline "Primarolo Hails Success of Flexible Tax Credit System". At the end of the month, by the Paymaster General's own figures,

"around 44,000 disputed overpayments were awaiting a decision."—[*Official Report*, 14 February 2006; Vol. 442, c. 1849W.]

Each and every one of those disputed payments represents misery for a family with young children. Will the Leader of the House ensure that, when the

Chancellor of the Exchequer makes his Budget statement on 22 March, instead of singing his own praises he addresses the 44,000 families who are living in fear?

Mr. Hoon: I am sure that the hon. Gentleman was referring in his opening remarks to hard-working civil servants serving the country with absolute impartiality and objectivity in the information that they make available. I am sure that that is what he intended to say, at any rate.

We all recognise that there have been difficulties with the implementation of tax credit arrangements. That is why such effort has been put into ensuring that the system operates fairly and efficiently—and for the great majority of people, that is indeed the case. The system provides opportunities and financial support for families that was simply not previously available. Crucially, it also helps very many single-parent families back into the labour market. That would not have been possible without the availability of tax credits. I recognise that more work has to be done to ensure that the system can in particular respond quickly to the sudden and dramatic changes that affect people in their daily lives—that is the reason for the difficulties that have arisen—and we will continue to monitor that.

Mr. Jim Devine (Livingston) (Lab): I do not know whether my right hon. Friend has had a chance to look at early-day motion 1661, which is in my name and that of my hon. Friend the Member for Dundee, West (Mr. McGovern), and which states:

[That this House congratulates the Bishop of Dunkeld, Bishop Vincent Logan on the Silver Jubilee of his episcopal ordination; notes that Bishop Logan was ordained Bishop of Dunkeld in the Cathedral Church of St Andrew, Dundee on 26th February 1981; further notes that he was educated in Bathgate, Blairs and Drygrange and ordained to the priesthood in the Archdiocese of St Andrews and Edinburgh in 1964 and that he served Episcopal Vicar for Education in the Archdiocese of St Andrews and Edinburgh; further notes Bishop Logan's continuing interest in education and in the formation of candidates for the priesthood; thanks Bishop Logan for his hard work in the Diocese of Dunkeld and beyond; and wishes Bishop Logan many more years of service.]

It congratulates Bishop Logan on his ordination 25 years ago as a bishop in Scotland. It is his silver jubilee next week, and he is a well known and respected figure in Scottish society. Will my right hon. Friend join in with the congratulations?

Mr. Hoon: I am happy to join my hon. Friend in offering congratulations and grateful to him for telling me the subject matter of his early-day motion, as there seems to be a disturbing, recent trend of assuming that I have read every one of them.

David Howarth (Cambridge) (LD): I hope that the Leader of the House has had a chance to read a letter in *The Times* today from six professors of law at Cambridge university, expressing their concern about the extraordinary powers granted to the Government by the Legislative and Regulatory Reform Bill, which is now widely known as the "Abolition of Parliament Bill". Will he take steps to rescind the decision of the House last Thursday not to consider the Bill in a Committee of the whole House but to take it upstairs? Surely, given the Bill's massive constitutional importance and the seriousness of what part 1 does to the House's powers, all Members should have the opportunity to discuss it in detail on the Floor of the House.

Mr. Hoon: I know that the hon. Gentleman is on temporary, sabbatical leave from the university of Cambridge. We are delighted to have him here for a relatively short time while he represents the people of Cambridge. I hope that he did not stimulate that letter in *The Times* from his former colleagues in the law faculty at Cambridge university. I know that he is a distinguished lawyer and anxious to get back to academic life as soon as possible, but before he does so he will of course have the opportunity to debate the Bill in Committee in detail, and we look forward to his observations.

Ms Sally Keeble (Northampton, North) (Lab): Is my right hon. Friend aware that a report is due out tomorrow of a major inquiry by Lord Carlile into the outrageous use of restraint, isolation and strip-searching of children in custody, which follows the death of a teenager in custody? Will my right hon. Friend ensure that there is a debate on that important subject?

Mr. Hoon: I have not yet seen the detail of the report, but from my hon. Friend's description, it obviously raises very important issues. I am sure that there will be opportunities to discuss it on the Floor of the House.

Mr. Bernard Jenkin (North Essex) (Con): Does the Leader of the House not feel the slightest discomfort at the Government's committing a major deployment of troops to Afghanistan without any major debate in the House? May I suggest that he entertains seriously a request for a debate on Iran, which is contributing to the difficulties in Afghanistan? Is not it time that the Government held, in Government time, a full day's debate on the situation across the entire middle east, including Iraq, Iran and Afghanistan, while we consider the very serious matter of this major deployment?

Mr. Hoon: The hon. Gentleman knows full well that we have regular defence debates. Although they are given particular titles, the underlying arrangements have never changed, whereby right hon. and hon. Members can contribute across the range of defence issues. That has always been the practice. Debates on defence take place more regularly than those on most other subjects. There was an opportunity for discussion in the Chamber when my right hon. Friend the Secretary of State for Defence made a statement on the deployment to Afghanistan, so I do not accept that there are no opportunities for Members to raise those issues. They are important and are discussed on a regular basis.

Martin Salter (Reading, West) (Lab): There can hardly be a Member in this House whose constituents, or at least some of them, have not been disturbed, harassed or, in extreme cases, threatened by the

[Martin Salter]

activities of Travellers. In Reading, we recently lost an entire week's worth of cataract operations because of a Travellers' encampment outside an NHS treatment centre. Given the wide disparity in approaches to that problem by police forces and local authorities, does the Leader of the House agree that there is a strong case for Ministers to come to the Dispatch Box to take part in a debate aimed at providing more efficient and tougher action in defence of the law-abiding community?

Mr. Hoon: I know that in my constituency the issue causes enormous distress and anger among local people. That is why the Government have strengthened the law on trespass and ensured that local authorities have the power to take swift action. I can only encourage local authorities to use the full powers that the Government have made available.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): May I draw the attention of the Leader of the House to motion No. 49 on today's Order Paper, which has been tabled by the right hon. and learned Member for Rushcliffe (Mr. Clarke) and me, among members of five political parties in the House? The motion calls for the setting up of a Select Committee of seven Privy Councillors to look into the events and Government policy leading up to the conflict in Iraq and its immediate aftermath. Given that the motion is signed by no fewer than 155 right hon. and hon. Members across the House, is not it time to debate that matter urgently in Government time?

Mr. Hoon: I am surprised to hear the hon. Gentleman suggesting by implication that there has somehow not been a thorough investigation of circumstances leading to the conflict in Iraq. There has been a series of reports, both within the House and beyond it. I have to say that the conflict has been investigated probably more than any other in history.

Mr. David Chaytor (Bury, North) (Lab): Shortly before he took advantage of the Government's policy on paternity leave, which he had voted against, the Leader of the Opposition made an interesting proposal to abolish the royal prerogative. Given that nobody, not even the royals, appears to be opposed to the proposal, would it be possible to have a debate so that we could find ways of speedily implementing it? Would such a debate not also give us an opportunity to discuss other aspects of our constitution and progress on reform, not least of the House of Lords?

Mr. Hoon: I am delighted that the right hon. Member for Witney (Mr. Cameron) is examining a range of constitutional issues. As far as I can recall, we have never heard such a suggestion before from the Conservative party, so it is useful. Perhaps the Conservatives are recognising that they are in for a further and prolonged period of opposition, because those matters were never raised while they were in government—a point I have made directly to the right hon. and learned Member for Rushcliffe (Mr. Clarke), who has been appointed to have responsibilities in that area.

My hon. Friend referred to the royal prerogative, linking it to the royal family. He will know, of course, that the royal prerogative is exercised by Ministers. Most constitutions have arrangements that allow for ministerial discretion. Indeed, most constitutions would say that those discretions are a necessary part of the process of government. Although it is important that we continue to discuss the extent of those arrangements, simply saying that it is possible to abolish the royal prerogative is a rather simplistic approach to a complicated subject.

Sir George Young (North-West Hampshire) (Con): May I thank the Leader of the House for responding positively to my business question last October by visiting Andover in my constituency earlier this week? It was much appreciated. On Tuesday, the Government avoided serious embarrassment by allowing a free vote on what had hitherto been a Labour party manifesto commitment. Would it not make sense to build on that important reform by having a similar dispensation for the education reform Bill?

Mr. Hoon: I repeat my thanks to the right hon. Gentleman for his hospitality in his constituency. I had an extremely interesting and illuminating visit. I hope that I shall not be required to visit every constituency to which right hon. and hon. Members are gracious enough to invite me, but I found the visit very interesting.

As for the free vote on smoking, I should have thought that the right hon. Gentleman would congratulate the Government on delivering more than their manifesto commitment. Governments are usually criticised if they deliver less than their manifesto commitment. On this occasion, we delivered more than we promised the electorate, which seems a wholly sensible arrangement.

Mr. Gordon Prentice (Pendle) (Lab): May we have a debate on the honours system? In 2004, the Public Administration Committee made a number of wide-ranging recommendations about getting rid of knights, dames and name-changing honours, but all that was shelved. There is growing concern that the system is open to abuse and that people are, in effect, buying honours. Is it not time that we had an early debate on the matter?

Mr. Hoon: I am sorry that my hon. Friend has not given credit for the way in which the Government have opened up the process. We have ensured a great deal more transparency in the honours system and that many ordinary people can benefit from honours in recognition of the considerable service that they provide to the community, which is often unpaid and done on a voluntary basis. I should have thought that he would support an arrangement whereby we recognise the contribution that individual citizens make to the way in which our society works.

Peter Bottomley (Worthing, West) (Con): In social security upratings, there is something that is normally missed because neither the Government nor the previous Government have changed it. I refer to the anomaly whereby people who have state pensions in this

country do not receive upratings for inflation if they go to Canada, but do if they go to the United States. If they go to South Africa or Zimbabwe they do not, but they do in many other countries in Africa. It is time that Parliament had a debate to see whether fairness can be brought on that account.

Mr. Hoon: The hon. Gentleman is referring to long-standing arrangements put in place by the Governments of the respective countries. They have been in place for a very long time, under not only this but previous Governments. It would require a great deal of careful thought before we could replace such long-standing understandings.

Mr. Brian Jenkins (Tamworth) (Lab): My right hon. Friend will be pleased that I am not going to mention my early-day motion on Sunday trading, because I know who to go to on that and which Department to tackle. However, can he find time for a debate, and I would be grateful to know who is the relevant Minister, because I do not know who to tackle, on the costs and effects on the delivery of joined-up government services of the proposed simultaneous reorganisation of the fire, police and ambulance services, primary care trusts, education, and local government in my constituency?

Mr. Hoon: I am sure that my hon. Friend does know who to go to, but I appreciate that he is trying to save on postage costs by not contacting a number of my right hon. Friends. I recognise that there is a requirement for reorganisation in a number of areas—I am tempted to say that he has mentioned all of them—but it is important that such changes continue to deliver effective services to his constituents, my constituents and people across the country. Those reform processes are a necessary consequence of the significant investment that has been made in each of the services that he mentioned. The country rightly expects more money to be made available for those services, but it also expects that money to be used efficiently, wisely and successfully. That is why those reorganisations are necessary.

Mr. Peter Bone (Wellingborough) (Con): Slavery has been abolished in this country for a very long time, but young women are being trafficked from central Europe to this country to be sold as sex slaves, and they are working in the most appalling conditions. However, the Government have failed to sign the European convention on action against trafficking in human beings. I believe that that is a fit subject for a debate.

Mr. Hoon: This is an important issue and the Government are determined to stamp out that vile practice. I am grateful to the hon. Gentleman for raising the issue.

Paul Flynn (Newport, West) (Lab): When may we have a debate on the world shortage of diamorphine, which means that anyone dying in a third-world country has only a one in 20 chance of gaining access to that vital pain reliever? Would it not be more sensible to employ our troops in ensuring that the Afghan farmers can be licensed to use their poppy crops to supply the world with diamorphine, rather than using them to destroy the only means of livelihood for farmers in Helmand province, which will lead to great danger for our troops and will not add to the world production of diamorphine?

Mr. Hoon: I was not aware that there was a shortage of diamorphine. I recognise that, in some parts of the world, the cost of the drug will probably be beyond the means of many people who would benefit from its use. I am not sure, however, that I agree with my hon. Friend's observations about Afghanistan. Far too much of the Afghan economy is already based on the production of opium, and it is vital that we persuade farmers there to adopt alternative livelihoods so that, in the future, Afghanistan is not a country that is totally dependent on the production of a harmful drug.

Mr. Michael Jack (Fylde) (Con): This week, we have seen the first operation of the office of the alternative Prime Minister, with the Chancellor of the Exchequer making speeches on Government security policy. Bearing that in mind, and given the job share that is taking place between No. 11 and No. 10 Downing street, what alterations will the Leader of the House make to the operation of Prime Minister's Question Time to enable us, where appropriate, to question the alternative Prime Minister?

Mr. Hoon: I see that Opposition Members are in a light-hearted mood as they approach the recess. They are providing us all with regular entertainment. My right hon. Friend the Chancellor of the Exchequer is fully engaged in his responsibilities. Inevitably, as one of the longest-serving and most successful Chancellors that this country has ever had, he is necessarily involved in looking across the board at the impact of our very successful economic policies, and it is right that he should do so. I have indicated to the House that he continues to concentrate on the economy, and he will do so when he makes the Budget statement in due course. I am sure that the right hon. Gentleman would want to congratulate my right hon. Friend on his successful stewardship of the economy over such a long period.

Mr. Jim Cunningham (Coventry, South) (Lab): May we have a debate on the reorganisation of the health service in the midlands, specifically the west midlands? Earlier, my right hon. Friend said that more money should be provided, but that people should receive value for money. If we were able to hold a debate on the reorganisation of the health service in the west midlands, should not Members be allowed to test the relationship between restructuring, value for money and costs?

Mr. Hoon: I am sure that, once any proposals for the reorganisation of the health service in the west midlands, or, indeed, any other part of the country, are decided, there will be opportunities for my hon. Friend and all Members to have their say. I emphasise that by 2007–08 the Government will treble the amount of money spent on the health service. Alongside that, it is necessary to ensure that that money is spent successfully and effectively, and provides value for money for taxpayers—the people who contribute to that excellent health budget. I am sure that my hon. Friend would agree with that approach.

Richard Younger-Ross (Teignbridge) (LD): Will the Leader of the House ask the Deputy Prime Minister or

[Richard Younger-Ross]

one of his Ministers to make a statement on noise and disruption caused by construction works, particularly overnight working, the powers of the local authority to control that through planning and environmental health measures, and perhaps the moral duty of contractors and developers such as Asda, which is building a supermarket in my constituency, to compensate people kept awake at night because of the necessity of overnight working?

Mr. Hoon: I recognise that construction can cause temporary disruption to people's lives, and no doubt the hon. Gentleman has raised the matter directly with the company concerned. I have sympathy for those affected, but I am sure that he would welcome the employment prospects provided by construction and the opportunities provided by a new supermarket for employment in his constituency.

Geraldine Smith (Morecambe and Lunesdale) (Lab): Now that we have banned smoking in all enclosed public places and private members' clubs, is it not hypocritical that the House is exempt and that Members will still be able to smoke in the Smoking Room? What does my right hon. Friend propose to do about that?

Mr. Hoon: I am used to answering questions on matters for which I have absolutely no responsibility, but I recognise the importance of that matter to the outside world, following the votes in the House the other day. It is my strong personal view that although it is not formally subject to the legislation, the House should apply the decision that we have taken for other people to our own arrangements here. I look forward to suggestions as to what the Smoking Room will be called in future.

Dr. Julian Lewis (New Forest, East) (Con): Through the Leader of the House, may I express my thanks for the great courtesy shown by the Downing street police and staff at the door to a group of second world war veterans handing in a letter yesterday to the Prime Minister on behalf of the widow of the late Lieutenant Norbury, who was wrongly denied a war pension? I hope that my meeting on the subject with the veterans Minister this afternoon will lead to a positive outcome.

May we have a statement or debate on the way in which criminal sentences are described to the public when they are imposed? Last week we saw a great deal of publicity that Abu Hamza had been sentenced to seven years in prison, whereas the reality is that he will serve three and a half years. Would it not be more honest to tell the public that people have been sentenced to a range from three and a half to seven years, so that people will not be disillusioned when they see that those whom they thought had deservedly been put away for a long time are out on the streets all too soon?

Mr. Hoon: The hon. Gentleman raises an issue that is regularly discussed in the House and with my right hon. Friend the Home Secretary. Although my right hon. Friend would accept that there are various circumstances that can lead to a reduction in a sentence, those reductions are not automatic. They are a necessary part of our sentencing system. They provide proper control over prisoners in prison, and although the hon. Gentleman is right to point out that some people are not aware that discounts are available for good behaviour, the great majority of the public are aware of that. Indeed, in my experience most people assume that the discounts are rather greater than they are in reality.

Barbara Keeley (Worsley) (Lab): In the last round of post office cuts, more branches were closed in Worsley than in any other constituency in Greater Manchester. Now there is a threat to one of the remaining branches in Roe Green. A series of management problems have led to post office counter trading in an otherwise empty shop, and my constituents rightly fear that that is the forerunner of another closure. In view of that, will my right hon. Friend consider a debate on the accessibility of post office branches now and in the future?

Mr. Hoon: My hon. Friend has made her point, I think, but I recognise the importance of post office counters to people throughout the country, particularly to those who cannot travel further afield for the range of services that the post office provides. I know that the Post Office keeps the matter under regular review, and it is of enormous importance to our citizens and our constituents.

Mr. Nigel Dodds (Belfast, North) (DUP): May I add to the right hon. Gentleman's reading list by drawing to his attention early-day motion 1499 on abuse of the elderly, which the motion rightly describes as a national shame?

[That this House condemns the abuse of older people as a national shame; supports the Help the Aged campaign, which is being taken forward in partnership with Action on Elder Abuse, to raise awareness of abuse and increase recognition that all of us need to take responsibility for putting a stop to the abuse of older people; believes that older people have the right to live free from fear and harm; urges immediate action to prevent and tackle elder abuse; and calls for improved mechanisms to address elder abuse through more effective regulatory systems and law enforcement, vetting and barring of health and social care workers and increased access to advocacy and support for people affected by elder abuse.]

The elderly have the right to live free from fear and harm, and an early debate would allow us to highlight the important issue of abuse of the elderly in our society, particularly attacks on the elderly, which many hon. Members know are increasing weekly. I should be grateful if the Leader of the House spared Government time to debate this important matter.

Mr. Hoon: I am grateful to the hon. Gentleman for raising an issue that is important throughout the country. There can be no excuse for such appalling attacks. He has highlighted the issue in his early-day motion, and we shall continue to watch it carefully. I assure him that the Government do not take the matter lightly. We want to see it dealt with and we want the appropriate authorities to take appropriate action.

Mr. Lindsay Hoyle (Chorley) (Lab): My right hon. Friend is aware that there is great pressure on home

owners, with a potential rise of 25 per cent. in energy prices. Has not the time come for someone who buys a new home to pay no VAT? People who renovate their homes to try to create warm homes have to pay full VAT. This anomaly needs to be dealt with. We should encourage people to maintain their properties and keep them at a good standard, so let us remove or reduce the burden of VAT.

Mr. Hoon: I take that as an early Budget submission. I am sure such issues will be properly considered by my right hon. Friend the Chancellor once the Budget has been set out to the House.

Mr. Andrew Mackay (Bracknell) (Con): I feel sure that the Leader of the House will recognise that the speech today by the chief executive of the RAC has made a significant contribution not just to road safety but to improving our environment. Mr. King pointed out that we suffer a severe road sign overload. Can the right hon. Gentleman give me some assurance that when the House returns after the recess a Minister will make a statement on changing the regulations so that there is better planning guidance to local authorities and to the Highways Agency?

Mr. Hoon: I have seen press accounts of the speech and recognise that the chief executive of the RAC raises an important issue that affects road safety across the country. Obviously there is a balance to be struck between the need to ensure proper communication of information to motorists in order to provide for their safety, while not overloading their understanding at a time when they are concentrating on driving safely. I am sure that the speech will be considered carefully by my right hon. Friend the Secretary of State for Transport.

Points of Order

12.28 pm

Mr. Owen Paterson (North Shropshire) (Con): On a point of order, Mr. Speaker. I am grateful to you for allowing me to make a point of order, of which I have given you prior notice.

In recent years, the Government have been encouraging—some would say bullying—benefit recipients to take benefits through direct payment to banks or through a Post Office card. I was involved in that debate and I cannot remember at any stage receiving a letter or reading anything in Parliament to say that the card was anything but permanent. I even had a constructive meeting—I took one of my postmasters—with the Minister for Pensions Reform, who was then the Minister responsible, and I cannot remember anything being mentioned to suggest that the card was anything but permanent.

That was until yesterday, when we had a spirited debate in Westminster Hall and the Under-Secretary of State for Work and Pensions, the hon. Member for Warwick and Leamington (Mr. Plaskitt), whom I am delighted to see in his place, read out the contract between the Government and the Post Office in 2002. He said:

"I am in the middle of a quotation"—

he was speaking to the hon. Member for Brighton, Pavilion (David Lepper)—

"and I must conclude it. It goes on:

'The POCA is intended to be an interim step for Account Holders who will be encouraged by both Parties to migrate to Bank Accounts'"—[*Official Report, Westminster Hall,* 15 February 2006; Vol. 442, c. 495WH.]

I do not think anybody in the country, apart from those who were privy to the contract, knew about that. There has been the most enormous deceit perpetrated on literally millions of benefit recipients. There are 4.3 million cardholders at the moment, and they took on these cards not knowing the facts.

Incredibly, the Minister went on to say,

"If . . . we had been actively saying, 'Of course, it's a temporary arrangement,' that would have been interpreted as yet another barrier to discourage people from taking up the account."—[*Official Report,* 15 February 2006; Vol. 442, c. 496WH.]

It seems to me to be deceitful of the Government to have perpetrated this on millions of benefit recipients. The Minister was pressed to say that he would put the full contract in the Library. It says on page 441 of "Erskine May", under the heading, "Citing documents not before House":

"A Minister of the Crown may not read or quote from a despatch or other state paper not before the House, unless he is prepared to lay it upon the Table."

The Minister has quoted verbatim a selected piece from a Government document. That document is relevant to millions of benefit recipients and to the 14,400 post offices whose future is now in jeopardy. Could you please rule, Mr. Speaker, that the Minister, contrary to what he said in Westminster Hall, should place this vital document in the Library so that Members of this House and the citizens of this country can read it?

Mr. Speaker: I have studied the record of the debate to which the hon. Gentleman refers. "Erskine May"

[Mr. Speaker]

does indeed say that a Minister of the Crown must not quote from a state paper unless he is prepared to lay it upon the Table. However, "Erskine May" goes on to say that a document cited by a Minister ought to be laid upon the Table

"if it can be done without injury to the public interest".

In this case, the Minister stated clearly that most of the contract was "highly commercially confidential". However, I see no reason why the Minister could not place in the Library a copy of the document with any sensitive material removed.

Peter Bottomley (Worthing, West) (Con): Further to that point of order, Mr. Speaker. Clearly a freedom of information application should get out of Government whatever other non-confidential discussions they had with the Post Office on this issue, outside of the contract. Would not it be more elegant if the Government, given the rightful fuss about this, volunteered to make such documents available without having to be pushed into doing so?

Mr. Speaker: I have ruled in this matter and I have looked at it in detail. I think that it is best that I say no more, because I believe that the hon. Member for North Shropshire (Mr. Paterson) is satisfied with my ruling.

Mr. John Hayes (South Holland and The Deepings) (Con): Further to that point of order, Mr. Speaker. The Leader of the House was challenged on this matter two weeks ago at business questions, when he was asked to confirm that the original arrangement had been a temporary one. He said that it was not a temporary arrangement but an interim arrangement. I took the trouble of looking up the word "interim" in a dictionary, where it is defined as "temporary". The Leader of the House, inasmuch as he inadvertently described it inaccurately, may wish to correct the record in the normal way.

Mr. Speaker: I will not say any more on the matter.

Mr. Roger Gale (North Thanet) (Con): On a point of order, Mr. Speaker. You will have heard the exchange between the leader of Plaid Cymru and the Leader of the House in relation to item 49 of the remaining orders and notices and the reply given to the House by the Leader of the House. Item 49 is signed by 159 Members of this House from five parties, including eight Privy Councillors. I understand that you cannot interfere in the affairs of Government, but as the custodian of the rights of Back Benchers, I wonder if you could find it in yourself to invite the Leader of the House to your apartments and gently explain to him that this is a matter that the House considers very seriously. We want a Select Committee.

Mr. Speaker: It is what the House wants and it certainly may be what a number of Members in the House want. However, the hon. Gentleman knows that the Speaker cannot interfere in these matters, and it would be inappropriate for me to try to support the case of a number of Members in this House.

Mr. Alex Salmond (Banff and Buchan) (SNP): Further to that point of order, Mr. Speaker. The Leader of the House is in a very special position because he is a Government Minister but also has a wider responsibility, in terms of the rules of the House, to the whole House. The motion under discussion, in asking the Leader of the House to allocate time for it, gives him a particular difficulty, because it calls for an examination of Government policy and Government Ministers, and the Leader of the House, in his previous high office, was one of those Ministers. Does not that place the Leader of the House in the invidious position of having to judge whether to allocate time to an inquiry by a Select Committee of Privy Councillors, supported, as was said, by 159 Members of this House, which would inevitably involve an inquiry into his own actions? Is not that a difficulty and a conflict of interest?

Mr. Speaker: The hon. Gentleman has been a Member of this House for a long time. Not only this Leader of the House but other Leaders of the House have been in that difficulty, and the House has been able to live with it, as, indeed, have the Leaders of the House.

John Bercow (Buckingham) (Con): On a point of order, Mr. Speaker. I seek your guidance on a matter on which I have tabled parliamentary questions but on which the Government have thus far refused substantively to answer. It is a matter of the utmost importance. The facts, very simply, are these, and I am worried about them. Charles Munyaneza, who is a former Rwandan Government official suspected of the orchestration of the mass killing of civilians in Rwanda, has already been publicly exposed—it is not before the courts—as living in Bedford. It is not disputed that in 2002 the Government gave him unlimited leave to stay in this country. The international criminal tribunal on Rwanda, headed by the UN, has already indicated that it would provide to Britain all the evidence that it has on the man if Britain wishes to bring him to justice. What I want to know are two very simple things that the Government refuse to tell me—

Mr. Speaker: Order. I must stop the hon. Gentleman, because what he wants to know might be information that the Government have, but it is certainly not information that I am privy to. I noticed that he missed out in business questions, but perhaps he could try to raise the matter next time round. However, it is certainly not something that the Chair would rule on, and I must therefore stop him.

Mr. Paterson: On a point of order, Mr. Speaker. May I thank you for your ruling, which was most helpful?

Mr. David Gauke (South-West Hertfordshire) (Con): On a point of order, Mr. Speaker. Yesterday, my hon. Friend the Member for West Chelmsford (Mr. Burns) raised with you the case of a parliamentary question to which the answer was provided to a journalist before it was provided to him. This morning, we have heard, including from my right hon. Friend the Member for Maidenhead (Mrs. May), that the date of the Budget was announced and released to the press before this House was informed. Given that you are making inquiries in the case involving my hon. Friend the Member for West Chelmsford, would you also look at

this matter as an example of how the Government are releasing information not to this House first, but to the press?

Mr. Speaker: I think that it is important that a Minister of the Crown comes to the House as soon as possible with that particular date. This has happened, and I see no breach of the rules in this case.The other matter that the hon. Gentleman raises is still subject to an investigation by me, and I will be getting back to the House.

ROYAL ASSENT

Mr. Speaker: I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

Racial and Religious Hatred Act 2006

European Union (Accessions) Act 2006

Equality Act 2006

Terrorism (Northern Ireland) Act 2006

Transport (Wales) Act 2006

BILL PRESENTED

NORTHERN IRELAND (MISCELLANEOUS PROVISIONS) BILL

Mr. Secretary Hain, supported by The Prime Minister, Mr. Chancellor of the Exchequer, Mr. Secretary Straw, Mr. Secretary Clarke, Secretary Alan Johnson and Mr. David Hanson, presented a Bill to make provision about registration of electors and the Chief Electoral Officer for Northern Ireland; to amend the Northern Ireland Act 1998; to make provision about donations for political purposes; to extend the amnesty period for arms decommissioning in Northern Ireland; and to make miscellaneous amendments in the law relating to Northern Ireland. Explanatory notes to be printed [Bill 131].

Social Security

12.39 pm

The Minister for Pensions Reform (Mr. Stephen Timms): I beg to move,

That the draft Social Security Benefits Up-rating Order 2006, which was laid before this House on 25th January, be approved.

Mr. Speaker: With this it will be convenient to take motion 3 on the Order Paper:

That the draft Guaranteed Minimum Pensions Increase Order 2006, which was laid before this House on 25th January 2006, be approved.

Mr. Timms: I am satisfied that the orders are compatible with the European convention on human rights.

The uprating order will, as usual, increase most national insurance benefits by the retail prices index, which is 2.7 per cent., and increase most income-related benefits by Rossi, an index that excludes rent, mortgage interest, council tax and depreciation, which is 2.2 per cent.

The Guaranteed Minimum Pensions Increase Order 2006 deals with contracted-out occupational pension schemes and guaranteed minimum pensions that accrued between 1988 and 1997 and provides for an increase of 2.7 per cent.

David Taylor (North-West Leicestershire) (Lab/Co-op): I declare an interest as a member of such a scheme, although I have not reached state retirement age and therefore would not benefit from the guaranteed minimum pensions element. Does the Minister believe that the RPI is still the appropriate measure for uprating the GMP element, not least because beneficiaries have a different index profile, in that they spend more of their income on heating and other elements of daily costs, which would significantly boost the RPI figure?

Mr. Timms: My hon. Friend has raised an interesting point. I think that the RPI is the right basis on which to proceed, but the national pensions debate is under way and he may want to raise that point in the discussion.

The order adds nearly £3.5 billion to Government spending. It tackles poverty by helping those most in need and supports our ambitious programme to renew welfare and pensions. Since 1997, we have taken decisive measures to address the pressing problems that we inherited. Through winter fuel payments, free TV licences for over-75s and basic state pension increases, we have helped all pensioners. From April 2006, the basic state pension will be £84.25 for a single person and £134.75 for couples, which is a real-terms increase of 8 per cent. since 1997. By targeting extra resources on the least well-off, in particular through pension credit, we have taken nearly 2 million pensioners out of absolute poverty.

The pension credit guarantee will rise in line with earnings so that even the least well-off pensioners can share in Britain's rising prosperity. From April, no single pensioner need live on less than £114.05 a week, and no couple need live on less than £174.05 a week. In

[Mr. Timms]

1997, many pensioners were living on £69 a week, which was a shameful legacy of poverty that we must never allow to return.

Mr. Graham Stuart (Beverley and Holderness) (Con): Is the Minister comfortable with the fact that, according to Government figures, about 1.5 million pensioners are not claiming their due pension credit? NGOs that specialise in looking after older people have suggested that the poorest and most in need are not getting the pension credit. Will the Minister re-examine his claim in that light?

Mr. Timms: We continue to be extremely active in promoting the take-up of pension credit. There has been a large increase in take-up since pension credit succeeded the minimum income guarantee, and it is clear that those who stand to gain the most from it are now overwhelmingly in receipt of it. The hon. Gentleman is right that a significant number of people—in particular, those who are entitled to the saving credit only—are not yet in receipt of it, which is why we have introduced a big programme of targeted mail shots and home visits to ensure that people take up their entitlement.

Mr. Nigel Dodds (Belfast, North) (DUP): The Minister has mentioned the winter fuel allowance. People are grateful for the £200, but it has been stuck at that level for six years. When will it be increased to take account of the RPI or inflation?

Mr. Timms: I cannot announce an increase in the winter fuel allowance. When the allowance was introduced, it was at a much lower level, and, as the hon. Gentleman said, people find it helpful.

As a result of changes since 1997, we will spend some £10 billion extra on pensioners in 2006–07, almost half of which will go to the least well-off third of pensioners. If we had merely increased the basic state pension in line with earnings, the least well-off third of pensioners would be on average £30 a week worse off. Today, we are in an almost unprecedented position in which pensioners are no more likely to be poor than any other group in society. We have succeeded in breaking the historic link between being old and being poor, an achievement that I hope that hon. Members on both sides of the House will celebrate.

We have made other important changes to pensions policy since 1997. We have set a framework within which there are personal pension products that are economic for people on low and medium incomes. We have improved the coverage of the state second pension, which includes carers for the first time and, through the Pension Protection Fund, we have provided protection for occupational defined benefit schemes.

We must build on the progress so far and meet two significant challenges around pensioner incomes. First, demographic changes mean that by 2050 there will be two people of working age for every pensioner compared with 10 people for every pensioner 100 years ago. The current figure is about four. Secondly, we need to address the extent of under-saving. The Pensions Commission has calculated that nearly 10 million people are not saving enough for their retirement.

Mr. Philip Hollobone (Kettering) (Con): I appreciate the nobility of the Government's aim of improving pensioner incomes, but does the Minister understand the concerns of thousands of pensioners in my constituency who see the system as a disincentive to save? The system also sends the message to the younger generation that they need not save because the state will look after them in their retirement.

Mr. Timms: I am glad that the hon. Gentleman recognises the nobility of the Government's aim and hope that he also recognises the nobility of the Government's achievement in breaking the historic link. The question of incentives for saving lies at the heart of the Turner commission report and the national pensions debate, which is currently under way. The report and the debate give us the chance to build a consensus for an enduring pensions settlement. That is our aim and I hope that the hon. Gentleman and other Opposition Members will be part of it. Consensus is very important, because we need a pensions settlement that will stand the test of time and not be pulled apart by successive Governments.

Later this month, industry groups will present their alternatives to Lord Turner's national pensions savings scheme. On 18 March, which is national pensions day, more than 1,000 people will meet in six cities across the country to consider the choices and options in the Pensions Commission report. I look forward to welcoming Opposition Members to that programme and we will debate and scrutinise the different ways to achieve the objectives set out by the commission.

Miss Anne Begg (Aberdeen, South) (Lab): The Minister rightly highlighted the Government's success in redistributing wealth to the poorest pensioners. Will he assure me that, whatever comes out of the discussions about the Turner report and the White Paper, the policy objective of ensuring that the poorest pensioners are the most looked after by the state will continue?

Mr. Timms: I can give my hon. Friend that assurance. It was a scandal that so many pensioners were on a means-tested benefit of £59 a week in 1997. We must not head in that direction, where a large number of pensioners were below the generally recognised poverty threshold. That will be a key criterion in our package of reforms, and I am sure that she has been encouraged by Lord Turner's comments about maintaining the pension credit.

To meet the challenges of an ageing society and permanently eradicate poverty in retirement, we must address inequalities during people's working lives. That is why our record in tackling child poverty is so important; that is why we are committed to supporting families in work; that is why our welfare reforms and aspiration of an 80 per cent. employment rate are so important; and that is why we want to see a modern, active and inclusive welfare state.

When I made my statement on today's benefit uprating to this House in December, the hon. Member for Eastbourne (Mr. Waterson) asked, in a slightly

sceptical tone, about our proposals for welfare reform. As I said that we would, we set out in the Green Paper in January our ambitious and radical proposals for a welfare state that lets people move out of poverty rather than a welfare state that institutionalises dependency. We want a million fewer people to claim incapacity benefit, a million more older people to be in work and 300,000 lone parents to be able to come off benefits.

The hon. Member for Runnymede and Weybridge (Mr. Hammond), whom I am delighted to see in his place this afternoon, welcomed the proposals and congratulated my right hon. Friend the Secretary of State on

"grasping the nettle of incapacity benefit reform".—[*Official Report*, 24 January 2006; Vol. 441, c. 1310.]

He pledged to support the proposals and to work towards a consensus.

That is the consensus that we want to build. I hope that it will not be too long before Opposition Members finally have the grace to support the new deal, which is responsible for helping more than 1.5 million people into work. We will strengthen the new deal so that it offers learning agreements for teenagers in eight areas of the country, extends the new deal pilots to help lone parents back into work and pilots personal action plans for those unemployed for six months or more.

For the sixth successive year, we will freeze non-dependent deductions to relieve the pressure on low-income parents who house their adult children, which will benefit some 30,000 benefit recipients. We want a welfare system that breaks down the barriers to opportunity and enables all those who can work to do so.

Our "Age Positive" campaign has promoted the business case for age diversity in the work force. This year we shall legislate for the first time against age discrimination in the workplace. A new default retirement age will mean employers can no longer compel an employee to retire before the age of 65 without objective justification. In 2011, an evidence-based review will consider the possibility that the default retirement age should go altogether.

Mr. Peter Bone (Wellingborough) (Con): I am concerned that an error appears to have built up over the years. The Secretary of State is required to review the increases—of course, pension credit has increased—but because a lot of money from the pension credit has not been taken up, it is sitting in a pot when it should have been distributed. Would it not be right to uprate the basic pension by more than inflation this year to take account of those millions, or possibly billions, of pounds?

Mr. Timms: I hope that the hon. Gentleman will welcome the fact that the basic state pension has been uprated well above inflation since 1997—by 8 per cent. in real terms. That is in sharp contrast to what his party did in government. There was no real-terms increase in the basic state pension between 1980 and 1987, except for a single year—the year in which VAT was added to fuel—in which it was increased by 50p a week on top of inflation. That year is vividly recalled by pensioners and, indeed, by us all. I hope that the hon. Gentleman will welcome the substantial real-terms increase in the basic state pension that the Government have brought about.

In April, radical tax simplification on A-day will enable people to draw their occupational pension while continuing to work for the same employer. April will also see the first people benefit from the new state pension deferral option of a lump sum that could be worth £5,000, improving rewards for those who choose to delay taking their state pension even if they do so for only a short time.

In tackling the pernicious poverty of the past, we have opened the door to lifelong opportunity and independence. We are laying foundations for a long-term pensions settlement and have delivered tailored, flexible support to help groups that were previously excluded from work to break out from dependency and realise their ambitions for the first time. We have given families the flexibility and resources to balance the demands of work with those of child care and to ensure that children get the best possible start in life.

The standard rates of statutory maternity pay and maternity allowance have increased by just over 80 per cent. Those improvements complement others such as the increase of maternity leave to 26 weeks, the introduction of an additional period of 26 weeks' maternity leave after that and the introduction of rights to two weeks' paternity leave and pay as well as 26 weeks' adoption leave. It is good to see those opportunities being taken up by Opposition Members. We are giving parents greater choice in how they balance their work and caring responsibilities in the first year of their child's life. The Work and Families Bill will introduce a new entitlement to statutory paternity pay to enable a father to take time off work and receive statutory pay instead of his partner if she returns to work early.

John Bercow (Buckingham) (Con): I am grateful to the Minister for giving way, particularly because I have recently enjoyed a period of paternity leave.

In a system that is both civilised and robust, we should always support the jobless but never subsidise the job-shy. As the Minister was focusing on those matters a few moments ago, what are the Government doing when uprating jobseeker's allowance to ensure that in the minority of cases when people repeatedly refuse reasonable offers of work, there is some stick as well as a carrot?

Mr. Timms: First, I congratulate the hon. Gentleman on the recent birth of his child. I am delighted that he was able to take up the opportunities that I described.

Jobseeker's allowance is going up in line with Rossi, as I announced earlier. Of course, the hon. Gentleman is right that we need a good balance of rights and responsibilities. That approach is reflected in our changes and in the developments in the new deal, which are a good example of precisely the kind of balance that he is looking for. That is why I expressed the hope that his party might come to support the new deal before too long. It represents exactly the approach that he advocated.

We have lifted more than 500,000 children out of relative low income since 1997. Tax credits are benefiting 20 million people, including more than 10 million children. The child tax credit, which will increase by earnings, benefits 6 million families. From

[Mr. Timms]

April, the child allowance, the family premium, the disabled child premium and the enhanced disability premium for a child will all increase, which will directly benefit the least well-off families.

Last week, my right hon. Friend the Secretary of State announced that he has asked Sir David Henshaw completely to redesign our system of child support. My right hon. Friend announced additional investment up to £120 million to stabilise and improve the performance of the Child Support Agency in the short term. By 2008 we will improve compliance rates, ensure that 200,000 more children benefit from maintenance payments, be on track to help lift an additional 40,000 children out of poverty and see a significant increase in the number of parents who receive the child maintenance premium. As my right hon. Friend made clear, Members will have the opportunity to make their views known to Sir David and his team and I hope that they will do so.

Mr. Jeremy Hunt (South-West Surrey) (Con): The Minister talked about tackling poverty among children. Is he aware that income poverty among disabled people is increasing? He will be aware that the take-up of disability living allowance is about 50 per cent. Does he think that that could be connected to the fact that the form to claim DLA is 51 pages long? Will he urgently look into whether that form can be simplified to increase take-up of DLA among a group for whom income poverty is increasing?

Mr. Timms: I hope that the hon. Gentleman will support the approach supported by his hon. Friend the shadow Secretary of State in the welfare reform Green Paper. At least 1 million people on incapacity benefits would like to be in work and the changes will help them to make that move. That includes those people who are on DLA, because the great strength of DLA is that it is available to people in work as well as those who are out of work. I do not agree with his figure, because we do not know until someone has completed the assessment process whether they are entitled to DLA. However, the number of people who receive DLA continues to increase, and has gone up again significantly over the past year. That reflects the efforts that we have made to ensure that people receive the benefits to which they are entitled.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): Will the Minister give way?

Mr. Timms: I apologise to my hon. Friend; I will not give way again.

Our uprating measures maintain our commitment and continue our progress towards a fair and inclusive society of opportunity and independence for all. They support our programme of radical reform, balancing rights with responsibilities and offering everyone the opportunity to build a decent income in retirement. They also represent another big step away from the legacy of pernicious poverty that we inherited, and that we are determined should never return. I commend the orders to the House.

1 pm

Mr. David Ruffley (Bury St. Edmunds) (Con): We welcome this debate, and I am grateful to the Minister for setting out the Government's proposals on the uprating of social security benefits and guaranteed minimum pensions. We shall not oppose the proposals in the Lobby today.

We welcome the extra benefits, but we cannot be satisfied with a welfare system that is increasingly being driven by mass means-testing. There was little in the Minister's statement today about the real need for reform. In his benefits uprating statement on 6 December last year, he said that the changes that he was announcing were in the context of

"the Government's continued fight against poverty and our ambitious programme to renew the welfare and pensions systems."—[*Official Report*, 6 December 2005; Vol. 440, c. 741.]

In October 1996, millions of people heard the Prime Minister famously say:

"By the end of a five-year term of a Labour Government: I vow that we will have reduced the proportion . . . that we spend on the welfare bills of social failure . . . This is my covenant with the British people. Judge me upon it. The buck stops with me."

At least the Minister for Employment and Welfare Reform, the right hon. Member for Barking (Margaret Hodge), who is not in her place today, recently had the honesty to admit that the Government had done "sweet nothing" to tackle this problem until recently. The Conservative Opposition will make constructive proposals finally to get to grips with a social security system that is tragically wasting too much human potential and writing off too many people's lives.

Miss Begg: The Conservatives constantly criticise means-testing and targeting, both of which effectively give more money to those who are poor. How on earth can any political party say that it is going to end poverty if it is also going to abolish means-testing?

Mr. Ruffley: If the hon. Lady looks at *Hansard* tomorrow, she will see that I referred to "mass means-testing". Of course, any welfare system will require an element of means-testing—[HON. MEMBERS: "Ah!"] That is self-evident. Our point is that means-testing is growing and spreading to become mass means-testing. It is going up and up, and the Minister knows exactly why that is happening. It is because of the endless fiddling by Complexity Brown, the Chancellor of the Exchequer. The question that the Secretary of State must answer is whether he is going to engage with us in this process of reform. He hit the heights of uncharity when, on 9 January, he said that he did not believe that we had anything to contribute to the debate on incapacity benefit and welfare reform. Well, we do, and we are going to scrutinise his proposals.

In this debate on social security uprating, delivering more support and help to those in need, and giving support to those who want to work but are being prevented from doing so, it would be appropriate to remind ourselves that the Green Paper on incapacity benefit reform—which, we hear, is to become a flagship welfare reform Bill in this Session—comes from a long line of well-meaning attempts from the Government. I counted them up; since 1997, we have had six Secretaries of State and 28 White or Green Papers.

On close examination, the Green Paper announced in January was found to contain vagaries and obfuscations that give cause for concern, even for a Green Paper. First, existing benefit claimants will not get the help that they need, because the new measures announced in the Green Paper—the proposed work-focused interviews, for example, and the greater frequency of medical assessments—are not obviously going to be applied to—

Madam Deputy Speaker (Sylvia Heal): Order. May I remind the hon. Gentleman that we are not discussing the Green Paper today? We are discussing the social security benefits uprating.

Mr. Ruffley: I am grateful for that guidance, Madam Deputy Speaker, but I took the trouble to look up the last four years' debates on the uprating, and it was my understanding that they roved quite widely. However, I shall observe your strictures. We are talking about benefit recipients, and the benefits that they receive, including incapacity benefit, which is the subject of the order. We are also talking about jobseeker's allowance and the allowances available under the new deal, so, if I may, I shall continue with my remarks, but not specifically in relation to the Green Paper.

The proposals for change and reform will affect some of the people who are affected by the order today. It is important to remember that the Green Paper is very slack when it comes to detailed costings. The help that people need is not going to be delivered from existing budgets. Benefit recipients—who are the subject of the first order—will perhaps benefit under the extension of the pathways to work programme, which will be funded from existing budgets, but from 2008, there is no indication of the commitment of resources that the Government will need to deliver the help and support that benefit recipients need.

Another issue related to those who will be affected by the order is the release of the labour market statistics yesterday by the Office for National Statistics. They showed a sharp rise of 17 per cent. in long-term unemployment over the past 12 months. It was particularly noticeable that 18 to 24-year-olds were the hardest hit, with an increase in youth long-term unemployment of more than 28 per cent. in the past year. The figures also show that the number of economically inactive 18 to 24-year-olds is now more than one fifth higher than it was in May 1997. The Chancellor has claimed that he would not be satisfied until he had

"removed the scar of long-term unemployment from the face of Britain."

However, yesterday's figures clearly show that he is nowhere near to achieving his goal. His welfare policies—the present ones and the proposed ones—have a long way to go before they deliver for young people. The Government must re-evaluate their approach to long-term unemployment and the economically inactive.

I must now anticipate the question that I know Labour Members will ask me. It concerns our stance on the new deal. The future loyal Opposition—the Labour party—are keen on saying that we want to scrap the new deal and all its works. Let me place on record, so that it is absolutely clear and there is no misunderstanding, that the new, compassionate Conservative party, under the brilliant leadership of my right hon. Friend the Member for Witney (Mr. Cameron), says unambiguously that the Conservatives, now and when in government, believe in active intervention to get people who can work and who want to work back into work. The principle of the new deal, and of a Government backing welfare-to-work policies, is not in doubt, and I hope that Labour Members will be mature enough to accept that we are all on the same page in wanting to help people back into work—*[Interruption.]* Hon. Members ask whether I would keep the new deal. The straightforward answer is that every single commitment made in a manifesto is for the lifetime of a Parliament. If the party that put forward those proposals in the manifesto was not fortunate enough to get into government, the basic laws of politics mean that that manifesto would fall.

My right hon. Friend the Member for Witney has already said that we will be doing patient, long-term policy work on a range of policies over the next 18 months, but let me say that we have grave concerns about how the Labour new deal is configured. Let me tell the House why. We have yet to see any proper evaluation to describe and detail the cost to the taxpayer and to Government budgets for every new job created. Research published by John Van Reenen of the Centre for Economic Performance in April 2004 said:

"The jobs created are much smaller than the total numbers of young people who have gone through the New Deal and into jobs . . . This is mainly because the majority of those people would have attained employment even in the absence of the New Deal."

It is difficult to judge from the evidence available how many people have got jobs because of the new deal and how many would have got jobs in any event. In short, the statistics released by the Department for Work and Pensions in, for instance, "New Deal for Lone Parents: Statistics to end of August 2005" show that 42 per cent. went into employment, either sustained or not sustained; 13 per cent. went into employment and in-work benefit; and 37 per cent. went on to income support.

It seems to us that those figures could be improved. Whether we improve them by revamping or recasting the new deal, we promise the House this: we will do better—

Madam Deputy Speaker: Order. I again remind the hon. Gentleman that perhaps a passing reference to the new deal I could accept, but we are not here to debate the new deal per se. Perhaps he will relate his remarks to the orders on the Order Paper.

Mr. Ruffley: I am grateful to you, Madam Deputy Speaker. I am sure that those who are to receive the uprating and social security benefits will want to know not only what Her Majesty's Opposition think about the quantum of the benefits they will receive as a result of the order going through the House, but what our plans might be for the delivery of those benefits.

Mr. Graham Stuart: Will my hon. Friend give way?

Mr. Ruffley: I am happy to give way, but I hope that my hon. Friend does not fall foul of Madam Deputy Speaker's strictures in this respect.

Mr. Stuart: Unlike my hon. Friend, I have no intention of doing so, if indeed he did so intend. Like

[Mr. Stuart]

him, I am concerned about any failures of the new deal to get people back into employment in relation to how it then impacts on the number of people who end up back on benefit. Is he aware that in my constituency just 30 per cent. of the people who go on to the new deal for lone parents get sustained, unsubsidised employment and that the number of young people who are on a repeated cycle of going through the new deal and ending up back on benefits is scandalous? To be lectured in the way that we have by the Minister today—as if right is solely on the Government side of the House and that we have no concern for people in that predicament—is appalling and flies in the face of the facts.

Mr. Ruffley: My hon. Friend makes a powerful point in his own way.

Mr. Timms: I can tell the hon. Gentleman that I will receive the announcement that I think he has been making about a significant change of thinking on Conservative policy in a much more friendly way than the hon. Member for Beverley and Holderness (Mr. Stuart). I welcome the change of heart that is being indicated.

Can the hon. Member for Bury St. Edmunds (Mr. Ruffley) confirm that he thinks that focusing help on young people, lone parents and older people in the way that the new deal has is the right approach to helping people back into work?

Mr. Ruffley: I am afraid that the Minister really needs to pay closer attention to what we are saying. It is not a change of policy to make it clear that manifesto commitments from last year do not subsist for the four years after the general election. He should grow up, or maybe do A-level constitutional history, and understand that we are going through a policy process. Nothing I said suggested that we are endorsing the new deal. In fact, I went out of my way to describe how it is defective, how it needs to be improved and how it does not represent value for money for the taxpayer as currently configured.

There is clearly a huge chasm between what the Labour Government are saying on the results of the new deal and what can be delivered by greater and more effective use of the third sector and private sector delivery. The fact is that the Government have failed utterly with the new deal as configured to get enough people into work—sustainable work—as quickly as they would like to get into work. However, I shall return to the burden of my argument. I had to put to rest a canard that the Minister was trying unjustly to lay on us. There has been no policy change in that respect.

On pensions and the income that our pensioners enjoy, will the Minister tell us what consideration he is giving to uprating the basic state pension in line with earnings? I would be interested to hear how much more the basic pension would be next year if it were increased in line with earnings rather than prices this year? I ask that because my hon. Friend the Member for Eastbourne (Mr. Waterson) asked the same question of the Minister last December. I would be grateful if he provided us with an answer.

Lord Turner's proposals contain an important central conclusion, which is that means-testing for pensioners should be reduced. Nearly half of all pensioners depend on means-tested benefits, which is an increase over the past eight years. By 2050, that proportion will have risen to more than 70 per cent.

Mr. Stuart: Disgraceful.

Mr. Ruffley: As my hon. Friend says from a sedentary position, it is indeed disgraceful. I repeat that by 2050 the proportion will have risen to more than 70 per cent. if Government policy is continued. Pension credit is not being claimed by 1.7 million pensioners who are entitled to it, and the latest figures show that despite all the money that is being spent on advertising and the no doubt sterling efforts of the Pension Service, take-up does not seem to be shifting.

Another question for the Minister, which relates directly to the orders, involves the confusion introduced by the Chancellor to the debate in relation to the pension credit link to earnings, or is it prices? We know that the pension credit is linked to earnings in uprating terms until 2008, but in a rather transparent attempt to torpedo Lord Turner's proposals, even before they saw the light of day, the Chancellor told Lord Turner

"you should not assume that the current"

link of the pension credit to earnings

"will continue beyond 2008".

It would be helpful if the pensions Minister told us what his assumptions are. Before he says, "Well, that's for a future Budget and the Chancellor," I would have thought it incumbent on him as pensions Minister to tell us his Department's long-term thinking.

The Minister is rightly engaging in the rhetoric of long-termism and of patient solutions. Lots of hard work needs to be done to plan for the long term. On pensions, who could disagree with that? But, it would be useful to know about the short term, not so much the long term, as 2008 is not far away. We look forward to an answer to what is a fairly simple question. Many pensioners listening to the debate and those who hear about it subsequently will want an answer.

Miss Begg: Perhaps this is an occasion on which if the hon. Gentleman shows us his, we will show him ours. As he is asking what the Government's proposals are beyond 2008, can he tell us what Conservative policy will be in 2008, because he has ruled that out with regard to the new deal up to now?

Mr. Ruffley: I am sure that the hon. Lady will accept two things. First, my right hon. Friend the Member for Witney has made it clear that we will engage in patient long-term policy work, and our position will certainly be clear after 18 months. Secondly, it is not a question of not knowing; what we do know is that we do not indulge in the knee-jerk reactions and grab-a-headline policy making on the hoof, which, I am afraid, is the distinguishing hallmark of Labour Ministers over eight years and the Liberal Democrats. What is refreshing about the new Leader of the Opposition is that he has stamped his mark on a host of issues by saying, "Listen, we're going to think outside the box and think afresh. We're going to deliver solutions not just for the next

week or the next 12 months, but for a whole Parliament." If Ministers can be a bit patient and listen to what we will say, openly, in our policy commissions, they might learn something. They have had eight years in which to come up with a long-term solution and to think the unthinkable, and all that they have come up with is sacking the people who think the unthinkable and—

Madam Deputy Speaker: Order. The hon. Gentleman has been given some leeway. Perhaps he will now confine his remarks to the order before the House, and not be led astray.

Mr. Ruffley: I will not be led astray, Madam Deputy Speaker. I just try my best to be courteous to Members who intervene on me, and to give straight answers to straight questions, which I thought that I had done. If that requires me to be led astray, I shall not do it in future, or certainly not in this debate.

In relation to the Turner report, the Minister said in his December speech:

"We will bring back proposals in the spring, which I hope will be on the basis of as broad a consensus as possible".—[*Official Report*, 6 December 2005; Vol. 440, c. 746–7.]

Will the Minister tell us whether that timetable is still operative, and when in spring we might expect the Government's response to Turner? I do not wish to try your patience, Madam Deputy Speaker, by referring again to the incapacity Green Paper, but that was an important document postponed from last summer that did not see the light of day until January, after at least two or perhaps more postponements—

Mr. Philip Hammond (Runnymede and Weybridge) (Con): And two changes of Secretary of State.

Mr. Ruffley: And, as my hon. Friend reminds me from a sedentary position, after two changes of Secretary of State.

We also know that take-up of the benefits, which are the subject of the order, is low and needs to be higher. The latest statistics show that in 2002–03 alone, pensioners were failing to claim up to £2.9 billion in means-tested benefits. That low take-up might explain in part why 2 million pensioners are still living in poverty. That is not acceptable, and all politicians of good will find it so and want to come up with solutions to solve the problem.

The Minister told us in December that in relation to council tax benefit take-up, the Pension Service is ringing up pensioners in receipt of pension credit to encourage and help them to apply for council tax benefit and housing benefit, if they are entitled to them, in order to increase take-up. It would be useful if the Minister were to give us more detail than was available in December to explain what targets he has in relation to that statement, and what progress he expects.

As a direct result of the huge failure of many occupational schemes over the past seven years, many pensioners find that they do not have the resources and income for which they were hoping, and find themselves in poverty and relying on the benefits that are the subject of both orders. We know that the Chancellor, in his first emergency Budget of July 1997, raided pension funds to the then value of £5 billion a year. Under the Chancellor's watch, we have had a poorly performing stock market in this country relative to other mature, western industrialised economies, longevity has increased, which the actuarial profession—oddly, in my view—did not predict as well as it might have done, and more pension funds are closing. We were reminded, in a reply to my hon. Friend the Member for Runnymede and Weybridge (Mr. Hammond), that more than 60,000 occupational pension schemes with a total membership of more than 1 million people have been wound up or have begun the process of winding-up since Labour took office in 1997.

Alongside an £800 billion black hole in public sector pension funds, and a £93 billion deficit in the pension funds of major businesses, those figures show that more and more pensioners face an uncertain future, and a future on benefit. Will the Minister give us his views on that, and share with us, as much as he is able to do, the Department's thoughts on the Turner proposals?

Let me remind the House of what the right hon. Member for Birkenhead (Mr. Field) said last year in relation to the issue of pensioners and their incomes:

"The big issue that ought to be worrying the whole of the Government, because it's worrying voters, is that when Labour came to power we had one of the strongest pension provisions in Europe and now probably we have some of the weakest."

That bears directly on benefit take-up and on the amount of money that many of the people who will be affected by the orders will take home, either in terms of in-work benefit or help when they are pensioners.

When this debate takes place at the same time next year, I hope that fewer people will be in dependency, and that fewer people will need support, either because they have got back into work or have been able to make arrangements in relation to their pensionable age so that they do not have low incomes and do not have to rely on benefit when they do not wish to do so. However, given the confused approach that the Government have demonstrated in relation to Turner, with the Treasury saying one thing and the Department for Work and Pensions saying another, and the gaping holes in the welfare reform proposals of the January Green paper, the major part of which will not take effect until 2008 in any event, my concern is that we might not see any change in the next 12 months, and that when we debate the issue again, too many of our fellow citizens will too often have to rely on benefits.

1.28 pm

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): I welcome the chance to debate the orders before the House, which, like Conservative Members, Liberal Democrat Members will not seek to oppose.

In debates on this order in recent years, Members have complained about and discussed in some detail a perceived lack of overall strategy from the Government on issues relating to benefits and pensions. This year, with the welfare reform Green Paper and the second report of the Pensions Commission, it is fair to say that debate on the future strategy for pensions and benefits finally seems to be taking off. How far it will get off the ground, however, remains to be seen in the coming months.

[Danny Alexander]

As a result of the orders, the UK basic state pension will be increased from £82.05 to £84.25. That is still well below the poverty line, and well below the level of means-tested benefits, such as pension credit, which, as a result of the orders—assuming that they are passed, and it sounds as though they will be—will be £114.05 for next year.

The Government's own figures, to which the Minister referred, show that 20 per cent. of pensioners in the United Kingdom still live in relative poverty. About 1.7 million are not claiming the pension credit—mentioned by the Minister, among others—to which they are entitled. Moreover, figures released last month by the Office for National Statistics suggest that about 2 million more pensioners are not claiming the council tax benefit to which they are entitled. I should like to know what further efforts the Government will make to promote take-up of those two benefits.

While the minimum income guarantee will increase by 4.2 per cent. in line with earnings, pensions will increase by only 2.7 per cent. in line with prices. Given the lack of take-up of some benefits, including pension credit, that approach means a continuing increase in the relative poverty experienced by the poorest pensioners. It should also be borne in mind that if the Government maintain their current policy, means-testing will extend to about 70 per cent.—some say 80 per cent.—of pensioners by 2050.

Owing to the structure of the pension credit system and the extension of mass means-testing, which was mentioned earlier, there will always be a group who fail to take up means-tested benefits. The system is imperfect, and that is one of its chief flaws. The more people depend on means-testing, the larger will be the group who are left in poverty through non-claiming. The growth in means-testing, which is not altered but perpetuated by the orders, also makes the benefits system more complex and gives people a powerful disincentive to save for themselves.

Last year, more than 50 per cent. of people of working age made no pension savings for themselves, relying almost entirely on their partners or the state to support them in their retirement. That is why the Liberal Democrats welcome many of the recommendations in the second report of the Pensions Commission under the chairmanship of Lord Turner. We agree with the report's basic analysis and its long-term vision of the pensions system. We want to work with all parties to build a consensus based on Lord Turner's proposals.

One of the jobs that I did before my election was working for the Britain in Europe campaign, which promoted British membership of the European single currency. There are certain worrying parallels between the Government's approach to pensions and their approach to Europe. The Minister recently announced five tests that he wishes to apply to pensions—there were five tests relating to the euro. The Minister told us earlier that the Government were promoting a great national debate on pensions—such a great national debate on the euro was promoted by the Prime Minister and, indeed, the Chancellor. Ultimately, the euro fell through the chasm between No. 10 and No. 11 and was kicked into the long grass, to remain there for many years to come—probably much to the appreciation of some Conservative Members.

Mr. Hunt: Does the hon. Gentleman agree that the outcome of the euro debate was the Government's adoption of a Conservative position? Might the pensions debate have the same outcome?

Danny Alexander: I see that we are trying your patience again, Madam Deputy Speaker, so I shall not respond to that intervention in too much detail. What worries me about the current approach is that, as in the case of earlier policies to which I have referred, the issue may not be resolved for many years because of political difficulties within the Government.

The Pensions Commission's report recommends the introduction of a more generous flat-rate universal state pension, to be paid to those who qualify on grounds of residency in the United Kingdom rather than on the basis of national insurance contributions. I wholeheartedly support that recommendation. Indeed, the Liberal Democrats have made a similar commitment to a citizens pension. We have costed proposals for its introduction in the context of a raised retirement age.

It is sometimes said—and such a conclusion might be drawn from the orders—that the state can no longer afford to pay a decent and universal pension, and people must therefore provide for themselves. While I believe that people must indeed provide for themselves, I also believe that they should benefit from a much larger basic state pension. After all, ours is the fourth wealthiest economy in the world. I believe that if we can forge a national consensus, people will support the measures that will be necessary to pay for a more sensible, coherent foundation for pensions provision.

We support Turner's proposal for a universal state pension at a level that will lift all pensioners out of poverty. I hope that Members throughout the House will join us in rejecting the mass means-testing of pensioners that the orders encourage and would perpetuate, to ensure that every pensioner is given his or her full entitlement.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Will the hon. Gentleman give way?

Danny Alexander: I will give way to the hon. Gentleman, with whom I expected to be in the Falkland Islands today.

Daniel Kawczynski: I thank the hon. Gentleman. He is right: we were meant to be together in the Falkland Islands today.

Many young people in Shrewsbury tell me that they are not taking out pensions because of the huge tax increases levied on them by the Government. Does the hon. Gentleman agree that it is worrying that the younger generation are not arranging private pensions, as he said they should, because they simply cannot afford to?

Danny Alexander: I believe that one of the main reasons why many young people are not making their own pension provision is the spread of means-testing, which in a sense devalues that additional saving.

Mr. Hunt: Does the hon. Gentleman agree that although money is an important element of the

eradication of poverty—an aim that is shared throughout the House—we must also consider the need for a simpler system that does not remove incentives to work? Does he also agree that while the Government may have increased funding for poverty eradication programmes, they have not succeeded in introducing policies that would make the system simple enough to understand, while retaining incentives for people to return to work if they are able to do so?

Danny Alexander: I intend to say something later about the disincentives to work that will continue if the orders are passed.

People outside may look forward to receiving uprated benefits or pensions. How those benefits are delivered, and whether people will be able to take advantage of them, is an issue of fundamental importance. The Minister will know that some 4.3 million people receive the benefits in pensions that we are discussing via a Post Office card account. He will know, because we discussed it in Westminster Hall yesterday—

Madam Deputy Speaker: Order. I hope that the hon. Gentleman is not going to enter into a debate on the Post Office card account, given that the order concerns the uprating of social security benefits.

Danny Alexander: I do not intend to enter into a great debate on the Post Office card account, and I am grateful for your guidance, Madam Deputy Speaker.

Mr. Alan Reid (Argyll and Bute) (LD): If pensioners living in remote areas find that because of Government policy their pensions increase only in line with average prices, and if because of Government policy their local post offices have to close and they face a longer journey to collect their pensions, they will face greater financial burdens as a result of Government policy. That is not reflected in the pension increase that the Government are giving them. If the Government adopt a policy of wholesale post office closures, surely they should give pensioners in remote rural areas larger increases because of the greater distances that they must travel.

Danny Alexander: My hon. Friend makes an extremely good point. If, as a result of the Government's policy, the means of access to benefits and pensions—local post offices in rural areas or deprived urban areas—is removed, the uprating should include an amount that makes it possible for people to gain access to those benefits and pensions. Otherwise, while there may be a superficial uprating, increased costs will mean an overall downrating for those people. I hope that the Minister will address that issue, and particularly the question of when people living in such areas might lose the ability to access benefits in the manner of their choosing. I hope that the Government will provide time in the near future for a full debate on this issue, because Ministers have so far been unable to address it on the Floor of the House.

I come to the future of disability benefits, with which the orders before us also deal. We Liberal Democrats will make a formal submission on this subject in response to the Government's Green Paper on welfare reform, but there are a few points that are worth making in the context of today's debate. Although we endorse, for example, the various forms of support being offered to people on incapacity benefit to get them back into work and, therefore, off the benefit currently provided in the pathways to work pilot areas, if such support is to be extended throughout the country to all people in receipt of incapacity benefit it needs to be properly funded. The Government estimate that the pathways to work project costs some £400 per claimant. Based on the latest annual figures for people commencing incapacity benefit claims, it would take some £220 million a year to fund a national roll-out at the same level. Yet the Government are offering only £360 million over two years. If the resources are spread too thinly, we will not see results and we will let down all those claimants who want to find work. That is especially true at a time of rising unemployment.

Conditionality of benefits has been a major feature of the debate on the future of benefits such as jobseeker's allowance and incapacity benefit. That debate continues.

Mr. Ruffley: This seems something of a groundhog day, in that the hon. Gentleman is repeating the speech that I attempted to make a few minutes ago. Does he share my concern about the funding of proposals aimed at getting incapacity benefit recipients back into work?

Danny Alexander: I am grateful, I think, for that intervention. If the hon. Gentleman had been paying closer attention a couple of minutes ago, he would have heard me make exactly that point. Perhaps he was too busy re-reading his own speech to listen to mine.

On benefit sanctions and conditionality, I am concerned that the Government have so far been unwilling to make public detailed clear evidence of the success of such sanctions in encouraging people off benefit and back into work. I have asked the Minister on a number of occasions to provide the body of evidence to which he referred in support of the Government's claim, but so far he has been unable to do so. According to the Green Paper, they

"do not intend to make changes to Disability Living Allowance as part of these reforms".

That is a great disappointment, because the benefits paid to disabled people that are covered by this order—disability living allowance, incapacity benefit and so on—need to be reviewed in the round if we are to establish an effective overall structure that targets resources to need.

The Government's own research—the Department for Work and Pensions working paper No. 21—suggests that the disability living allowance as currently structured is not sufficient to meet the extra costs faced by people with disabilities. What are the Government doing about that issue? They have missed an important opportunity to consult on it. Indeed, they dodged giving a straight answer to a written question on it just a few days ago. Will the Minister explain clearly how the Government intend to respond to this finding, rather than following the example of the parliamentary written answer that I received and simply restating the research's conclusions?

Mr. Hunt: I am grateful to the hon. Gentleman, who is being very generous in giving way. Is he aware of

[Mr. Hunt]

research by the Joseph Rowntree Foundation, which quantifies the cost of being disabled at an additional £200 per week net of any extra benefits received, or £118 per week for someone in employment? Is he concerned, as many disability charities are, that the structure of the Government's proposed incapacity benefit reforms seems to assume that some people are completely incapable of work? For many people with severe learning disabilities, working even one or two days a week could well be the way out of dependency and of regaining some self-respect.

Danny Alexander: I am grateful for that intervention and I am aware of the excellent research to which the hon. Gentleman refers. I will turn shortly to the question of how the uprating of benefits affects those who are able to work only a few hours a week.

Some important issues need to be considered. For example, the current disability living allowance does not provide support for the communication needs that many disabled people have. Some 4,000 disabled schoolchildren with such needs have been fortunate enough to receive support from the communication aids project, which is funded by the Department for Education and Skills. Unfortunately, such funding ends in March and the Department has no plans to renew it. A review of disability living allowance could—indeed, should—consider whether support for communication needs should be given, in addition to support for care and mobility.

In his opening remarks, the Minister pointed out that disability living allowance applies whether one is in work or out of work, and it is true that that is one of that benefit's potential strengths. However, in the experience of many organisations that help benefit recipients back into work, a return to work can often quickly trigger a new review of entitlement to disability living allowance. That issue needs to be addressed.

The uprating of benefits inevitably increases the sums lost to the Exchequer through error and fraud in the benefit system. Although some progress has been made in tackling fraud, it has been insufficient to prevent the Department being criticised strongly by the National Audit Office and the Public Accounts Committee. The latter says that the Department has

"a long way to go"

in this regard. On errors, the picture is even more unclear. In fact, it seems likely that the number of benefit payment errors is increasing. They now account for more losses than does fraud: some £1.5 billion, according to the PAC's estimate. In a recent debate, the Government pointed out that the figure is actually £1.7 billion. Perhaps the Minister will give the House the Government's latest estimate of the amount that will be lost through errors in the benefit system as a result of the upratings before us today.

Mr. Philip Dunne (Ludlow) (Con): Does the hon. Gentleman agree that it is extraordinary that for the 16th or 17th year in succession, the Department's accounts have been qualified and not signed off? Is it not surprising that sorting out their own Department's accounts is not Ministers' highest priority?

Danny Alexander: I am grateful for that intervention and I agree that that should be a priority. The DWP has a number of issues that it needs to sort out, many of which are high priorities: the Child Support Agency is one, as is the Post Office card account. None the less, the issue that the hon. Gentleman highlights should be given much greater attention.

I come to housing benefit and the existing incentives to work. Chapter 6 of the welfare reform Green Paper is entitled, "A radical new approach to Housing Benefits". There must have been a mistake in the copy that I received, because all that it had was a not very radical chapter on how the not particularly radical local housing allowance might be rolled out nationally. Perhaps the explanation for that is simply the gap between rhetoric and reality to which we have become all too accustomed from this Government over the years.

The uprating before us today once again fails to uprate earnings disregards for housing benefit and council tax benefit. In 1988, £5 of a single person's earned income was disregarded. Today, the figure is still £5, but it is a devalued £5.

Mr. Graham Stuart: Bring back Mrs. Thatcher!

Danny Alexander: I believe that Baroness Thatcher is entitled to other benefits these days. If uprating had at least kept pace with inflation, the earnings disregard for housing benefit and council tax benefit would now be £8.35. In other words, the Government are clawing back from the poorest people £175.20 per year per person by not uprating these disregards. I urge the Minister to pay close attention to that issue in future years.

An even greater disincentive to work is the combined housing benefit and council tax benefit taper, which withdraws 85 per cent. of people's earnings for every extra pound earned. All Members will doubtless have heard constituents complain about this issue, and I am pleased that the Minister confirmed in a written answer to me that the pathfinder project evaluation would examine income tapers. I hope that the Minister will give a further assurance that it will form a substantial part of the evaluation, and the recommendations that are to follow.

Finally, I turn to another group of people directly affected by the orders—claimants who are single or under 25 years of age. Young single claimants are often overlooked, but they face growing inequality as the gap between their incomes and the average income widens because their benefits are linked to prices. There is a prejudice against people aged under 25, who are especially hard hit by lower benefit rates and the unfair single room rent.

In opposition, the Government opposed the single room rent. Many Labour Back Benchers have supported parliamentary motions calling for it to be ended, and Shelter reminds us repeatedly that it causes homelessness.The median rent shortfall for those receiving the single room rent is £31 a week. These orders will raise to £45.50 the jobseekers allowance paid to people under 25, but subtracting from that amount the £31 rent shortfall caused by the housing benefit regulations means that they will have only £14.50 to live on each week.The system is unfair. It increases homelessness, encourages fraud and can also help to promote the grey economy. Government estimates are

that 12,000 young people were subject to the single room rent in May 2005. At an average shortfall of £31, it would cost only £372,000 to end the single room rent. Can the Minister find that amount in the Department's budget?

As I said, my party will not divide the House over these orders. We are happy to support the benefit uprating proposals, but the Government still face substantial challenges in respect of pensions and welfare policy. They are far from meeting those challenges at present, and I look forward to their response to the debate.

1.51 pm

Mr. Graham Stuart (Beverley and Holderness) (Con): It is a privilege to follow the speeches by my hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley) and the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander), who put the proposed upratings into context. The Government came to power in 1997 promising radical and ambitious reform, and the Prime Minister vowed that the cost of what he called failure would be reduced in the first five years of the Labour Government. In the event, the cost of failure has risen since the Government came to office.

The backdrop to any uprating of benefit is the general state of the economy. In 1997, the incoming Labour Government had an opportunity to reform the welfare state that was without parallel since its formation. We all support the welfare state if it gives people dignity rather than means-testing, and relieves poverty rather than continues it. The unparalleled opportunity to reform the welfare state was the result of the transformation of the economy that took place under the previous Conservative Government.

In 1979, the British economy was a basket case, but by 1997 it had become the strongest and most powerful in Europe. The Labour Government inherited that economy, but unfortunately they have squandered the legacy, to the detriment of some of the poorest and most vulnerable people in this country.

As the articulate spokesmen for both the main Opposition parties have made clear, the result has been that the people with least have been let down. The British economy had returned to being the powerhouse of Europe in 1997, but the opportunity to reduce the number of people languishing on incapacity benefit has been lost since then. The number of people claiming that benefit was 2.37 million in May 1997, but by February 2005, it had risen to 2.68 million. That is a testament to the Government's failure to deliver for those with least, and the backdrop of economic strength bequeathed by the previous Conservative Government makes it all the more shameful. I hoped that the Minister would show more humility and display more of the quality of grace that he mentioned when he opened the debate.

The question of benefits uprating touches certain key elements of the approach of Government and all political parties to dealing with the most vulnerable people in our society. Ministers repeat their mantras about providing for the many, not the few. They apply words like "radical" and "ambitious" to their plans for looking after those with least. That may be electorally effective, but my right hon. Friend the Member for Witney (Mr. Cameron) is equal to the challenge of making it clear to people that the Conservative party has always been dedicated to the improvement of those with least in our society. For example, William Wilberforce led the movement to abolish slavery, and the 19th century's 10-hour working day initiative was led by a Conservative.

Over the past 100 years, the Conservative party has been entrusted with uprating benefits on more occasions than the Labour party. That is because the people of this country recognise that we are committed to social justice and to uplifting the poor. Disraeli and any number of other Conservative leaders have supported the notion of Britain as one nation, with a benefits system—the uprating of some elements of which we are discussing today—implemented to best effect.

Danny Alexander: The hon. Gentleman is in full flow about something for which he feels great passion. I do not want to interrupt him so much as inject a little balance. He has mentioned incapacity benefit. During the years of Conservative Government, the number of people receiving incapacity benefit ballooned. That might have been because that Government wanted to massage down the unemployment figures and massage up the figures for incapacity benefit.

Madam Deputy Speaker: Order. Before the hon. Gentleman replies, perhaps I might remind hon. Members again that we are debating the current proposals for uprating social security benefits.

Mr. Stuart: Thank you for your strictures, Madam Deputy Speaker. I am aware of them and will observe them meticulously.

Mr. Ruffley: We are all aware of them.

Mr. Stuart: My hon. Friend is right, but I hope that I might be allowed a final sally in respect of incapacity benefit. Although the number of claimants ballooned under—

Danny Alexander: Many are still claiming incapacity benefit today.

Mr. Stuart: That is true, but it is why it is all the more shameful and sad that the Government have squandered the unparalleled opportunity presented by the transformed economy that they inherited and have let down the people who most need help.

The Minister used the interesting word "consensus". I have been in the House only since last May, and I try not to be cynical, but whenever I hear a Minister use that word I know that he is presiding over a system that is chaotic and failing. That is why, in a desperate bid to shore up his weakening political position, he uses that word to seek the support of the Opposition.

However, the good news from my hon. Friend the Member for Bury St. Edmunds is that the Conservative party is always prepared to work for the good of the most vulnerable people. We will work to achieve consensus to support them and give them the dignity of work. People want dignity, not means-testing.

I am nervous of touching on the new deal but shall do so only in passing and certainly less than the Minister did. Only 15 per cent. of people aged more than 25 who

[Mr. Stuart]

were out of work when the so-called successful new deal was introduced—that is, only one person in seven—have returned to work and so no longer need to claim benefits. Six out of every seven benefit claimants have been failed by that enormously expensive and bureaucratic programme.

I welcome the Conservative party's continuing commitment to programmes that will help and support people and get them into work. In contrast to what too often amounts to political posturing among Labour Members, I do not even mind if we keep the new deal name. That is a matter of indifference to me, as long as we move away from the politics of failure and get all those people still languishing out of work back into employment. That is what the Conservative party is about. That is why we transformed the economy, and that is the opportunity that I hope that we will take on again when we next form the Government.

The Minister referred to the number of children in poverty. He will be aware, although he is no longer in his place, that the percentage of children experiencing persistent low income—those in the unhappy state of remaining below 60 per cent. of median household income in at least three out of four years—was 16 per cent. in 1996–97 and remained at 16 per cent. for the following three years to 1999–2000. We need to recognise that far too many children still live in poverty and that the Government have not delivered the transformation that they promised. I hope that we will see fewer eye-catching initiatives and more hard work to make the systems that we already have work better. When we have a Conservative Government, we will make the systems work better. We will be less interested in headlines and more interested in reducing poverty for those with least.

The Minister's words on pensions were hardest to take. As my hon. Friend the Member for Bury St. Edmunds said, Labour's first Minister with responsibility for welfare reform said last year that when Labour came to power we had one of the strongest pension systems in Europe. Now we have one of the weakest. That is a searing indictment of the Government's failure. They have removed opportunity from hard-working people and replaced it with means-testing. I have yet to meet a constituent, whether from the far left like so many Labour Members who rebel against the Government, or from the right, or of no known political persuasion, who wishes to spend their life working hard and paying tax in order to end up on means-tested benefit. They do not want to have to fill in 24-page forms to get pension credit or 12-page forms to get their council tax benefit.

When I attended the Hornsea pensioners annual Christmas lunch, I sat beside an upstanding, hard-working, socially contributing and economically successful member of the community who, in his old age, has, because of the Government's £5 billion raid on pensions, ended up in need of means-tested benefits in order to live properly—*[Interruption.]* Ministers may laugh at the predicament of hard-working, decent people who are forced into relying on means-tested benefits at the end of a life in which they have suffered no ill-luck and no great illness. They consider themselves successful members of our society. They have always worked, they brought up their children and they tried to do the right thing. This Government have made such people feel like beggars from the state. The gentleman whom I sat next to at Christmas lunch told me that he had seen adverts saying, "It's yours: claim it". So, he filled out all the forms and sent them off. By return, he was told that his building society accounts had not been sent in original form and was asked to supply every last one, even one that had £80 in it. He told me that he chucked the lot in the bin. The 1.5 million people in the same situation deserve better, but they have been let down by a Government who are addicted to means-testing instead of providing dignity for people in their old age.

Age Concern estimates that more than 2 million retired people are living in households with incomes below the Government's official poverty line. I would have thought that Labour Members would be campaigning vociferously on behalf of women, who benefit least from the current system. We know that fewer of the recently retired have money coming in from an occupational pension. We also know that 1 million people have seen their occupational pension schemes wound up—more than 60,000 schemes—because of the policies of this Government, who have raided pensions to the tune of £5 billion a year. That is not a modern, active and inclusive welfare state. For Ministers to persist in saying that is nothing short of a deception of the British people, and I hope that it will be increasingly recognised as such.

Pensioners, people on incapacity benefit and people on the new deal—in other words, some of the most vulnerable people in our society—are not well served by the benefits uprating today. They are being let down. The basic state pension, for people who have contributed all their lives, was 21 per cent. of average earnings when this Government came to power, but it is now just 15.9 per cent. That is the legacy that this Government will leave.

Mr. Bone: My hon. Friend is making a powerful speech and has reached the crux of the issue. If the Government would only uprate pensions in line with earnings, not the retail prices index, it would help many pensioners and, over the years, remove pensioner poverty.

Mr. Stuart: That is my next point. At the election, the Conservative party laid out proposals to help to lift pensioners out of poverty, to bring them dignity and not means-testing, and to bring back the link between average earnings and the state pension. Labour Members will point out that that link was removed by the Conservatives, but I ask them when that happened. It was in 1980, at the end of a decade in which Labour Governments had brought the economy of this country to its knees. That is why we had to remove the link. By 1997, we had transformed the economy, which is why Labour Members should join Help the Aged, Age Concern and the National Pensioners Convention—indeed, everyone associated with pensions except the Chancellor of the Exchequer—in believing that we should bring back the link between average earnings and the state pension. We should not allow the number of people dragged into the hole between pension credit and the state pension to increase. It is beyond belief that

we can even consider having 70 per cent. of people dependent on this Government's mean means-tested benefits in as short a time as 44 years.

We need a Conservative Government to lift people out of poverty, because they want dignity, not means-testing. We need to bring back the link, and we need to stop the Chancellor of the Exchequer's pernicious, poverty-inducing increases in council tax. We had proposals to deal with those issues at the last election, and I look forward, under the leadership of my right hon. Friend the Member for Witney, to my party coming forward with a considered position that will help to bring dignity back to the people of this country and provide hope for those with least.

2.8 pm

Mr. Philip Dunne (Ludlow) (Con): I am conscious of your strictures, Madam Deputy Speaker, to confine our remarks to the topic for debate, and I shall endeavour to do so. I hope that you will allow the odd lapse.

Yesterday, I received a helpful press release from the Office for National Statistics, which suggested that we are at a tipping point for the potential number of claimants. For the first time for some years, the trend in employment is declining and the number of people unemployed is increasing. That is noticeable and I shall remind the House of the statistics. The unemployment rate has increased from 4.7 per cent. to 5.1 per cent. over the period October to December 2005. The number of unemployed people has increased by 108,000 over that quarter and by 123,000 over the year, to reach 1.54 million. In tandem with that alarming increase, there has been a significant increase in the inactivity rate for people of working age. That is relevant to the debate because it affects potential claimants.

The number of economically inactive people of working age has risen by 59,000 to reach 7.95 million—the highest figure since comparable records began in 1971. At the same time, the average number of job vacancies for the three months to January 2006 was 616,800, which is down more than 34,000 over the previous 12 months. While unemployment is rising, job vacancies are declining, which suggests that there may be a significant change in the number of claimants in the coming year. It will be interesting to see what—if anything—the Chancellor makes of that in his Budget statement next month.

A connected issue relating to those in receipt of benefits is tax credit. We have been told that, from April 2006, the level of income that the Chancellor will disregard, which was £2,500 a year, will rise significantly to £25,000—a move that I welcome as it will take a large number of tax credit recipients out of the pernicious series of negotiations with the Inland Revenue into which they are required to enter to determine whether they are entitled to tax credit as their income changes during the year. All Members will have countless examples from their advice surgeries of members of the public who cannot understand the informative—I shall be polite—letters that they receive from the Revenue on that subject.

I wanted to know the cost of that move to the Exchequer, so I put a parliamentary question to the Chancellor last month. I received a reply from the Paymaster General, who was incapable of providing the information. I shall read part of the reply, which stated:

"The increase in the disregard from £2,500 to £25,000 from April 2006 is part of a package of measures announced in the 2005 pre-Budget report . . . It is not possible to produce robust estimates of the impact of individual elements of the package of measures, as there are significant interactions between the different components."—[*Official Report*, 26 January 2006; Vol. 441, c. 2246W.]

That answer is not acceptable. It is beyond belief that the Chancellor could announce such a major measure, which will have an impact on a large number of people, without understanding its effect on the public finances. I shall be looking for clarification in the Chancellor's Budget statement.

Another aspect of tax credits relates to the issues we are discussing: the impact of child support measures. It was disappointing that, in his pre-Budget report, the Chancellor failed for at least the second successive year to uprate to any degree the family element of child tax credit, which has been frozen—as indeed has the child care element of working tax credit. Both measures would have done something to help families on the lowest incomes out of child poverty.

I turn to the pension element of the uprating. I have been following with some interest the statements about pensions of the Minister for Pensions Reform, who is not in his place, so I welcomed his comment in this debate, when he appeared for the first time to acknowledge the need to encourage incentives to save. Under the Labour Government, savings have roughly halved nationally. One of the main contributory reasons is the introduction of so much means-testing in the pensions environment. It is essential that the Government's measures in response to the Turner commission reduce dependency on the state and on means-testing, and they have acknowledged that as an important ambition. I shall look particularly at how they achieve it and should welcome the opportunity to participate in that debate over coming weeks.

I urge the Government to take care that they do not damage the existing savings regime in our pensions industry. It has already suffered significant damage from measures taken by the Government, as we heard earlier, so it would be the height of folly if the introduction of a low-cost national pension savings scheme, or its equivalent, caused the migration of all existing savings arrangements to that scheme to the detriment of pensioners and the savings industry.

It is also important that the Government do not fall into a mis-selling trap of their own making. It could be avoided if there were an element of compulsion in the national pension savings scheme. If there is an auto-enrolment system, as proposed by Lord Turner, individuals must be given some advice, one way or another, to determine whether saving for their pension is right at a particular stage of their working life. I am thinking particularly of graduates at the beginning of their careers who have to pay off tuition fees and so on. Is it really appropriate for them to be saving for their pensions at the beginning of their career when they have costly debts to pay off?

I also urge the Minister to ensure that there is sufficient confidence in whatever savings scheme is established to allow people on lower incomes to participate if they want to do so. Experience has shown the difficulties of previous Government schemes that were rolled out with great fanfare but not taken up in the

[Mr. Philip Dunne]

numbers that the Government wanted, in part because people felt that the Government would not play fair with them and the rules were changed. I do not criticise this Government particularly because all Governments have a tendency to change the rules as they go along, so whatever regulatory oversight regime is in place, there should be an element of independence. Just as, to their credit, the Government introduced independence for the Bank of England, they should consider a regulatory oversight regime for the national pension savings scheme that is independent of Government.

Danny Alexander: Does the hon. Gentleman agree that one of the most significant disincentives for people on low incomes to make provision for their retirement is the spread of means-testing in the pension system? People on low incomes are likely to be much more affected by means-testing, so the current system is much less likely to encourage them to make provision for their retirement.

Mr. Dunne: I completely agree. Indeed, until two years ago when the Government made the change, it made no financial sense for many people on low incomes to save because they were better off depending on the state in their retirement. The Government have taken some steps to reduce that disincentive to save but it still exists to some extent.

Incapacity benefit is also being uprated. I do not want to comment at length on the welfare reform Green Paper, as I am aware of Madam Deputy Speaker's strictures on the subject. However, it discusses the need for a reduction in the number of IB claimants over the next 10 years, and how we achieve that is relevant to the debate. All Members can agree that the aim is desirable, but it is a major challenge for the Government and there are some specific problems that they need to address.

The vast majority of the 2.7 million IB claimants have been in receipt of the benefit for more than four years. We are dealing with a large proportion of people who are in the most difficult category in terms of getting back to work. They include some of the most vulnerable people—the most severely disabled and the most persistently unemployed. Whatever the Government may say about the previous Conservative Administration's attempt to shift people from unemployment benefit to incapacity benefit, the number of IB claimants under the Labour Administration has risen significantly—it has gone up by more than 300,000—so they cannot make that accusation without acknowledging that the number has risen significantly under Labour as well.

The pilot pathways-to-work schemes that the Government have introduced over the past couple of years are making modest progress in increasing take-up, thus getting more people back into work. The percentage for each pilot area varies between about 7 per cent. and about 11 per cent. I acknowledge that that is an improvement, but that is the percentage increase for all claimants in the area, irrespective of the duration of their being on incapacity benefit.

Our performance, even in the pathways areas, is not as good as that in other countries. As a member of the Select Committee on Work and Pensions, I had the advantage of visiting Holland with other Members last week, and some dramatic and significant reforms have taken place there over the past few years, as I am sure the Minister is aware. Particularly in addressing long-term incapacity benefit claimants, great strides are being taken in changing the attitudes of people in receipt of benefit and putting in place an array of measures to encourage people back into work.

The main focus in Holland is on making employers and individuals who have disability aware of the fact that they have the potential to work. The focus is on what they can do, not what they cannot do. Although that is a rather simplistic description, that change in attitude is dramatic. Unfortunately, the pathways pilot schemes do not provide that. They continue to encourage people to think that they have a right and an entitlement to benefit and to think about what they cannot do and what they are entitled to if they cannot do it. The Government need to address that change in attitude.

The Minister is aware of the final issue that I should like to raise, which relates to how the Department for Work and Pensions copes with the voluntary and private sector agencies with which it enters contracts to supply training and other services to long-term incapacity benefit claimants. The Department is in the midst of reviewing its relationships—and it needs to do so, because they have been chaotic. We have evidence from many of those organisations to show that the Department has been running its supplier contracts in such a way as to shut them all down—

Madam Deputy Speaker: Order. I have given the hon. Gentleman some leeway, but he is going rather wide of the mark. I repeat once again that we are debating the uprating orders.

Mr. Dunne: I am most grateful to you, Madam Deputy Speaker, for your guidance. I was merely trying to draw to the House's attention the fact that the number of claimants can be significantly reduced if more and better training support can be given to those who have been on incapacity benefit for a longer period.

2.22 pm

Mr. Ruffley: With the leave of the House, I should like to respond to the debate, which has been interesting, important and short. I was particularly interested to hear the remarks made by my hon. Friend the Member for Beverley and Holderness (Mr. Stuart), who reminded us in an interesting and fluent contribution that benefit dependency has been on the increase in the past eight years. People are now on benefits who do not want to be on them; they would rather be in work. He also reminded us that benefit uprating has been conducted more often by Conservatives when in government than by other parties. He stressed that the Conservative party believes in welfare for those who need it—those who, for no fault of their own, need the support of the state and the taxpayer, who is, of course, happy to lend that support—but we need fresh thinking to ensure that those who can work and want to work are given the opportunity to do so and have the obstacles that are in their way removed.

My hon. Friend also warned about the perils of excessive means-testing, which is on the rise. He also talked about the ongoing tragedy of occupational

pension schemes going bust and the consequent increase in the number of pensioners who must rely on benefits to live in dignity in their old age. It was an enjoyable contribution, with some important points, which can also be said of the contribution of my hon. Friend the Member for Ludlow (Mr. Dunne), who drew attention in a technically adept set of remarks to the fact that the tax credit disregard, which has been raised from £2,500 to £25,000, appears to be an uncosted commitment and that he has sought in vain, using the method of asking parliamentary questions, to find out the cost to the Exchequer of that policy change. I really do hope that the Minister can tell us and not shuffle us off to other Ministers at the next Treasury questions.

My hon. Friend also talked about savings, which are, of course, very pertinent to a debate on benefits uprating. If the savings culture is as damaged as he said—I think that he is right—more and more pensioners must rely on the very benefits that are uprated by the order. He spoke about the need for the Government to find more intelligent savings policies. Those points were well made. He also touched tantalisingly on pathways to work and how benefits recipients might escape from benefits into work. He certainly touched on incapacity benefit reform in an instructive way. He talked about the experience of Holland and the lessons that DWP Ministers might learn—the Opposition are certainly learning them—about active intervention in the labour market to get those who are desperately keen to get off benefit back into work. Although we share the same objective as Ministers, today's debate has shown that the Opposition have radically different solutions and means to achieve that common objective.

2.26 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): We have had a short but, nevertheless, lively debate. I have been struck by the fact that the hon. Members who have spoken have found it quite a strain to confine themselves to the orders under consideration. I take it from that that, in fact, they have very little to criticise in the upratings that we are making.

Before I address any of the specific points made during the debate—I promise to do so—I want to remind hon. Members that this year's uprating order continues the Government's commitment to provide help for those who most need it. After all, it adds more than £3.44 billion of extra spending, £2.58 billion of which goes to pensioners and £360 million is above inflation. Some £40 million goes to children; £400 million to disabled people and their carers; and £420 million to people of working age. Most benefits have increased in line with the retail prices index, at 2.7 per cent., while pension credit guarantee has increased in line with earnings, at 4.2 per cent. Those uprating increases contribute to our programme of radical reform which balances rights with responsibilities and offers everyone the chance to build a decent income for their retirement.

I turn now to the contributions to the debate. Many of us enjoyed the footwork of the hon. Member for Bury St. Edmunds (Mr. Ruffley) as he tried, in the same sentences, to change, but not change, Conservative policy on the new deal. We heard him describe the Conservatives' approach to the new deal as revamping it, recasting it or improving it. When they have finally sorted that out, we will be interested to hear what emerges.

The hon. Gentleman also dwelt at some length on the labour market. It is worth just pointing out what the latest statistics show us. Employment has risen by 183,000 over the last year. The claimant count for January, the latest month for which figures are available, went down by 2,000, a welcome drop after several months in which it increased. We have seen a fall of 58,000 in the number claiming incapacity benefit since August 2005, and a fall of 29,000 in the number claiming lone parent benefit. When one excludes students from the figures—it is important to do that because the number of students going into higher and further education is increasing—one sees that the inactivity numbers have gone down by 61,000 over the last year.

The hon. Gentleman also dwelt at some length on means-testing, seeking to criticise us for that being part of the system, while himself declaring that a welfare state requires an element of means-testing. He referred to the projection in Lord Turner's report that if nothing changed in the current configuration of pensions provision, we could find ourselves with 70-odd per cent. of pensioners encountering means-testing. Lord Turner does say that, but in fairness, the House should acknowledge what he also said about the effectiveness of the means-testing in the system in reducing pensioner poverty. There is an issue about the role and degree of means-testing in the system for the long term, and of course we are reflecting on Lord Turner's point, as are many others, and we will have things to say about that when we come back to the House in the spring with our response to his report.

Mr. Graham Stuart: I wonder how the hon. Gentleman reconciles the remarks that he has just made about means-testing with the Chancellor's remark, made when the Labour party was in opposition, that he wanted a significant diminution in the use of means-testing in the British welfare system. Is that an aspiration that has entirely left the Labour party and its Members of Parliament?

Mr. Plaskitt: If the hon. Gentleman waits until the Government respond to Lord Turner's report, he will find that the issue is effectively taken up there.

The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) also dwelt at length on Lord Turner's report. He reminded us of the one Liberal Democrat pensions proposal that has so far emerged—the citizen's pension, which is specifically rejected in the report. We will see whether the Liberal Democrats make further proposals in due course.

Danny Alexander: Will the hon. Gentleman give way?

Mr. Plaskitt: No, I want to make headway.

The hon. Gentleman also dwelt on the issue of fraud and error in the benefits system, describing the recent report by the National Audit Office as critical of my Department in that respect. I urge him to go back and read the report again; it is actually very balanced and fair. Although it certainly takes us to task and says that

[Mr. Plaskitt]

there is still more that my Department needs to do in respect of fraud and error, it also acknowledges the considerable progress that we have made in tackling them over the last seven or eight years.

The hon. Gentleman asked me to distinguish between performance on fraud and that on error, and I am happy to do so. Our performance on fraud is very encouraging. Losses to fraud are now below £1 billion, and we think that the figure now stands at less than 1 per cent. of the total spend. That is a creditable performance. On the main benefits that tend to be prone to fraud—housing benefit, income support and jobseeker's allowance—losses to fraud are down by a half since 1997. Of course there is still more to do. We recently published the fraud strategy document, which I am sure that the hon. Gentleman has studied, in which we outline additional measures that we are now taking and additional powers that we have to make even more progress in reducing fraud in the benefits system.

On error, yes, the figures are flat-lining; there has not been as much progress in reducing losses to error in the system as we would have hoped. We believe that the total of such losses is about £1.7 billion. If the hon. Gentleman has a little patience, I hope to be able to say more about what we can do to make further progress on reducing such losses.

The hon. Gentleman moved on to be critical of our proposed reform of housing benefit. I think that I heard him describing the local housing allowance as "not radical". Again, I urge him to have a further read of the chapter in the welfare Green Paper. He will find that once the local housing allowance is rolled out nationally in the private rented sector, it will definitely help us to make progress in increasing financial inclusion, something that I should have hoped he would welcome. It will certainly help us make progress in simplifying aspects of the benefits system; I had hoped that he would have welcomed that. It will certainly help us to make progress in increasing return-to-work incentives; and I would have thought that he would have welcomed that. The hon. Gentleman went on to refer to the single room rate. He should know, and I would have thought welcomed the fact, that under the LHA scheme, support for young people is more generous than under the existing scheme. I am sorry that he did not welcome those developments.

The hon. Member for Beverley and Holderness (Mr. Stuart) treated us to an amusing trip down a selective memory lane on the performance of the economy under the previous Government, and sought to rubbish the record under the present Administration, therefore overlooking the fact that ever since this Government came to office in 1997, there has been continuous growth in the economy, for a longer period than was ever sustained under the Conservatives. We have falling unemployment—it is now at a very low level. We have had steady and low inflation, which was not delivered by the previous Conservative Government. We have low levels of public debt. We have low levels of interest rates.

The hon. Gentleman regaled us with the alleged failings of this Administration in respect of incapacity benefit, neatly overlooking the fact that when the Conservative Government came to office 700,000 people were claiming incapacity benefit, and by the time they left office, the figure was 2.7 million. It was convenient for him to overlook that. He should note that last year we saw a welcome fall in the number of people claiming incapacity benefit—down by 58,000—and once we bring forward measures that are outlined in the welfare Green Paper, we hope to make considerably more progress by reducing that number even further.

The hon. Member for Ludlow (Mr. Dunne) sought also to criticise the Government on what has happened to savings. Indeed, one or two other Members made the same point. The savings ratio is quite a volatile indicator and there have certainly been periods under this Government to date when it has been quite low, but I urge the hon. Gentleman to look at the figures under the previous Administration. He will find that at times the savings ratio fell to levels lower than at any time under this Administration. He should know that the savings ratio tends to be very much geared to the housing market, and during periods of high inflation in house prices we see the ratio plummet. When the housing market stabilises, we see the savings ratio recover. Interestingly, that is exactly what it is doing again, as the latest figures confirm.

The hon. Gentleman also made some sensible observations, which I welcome, in respect of the Turner report. He urged us to think carefully about the advice that is given to people and about confidence in the system, and he made constructive and sensible comments. I appreciate the work that he does on the Work and Pensions Committee, as I do his comments about the Dutch experience and the importance of undertaking reforms that focus on people's capacity to work and not on their incapacity to do so. I would claim that that is very much the direction of travel of the Government's reforms.

Since 1997, the Government have worked to build a modern, active welfare state. There are now 2.3 million more people in work and 1 million fewer people on benefits. We have lifted 2 million children and almost 2 million pensioners out of absolute poverty. We have already taken action to replace the "one size fits all" model of benefit dependency with an active service, where tailored support to help people back into work is matched by their obligation to do everything possible to help themselves.

It is because of the economic decisions that we have made and the reforms that we have delivered that we are making good progress in tackling the challenges apparent in the labour market, but we need to do more. As my hon. Friend the Minister for Pensions Reform said in opening the debate, we need to provide a welfare state that enables people to move on and to escape poverty, rather than institutionalising dependency. That is why we have set ourselves the ambitious target of an 80 per cent. employment rate.

Our approach is based on a belief in an active welfare state that balances rights and responsibilities, and provides work for people who can work and support for those who cannot. That strategy is set out in the Green Paper and is threefold: we will endeavour to reduce the numbers of new claimants; we will provide greater help for those on benefits to return to work; and, for the most severely sick and disabled, we will provide greater levels of support. The publication of the Green Paper marks the start of a three-month consultation process. We will listen very carefully to everyone who responds and

especially to those who share our commitment to improving the employment prospects of people currently living on benefits.

The Government are committed to supporting parents not only in achieving their ambitions in the workplace but in carrying out their parenting responsibilities. This year's uprating order directly benefits the poorest families and helps to eradicate child poverty. By increasing the child allowance for families on income-related benefits, our uprating measures maintain our commitment to, and progress towards, a fair, inclusive society with opportunity and autonomy for all.

This year's uprating order takes us another step away from the shameful legacy of pensioner poverty that we inherited. Many pensioners were expected to live on as little as £69 a week. My hon. Friend the Minister for Pensions Reform set out at the opening of the debate the pensions policies that we have introduced. Through measures such as pension credit, the state second pension and stakeholder pensions, we have provided a solid basis for a long-term pensions settlement and lifted nearly 2 million pensioners out of absolute poverty. An extra £10 billion will be spent on pensioners in 2006–07. Almost half of that extra money will go to the poorest third of pensioners.

Danny Alexander: Does the Minister accept that all the things that he has just described depend fundamentally on pensioners and benefit recipients being able to access those benefits in the first place? Does he agree that the Government's decision on the card account will severely undermine people's ability to access the benefits that are being uprated? Will the Government consider reversing that decision to enable full access to benefits for all the people who currently access them through their local post office?

Mr. Plaskitt: The hon. Gentleman again seeks to assert that there has been a recent decision or change of policy, but there has not. I repeat the commitment that we have given many times before that if pensioners and benefit recipients choose to collect their income from the post office we want to ensure they are able to do so.

We need to do more to meet the demographic, social and economic challenges that we face today. The Pensions Commission was clear that there is not a pensions crisis, but it identified about 9 million people who were not saving enough for their retirement. That, together with the demographic challenge of increasing life expectancy, would lead to a crisis in 20 or 30 years' time if we failed to make appropriate responses now. That is why we established the Pensions Commission to provide a reliable, independent review of the UK pension system and to make recommendations for change.

We are expanding the national pensions debate and talking to people of all ages across the country to listen to their views. We want to involve citizens and stakeholders in developing a lasting settlement on pensions. We will hold a number of events that will culminate in national pensions day on 18 March. The findings will help us to develop a consensus-based package for reform. I believe that building such a consensus is crucial. We want to ensure that the decisions that people make in the next few years about savings for retirement will still be sensible choices in 20, 30 or even 40 years' time.

The Government have undertaken their own rigorous analysis of the commission's proposals. The package of reforms that we will introduce in a White Paper in the spring will satisfy the five tests that my right hon. Friend the Secretary of State has set out to promote personal responsibility, and be fair, affordable, straightforward and sustainable.

In conclusion, the uprating order further delivers on our promises to help the people who need it most, supporting families and tackling the poverty suffered by pensioners and children wherever it occurs. We are supporting more people who can work into work, including people on incapacity benefit and lone parents. We are helping older people who want to return to, or remain in, the work force to extend their working lives. We are ensuring dignity and security for pensioners, as well as an end to abject poverty in retirement. For those reasons, I commend the orders to the House.

Question put and agreed to.

Resolved,

That the draft Social Security Benefits Up-rating Order 2006, which was laid before this House on 25th January, be approved.

PENSIONS

Resolved,

That the draft Guaranteed Minimum Pensions Increase Order 2006, which was laid before this House on 25th January, be approved.—*[Mr. Timms.]*

Tackling Health Inequalities

Motion made, and Question proposed, That this House do now adjourn.—*[Caroline Flint.]*

2.44 pm

The Parliamentary Under-Secretary of State for Health (Caroline Flint): It gives me great pleasure to open the debate on inequalities in health. Over the past 50 years we have seen impressive social, economic and health improvements in the United Kingdom. People from every class and every region are healthier and are living longer than ever before. The differences over time are striking. For instance, data for 1972–76 show that male life expectancy in the lowest social group was 66.4 years. That compares to a life expectancy of 71 years by 1997–2001. That is an indication that public health policies are having an effect on people's lives, as are treatment and new drugs.

However, the Government are not complacent. We need to do more about inequalities. We know how to improve life expectancy, but we need to ensure that all parts of society are benefiting. We know that families in poorer neighbourhoods are at greater risk of infant mortality, still die at a younger age and are likely to spend more of their lives in ill health. A man living in Manchester is likely to die nine years earlier than one living on the south coast of England. We know, too, that a man working as a manual worker in a factory is a third more likely to report a long-standing illness, compared with a man in a professional group, such as a doctor or a lawyer.

Social injustices like those are what brought me and many of my colleagues into politics, and are one of the reasons why we have given health inequalities a high priority now that we are in government. From the beginning, we were keen to set the record straight. One of the first things we did was to commission a comprehensive inquiry into the evidence on health inequalities. We invited a former chief medical officer to chair the inquiry. The result was the Acheson report, published in 1998. Acheson showed a significant widening of health inequalities between the 1970s and 1990s. The differential had increased two to three times between the highest and lowest social classes. It could be addressed only by focusing on the wide range of determinants—social, economic and environmental—that have an impact on health.

Acheson focused on programmes and priorities, but targets are important to focus attention on the problem, to stimulate action and to engage key players. In 2001, we set a national health inequalities target for England that called for a 10 per cent. reduction in the health gap for life expectancy and infant mortality. We extended this approach by including health inequalities as part of our key targets on heart disease, cancer and smoking. We have used the adoption of national targets as a way of influencing and shaping policy across the Department of Health, the health service and, importantly, other Government Departments, too.

In our target on smoking—the biggest cause of avoidable deaths—and our work to reduce smoking levels, we recognise that we cannot achieve our overall goal to reduce smoking levels without focusing on the hard-core group of poor smokers. Clearly, the decision of the House to ban smoking in all public places apart from a few exemptions, which was supported by Members from all parties, will make a huge contribution to tackling the problem, and took account of the concerns about health inequalities caused by partial restrictions on smoking in public places, particularly licensed premises.

Mr. Crispin Blunt (Reigate) (Con): The hon. Lady ought to concede that it was the view of the House on a free vote that overrode the policy of her Department that was presented to the House on Second Reading—a policy that would have promoted health inequalities resulting from smoking.

Caroline Flint: As I said in the debate, the opportunity that we had to vote came about because Labour decided that we should legislate on the matter. I am pleased that there was a debate. It was healthy for democracy. It is a Labour Government who are doing more than any Government before to tackle the problems of smoking and the effects on others who do not smoke.

Mr. Andrew Lansley (South Cambridgeshire) (Con): I get the impression that the hon. Lady might be moving away from telling the House in simple terms what has been the result thus far of the two national targets relating to life expectancy and infant mortality.

Caroline Flint: I intend to cover those issues, which are very complex. *[Interruption.]* Well, they are complex. The reality is that everybody from every social group is making progress in terms of their life expectancy. Our problem, which I am certainly not afraid to face up to, is how we deal with a situation whereby although everybody is living longer and improving their health, people who are better off and more educated take up the challenges of improving their health more quickly than those who are less well off and less educated. That is one of the reasons why we have to deal with the gap, of which I am fully aware.

Mr. Graham Stuart (Beverley and Holderness) (Con) *rose—*

Ann Winterton (Congleton) (Con) *rose—*

Caroline Flint: I should like to make a little progress in the hope that I will deal with some of the points that the hon. Gentleman and the hon. Lady may make, but I will be happy to take interventions if I do not.

Following the adoption of the national target, health inequalities was chosen as the subject for a cross-Government review led by the Treasury. That review was designed to influence spending decisions across Government as part of a wider programme to address child poverty and promote social justice. Jointly chaired by the Department of Health and the Treasury, it brought together 18 Departments—from Department for Work and Pensions to the Department for Transport—and Government units and agencies. Together, they assessed progress and agreed priorities for action. For us, the role

of the Treasury provided the catalyst for this cross-Government work and a new national health inequalities strategy.

That strategy—the programme for action launched in 2003—sets out four themes to tackle health inequalities: supporting mothers, families and children; engaging with mothers, families and children; preventing illness and providing effective treatment and care; and, importantly, addressing the underlying determinants of health. Those four related themes set out a programme to address health inequalities on a broad front, directed to the whole population and designed to ensure that responsibility for tackling health inequalities lies at the heart of all public services. That includes work on urban and neighbourhood renewal and on giving children from poorer families a fairer start in life through Sure Start. As well as focusing on the 2010 national target, the strategy seeks to address some of the underlying causes and determinants of health such as employment, education, crime, transport, early years support and homelessness. Our aim is to improve everyone's health, but to improve the health of the poorest fastest.

People living in disadvantaged areas usually have much lower expectations of the health care system and of their own health. On a recent visit, we met a 49-year-old man who, despite breathlessness, did not think that he was unwell. He said, "I'm not ill—I'm just getting old". Yet he was not even 50. Here we are in Westminster, where a man will most likely live until 76. If we travelled east on the Jubilee line to Canning Town, eight stops away, we would find that on average men live until 69—a seven-year difference. A shorter life expectancy means that families are robbed of parents and grandparents. Between 2002 and 2004, there were 13,700 additional deaths among 30 to 59-year-olds in the most deprived local authorities compared with the rest of England.

The status report on the programme for action published last August showed encouraging signs of progress on health inequalities, but recognised that a significant challenge remained. Following that report, we decided to commission a review of health inequalities, which was undertaken in conjunction with the Treasury. The review signalled a conscious decision to improve our performance and to ensure that we use the available evidence base to meet our targets. We have developed a model to deliver real improvements in public health in the short term that concentrates on averting early death. The model identifies the age groups we need to focus on—the 40 to 60-year- olds—the most common causes of early death, and the most effective treatments and interventions we can apply to prolong life.

Ann Winterton: The Minister is talking about equality of opportunity in health. Will she say a word about the inequalities in the postcode prescribing of Herceptin? Having had a constituency case in which we fought for a young woman to be given that treatment, it was obvious that people living two miles down the road in another area had it as of right. What equality was there between those two examples?

Caroline Flint: We have clearly said and maintained that individual clinicians should consider with patients whether drugs such as Herceptin are an appropriate treatment choice, taking into account risks and medical history. We have also said that primary care trusts should not rule out treatments on principle, but should consider individual circumstances when reaching decisions and that they should not refuse to fund Herceptin solely on the ground of cost.

I am pleased to say that we have seen some huge improvements in other areas of cancer treatment in the past seven to eight years that have been of benefit to many people suffering from many different types of cancer.

Mr. Lansley: It would be courteous to my hon. Friend the Member for Congleton (Ann Winterton) to find out precisely what Government policy is. Clearly, primary care trusts in different parts of the country reach different decisions about whether they will fund Herceptin for breast cancer patients on the basis of their judgment of the clinical case rather than that of individual clinicians. Do the Government think that that is the right way to proceed? Do they accept that different decisions should be made in different parts of the country about an issue where a clinical judgment could potentially be made on a national basis?

Caroline Flint: It would be inappropriate to direct PCTs to have a standard position on a drug that is not yet licensed or appraised. The PCTs have the opportunity to make choices about their policy on that particular drug and we have made that clear. As with many such matters, PCTs should deliver what they think is right for their local communities and should take into account clinicians' advice as well as other issues, such as guidance from the National Institute for Health and Clinical Excellence.

Mr. Lansley: It is a simple point. It is perfectly logical for the Government to have said that PCTs must make a decision on an unlicensed drug, but why did the Secretary of State interfere? Why did she say such things if her intention was not to send a message that Herceptin would be available for early stage breast cancer?

Caroline Flint: I think that I am correct in saying that the Secretary of State was pointing out that cost was not the only factor that should be taken into account. Clearly, individual cases have to be suitable and other matters apply.

I want to return to my point about the major reasons for people dying an earlier death than we would hope. For example, circulatory diseases and cancer are responsible for approximately 50 per cent. of avoidable early deaths. Logically, it would be correct to focus on treating those diseases. However, as I said before, we should also target the underlying causes of ill health. Unemployment, the absence of support in early years, housing conditions, homelessness and other contributing factors mean that some individuals are more likely than others in their community or elsewhere in the country to suffer ill health.

Mr. Graham Stuart: The Minister will be aware that poorer people in rural areas are statistically invisible, struggle to access services and are disproportionately affected by closures and cutbacks at community hospitals. If the Minister believes in reducing health

[Mr. Graham Stuart]

inequalities, will she reverse the ongoing cuts to community hospitals and make the welcome rhetoric of the White Paper a reality?

Caroline Flint: The hon. Gentleman is right to make the point about challenges in rural areas, particularly for those who might not have transport or who have low incomes. That is why health inequalities have to be tackled not only in urban areas but in other communities, and why programmes such as neighbourhood renewal funds are important.

On the hon. Gentleman's point about community hospitals, I cannot comment on his remarks about reversing cuts. One of the challenges is to meet the health needs of families, neighbourhoods and communities that are not getting the much closer and more personal health service that could make a difference and motivate them to consider aspects of their lifestyle that might affect their later years. One way of meeting that challenge is to examine the way in which some services could be provided closer to home.

My right hon. Friend the Secretary of State has said in recent debates that in areas where community hospitals or cottage hospitals have been identified for closure, it is important that the people involved in the planning arrangements take a hard look at the ways in which those hospitals could be refashioned or reorganised to provide services in the different ways suggested in the White Paper. I have taken part in a few Adjournment debates on this subject, and I am aware that some of the services being provided by the community hospitals are not necessarily the ones that most meet the needs of their community. It is important, whether in community hospitals or acute hospitals, to consider what is being provided and whether it meets people's needs. I hope that I have given the hon. Gentleman a full answer to his question.

Mr. David Drew (Stroud) (Lab/Co-op): May I say that my hon. Friend has got this absolutely right? One of the problems with rural areas is the disproportionate effect of funding being spread across the whole area and missing the pockets of real deprivation. This is made clear by the way in which some general practices operate. Will my hon. Friend take it from me that the best way to deal with this is—to use a horrible expression—to drill down and find out what the social and medical problems are in rural areas, and disproportionately to fund the people and places in greatest need? It is not fair that, too often, those people miss out because they do not have a voice. We hear the rhetoric that the funding is going to those people, but the reality is that it is not.

Caroline Flint: My hon. Friend makes an important point. One of the things that we can do at national level, in identifying this problem, is to ensure that the organisations that commission and provide services demonstrate how they are meeting the targets on health inequalities through the services that they provide and through the outcomes of those services. That is one way of incentivising local service providers, commissioners and GPs to understand the nature of the problems experienced by some of the people in their communities, and to look in different ways at the services needed to help us close the gap created by these inequalities.

Mr. Philip Hollobone (Kettering) (Con): In north Northamptonshire, alcohol misuse is becoming an increasing problem. Is tackling that problem moving up the Minister's list of priorities?

Caroline Flint: It is certainly there, along with a number of other issues, such as obesity and smoking. Alcohol is an interesting subject because there is evidence that its misuse takes place across different social classes. Yes, it is a problem for those in our poorest communities, but also for those who are better off. I am having discussions with the Ministers responsible for these matters in the Department for Culture, Media and Sport and the Home Office, and we are working with Ministers in the Department for Education and Skills on alcohol education in schools. We are also engaged in discussions with producers and retailers in the alcohol industry about what further information they could provide on packaging to inform people about safe levels of drinking. There is lot that we need to do to get people to understand the dangers. They might not think that they are drinking at an unsafe level, but, over time, they could develop real problems. This is an issue for young people, some of whom could have considerable health problems by the time they reach 30, if they do not reflect on the amount that they are drinking.

Several hon. Members *rose—*

Caroline Flint: I shall give way to my hon. Friend the Member for North-West Leicestershire (David Taylor), then to the hon. Member for Torridge and West Devon (Mr. Cox). Then I would like to make some progress.

David Taylor (North-West Leicestershire) (Lab/Co-op): I am grateful to my hon. Friend the Minister for giving way. One of the proudest achievements of our Government since 1997 is the establishment of the post of Minister with responsibility for public health, and a very successful one we have today, particularly in view of what happened earlier this week.

My hon. Friend has outlined a number of the significant gaps—between urban and rural areas, social classes, age groups, geographical areas and so on—but perhaps one of the most fundamental is a man-woman split. Will she say a little about the inequality that exists there in terms not only of the natural tendency of the male not necessarily to report or monitor his own health, but in some of the most fundamental diseases of all? An awful lot of investment has rightly gone into breast cancer, but less has gone into testicular and prostate cancer, where the outcomes for that extra £5 million, £10 million or £15 million would be even better. This is a difficult one, but what is she doing about it?

Caroline Flint: I am involved in a great deal of work with organisations such as the Men's Health Forum to consider how we can encourage men to think about their health, and we are also considering innovative ways to use pharmacies and others to reach hard-to-reach

groups whose members often do not come into GP surgeries. I understand that men are particularly guilty of that.

We are looking at other venues where it might be possible to get men to think about their health. For example, we have done some fantastic work with the Football Association and some good work is going on in football clubs up and down the country to engage men. Although men exclusively do not go to football, that is one way we can reach them.

I would like to say something further on the issue around gender, so I will come back to the hon. Member for Torridge and West Devon later. While we obviously need to look clearly at gender differences, there is some concern among women—we might be seeing some trends, as more women seem to be drinking more alcohol and smoking rates among women are also considerably high—that we need to address health issues arising from the change over the past 20 or 30 years in terms of taboos that existed for my grandmother and for my mother over women's lifestyles. I am not saying that that was all right or that it was rather judgmental, but there are consequences. We are seeing, because of that, some evidence that issues that were often seen as male health problems are starting to emerge among women as well. We must consider how best to deal with that too.

Mr. Geoffrey Cox (Torridge and West Devon) (Con): On the point relating to rural areas, does the Minister agree that the national weighted capitation strategy is plainly inherently biased towards urban areas? Its assessment of additional need adopts indices that are clearly not applicable to poverty in rural areas, to which the hon. Member for Stroud (Mr. Drew) referred. If it is inherently biased, and if the best method of capturing need in rural areas is being systematically missed, there will be increasing health inequality in rural communities. Is not that something that the Government should deal with urgently, and what is the Minister going to do about it?

Caroline Flint: The basis of funding to primary care trusts is determined on levels of need and issues around population are taken into account, but this is an area that we keep under review. To give an example from my constituency, which is semi-rural as it contains mining villages, we have benefited from money we got through the rural bus grant to have bus services provided for some of our outlying villages. That has given many people an opportunity to reach some of the services in Doncaster. That provision has helped and it is a good example as it involves health in terms not only of rural areas, but of how other Departments and those agencies closer to where people live—whether the local authority or the strategic transport executives—take these issues into account. The regional development agencies also have a role to play in looking at supporting infrastructure in our rural communities.

Mr. Lansley: This is an interesting point. Does the Minister agree that using ward-based data in relation to deprivation in rural areas such as her constituency might indicate high levels of deprivation there, while in many other rural areas such data do not do so because smaller numbers of relatively poor people are hidden by larger numbers of relatively wealthy people? One method of dealing with that is for the national health service in particular, given that it is building up through GPs an enormous database of morbidity—knowing how many asthmatics there are, knowing how many diabetics and the like—to transfer from assumed to real data.

Caroline Flint: Data are important for planning and commissioning. I have had interesting discussions about how some GPs are breaking down their practice areas, not just on a ward basis but street by street, to target services on those who are most in need, rather than getting in touch with everyone. Some exciting work has been done in rural and urban areas. For example, particular ethnic minorities have been targeted, because of certain health needs, to good effect. One of the Department's challenges is how to enable those who commission and plan services to use social intelligence better to construct services and gain better value for money through more precise targeting.

I am sure that the hon. Member for South Cambridgeshire (Mr. Lansley) would agree that, having given record funding to the NHS, our challenge is to demonstrate that best value for money is being achieved. My right hon. Friend the Secretary of State visited Dudley the other week where better-quality services are having much greater impact and better outcomes, from less money, than the old services used to provide. I visited a sexual health clinic off the Tottenham Court road only last week, which provided good examples of changing the way in which services are provided to improve access and save money. There is a 48-hour waiting time target for those services, which is challenging but which some providers are meeting. It is an exciting area, and those who are planning and want to provide services need to think about how to reach people in a more targeted way. If they do, we will have a much greater opportunity to close the health inequalities gap.

Mr. Blunt: Does the Minister agree that the gist of what she is saying is that the best way to address health inequalities, particularly those produced by social deprivation, is through first-class primary care services and community care hospitals, whereas the elderly population are more likely to need access to good critical care services? Does she accept that that is a reasonable definition?

Caroline Flint: In tackling health inequalities, it is critical to be clear which are the most vulnerable groups in the local community when it comes to suffering ill health. It is then a question of identifying the core components leading to those poor health outcomes. As to whether that is partly about changing what happens in the acute sector, there is probably room for improvement in hospitals. Provision in community hospitals is also part of the debate. But there are two other aspects. First, prevention can stop people getting ill in the first place or reduce illness. Secondly, people are living longer because technology has moved on and drugs are better, which is welcome—more people are surviving heart attacks and cancers. The question of provision for more long-term management of illnesses follows from that. Whether it should be done in hospital or in the community is open to debate. It is extremely

[Caroline Flint]

important, however, that we consider outcomes, focus on what we are attempting to deliver and show clearly that what we are doing works. We need to be as robust in arguing for the activities that we encourage and support, especially in the context of public health, as are those in the clinical sector when it comes to operations and medicines.

Siobhain McDonagh (Mitcham and Morden) (Lab): Does my hon. Friend agree that although the average 65-year-old has more health needs than a younger person, some over-65s are very healthy? Average life expectancy in East Elmbridge and Mid Surrey is over 81, nearly 10 years higher than the average life expectancy for men in Cricket Green in my constituency. If we want to reduce health inequalities, should health services be concentrated where there are healthy 70-year-olds or where there are people 10 years younger whose health needs are far greater?

Caroline Flint: My hon. Friend is right. As I have said, life expectancy is much lower in some parts of the country and in some parts of communities than it is elsewhere. I am pleased that many people are taking action to improve their health, and that should be encouraged. We should do as much as we can through the NHS to help people to help themselves and to make the right choices. We must also bear down on health inequalities, however, and recognise that they are not a case of "One size fits all". We need a much more targeted and focused way of addressing health inequalities among those who are most in need. We must direct services to their communities, so that they can be taken up easily. That will enable such people to change their lives in the same way as other, healthier people elsewhere.

We have recently added health inequality targets to our other health targets and incorporated them in the business of the NHS. As a number of Members have pointed out, the issue of health inequalities cannot just be tagged on to the work of the NHS; it must underpin that work. Our targets on heart disease, cancer and smoking now automatically include elements to reduce the health gap. I am pleased to say that we have already seen a 24.7 per cent. reduction in the heart disease gap, and a 9.4 per cent. reduction in the cancer gap.

Local action is the key to delivering our national programmes throughout England. That means engaging with local delivery partners such as local government, the local health service, the voluntary sector and community groups. Through improved NHS funding and the measures specified in "Choosing Health", the most disadvantaged areas, covering 28 per cent. of the population of England, received extra support and money to help them to tackle health inequalities. Those steps must be supported by measures that identify and reward performance and by other incentives that encourage action in both health and local government services.

Mr. Lansley: Will the Minister give way?

Caroline Flint: I have already accepted a number of interventions, but if I make enough progress I may give way to the hon. Gentleman later.

Health inequalities exist everywhere, but we continue to emphasise the importance of making faster progress among the most deprived groups. We have therefore identified the 70 local authority areas with the worst health and deprivation indicators—the spearhead group. That epitomises our targeted approach and allows the creation of innovative public health programmes, such as the healthy schools programme and the provision of health trainers. Services are being tailored to the needs of local communities, and barriers to healthy living are being removed.

Local government is a key partner. We have agreed with local government a shared priority for healthier communities and reduced health inequalities. For the first time local authorities will be assessed, as part of the comprehensive performance assessment, on the action that they are taking to reduce health inequalities. The ongoing local area agreement process has enabled local authorities to embrace the agenda in their areas with enthusiasm. The White Paper offered the opportunity for more joint appointments of public health directors and for joint commissioning. We have recently made dealing with health inequalities the first of six top priorities for the NHS and have signalled our commitment to performance-managing the NHS more closely. We are also sharing best practice in areas that are delivering with those that are under-performing.

Government programmes to tackle child poverty and bring about neighbourhood renewal form an integral part of our strategy, but we also need to empower individuals to seize responsibility for their own health by improving socio-economic factors, thus giving them a reason to live and helping them to change their lifestyles. In the "Choosing Health" White Paper, we introduced health trainers—a new type of personal health support. They will be visible and accessible to local people, living and working in the communities they serve and providing "support from next door". We have engaged with nearly half the NHS to deliver, from April 2006, NHS health trainers in the areas of highest need. Having listened to people's concerns, we responded by announcing in the recent White Paper—"Our Health, Our Care, Our Say"—our intention to introduce NHS "life checks" at different points in people's lives.

Mr. Lansley: I am grateful to the Minister for giving way, because this is precisely the issue on which I wanted to come in earlier. She is right to say that interventions must be rigorously examined in the same way as clinical procedures, which is one reason why the National Institute for Health and Clinical Excellence has taken over responsibility for such matters from the Health Development Agency. She will of course be able to quote the evidence that points directly to the need to appoint health trainers and to provide the life checks outlined in the recent White Paper.

Caroline Flint: The work on health trainers was developed by talking to those on the ground about how we can engage people who are not presenting themselves to services in the traditional way. We have asked— *[Interruption.]* I shall finish my sentence, if the hon. Member for South Cambridgeshire will allow me. We have asked different areas of the country to provide information on such services, and we will evaluate their impact. *[Interruption.]* Both the life check and health

trainer initiatives emerged from the White Paper consultation process. We will establish an expert stakeholder group, which will examine how the initiatives will work.

This is not about adding more checks—there are already opportunities for different checks—or adopting a one-size-fits-all approach; nor is it just about sickness: it is about health and finding a practical, non-burdensome way of engaging with people at different points in their life and getting them to think about their health. *[Interruption.]* For some people, relatively little action will be required. Many will be able to carry out a self-assessment and will need nothing more. But for others, a health check might be the spur for health providers to think about the services that they should provide, and for the individual to consider how their lifestyle is affecting their future health.

David Taylor: Is it not a bit much to have a constant stream of chuntering from Conservative Members while the Minister describes these initiatives? When they were in government, they denied the link between poverty and ill health. They suggested that elderly people should respond to fuel poverty simply by putting on an extra cardigan, and that people in northern constituencies such as hers should respond to an increase in the incidence of heart disease and other such illnesses by eating fewer chips. That is a very constructive and helpful public health policy, is it not?

Caroline Flint: No, it is not. In fact, under previous Conservative Administrations the term "health inequalities" was not used; instead, the Department was expected to use the phrase "variations in health".

Mr. Neil Turner (Wigan) (Lab): My constituency has a four-star authority, a three-star primary care trust and a three-star hospital trust. However, social services are seriously underfunded and the PCT is £10 million below its target figure. I realise that you recognise the problem of health inequalities, but can you indicate—

Mr. Deputy Speaker (Sir Michael Lord): Order. I gently remind the hon. Gentleman that he must use the correct parliamentary language when addressing a fellow Member.

Mr. Turner: I apologise, Mr. Deputy Speaker. What action will the Minister take to ensure that the funding inequalities experienced by the PCT itself and in its work with the local authority are addressed?

Caroline Flint: In areas where there is deprivation and various problems associated with a sizeable older population, the funding provided to local authorities and PCTs has taken such factors into account. However, there are opportunities for PCTs and local authorities to work more closely, and that needs to happen. We must also look at where resources are being directed, and decide whether they could be used differently to achieve better results. There are various good examples around the country of money being used better and achieving better outcomes. We do not micromanage the NHS from the centre, thank goodness, but we can give an oversight and provide access to the best information about what works. People like my hon. Friend and other colleagues will be able to use that information to ask their PCTs and local authorities why a system that produces results in other parts of the country is not being used to meet the challenges elsewhere.

I absolutely believe that it is very important not to underestimate the challenge posed by health inequalities. Our life expectancy target is deliberately challenging. We faced two problems when we set it—halting and then reversing a long-term trend. There is still a huge amount of work to be done, but I believe that the target is achievable, and am pleased to say that there are signs of positive change.

For example, 60 per cent. of the spearhead areas are making progress towards meeting the target and narrowing health inequalities. Of the 70 local authorities, 29 are on track to meet either the male or female elements of the target, and a further 13 are on track to meet both.

However, health inequalities are stubborn, persistent and difficult to change. Change will take time, but in our health and equality strategy we have identified a range of headline early-warning indicators, and other indicators. The most recent assessment of progress is set out in our status report published last August. Our latest robust data are for 2003, although of course work has been done since then. The figures show that health inequalities in respect of infant mortality and life expectancy were still widening, in line with the long-term trend. However, there are encouraging early signs of progress in key areas, such as reducing child poverty, improving housing quality and reducing inequalities in circulatory diseases.

As I said earlier, death rates from heart disease and strokes are falling. Importantly, the absolute gap between disadvantaged areas and the country as a whole has fallen by more than a fifth—22 per cent.—in the past six years. For example, a more targeted approach to tackling health inequalities among South Asian groups in Sheffield achieved a faster decline in heart disease mortality in deprived areas than in the rest of the city. The figures were 23 per cent. and 16 per cent., respectively.

We recognise that black and minority ethnic people experience inequality in health outcomes and in other social determinants of ill health. Therefore, we must also look at what is happening in our black and ethnic minority communities to make sure that the service is sensitive to the needs of the people who live there, irrespective of gender or ethnicity.

Mr. Charles Walker (Broxbourne) (Con): The Minister is being very generous in giving away again, but does she agree that mental health is one of the greatest areas of inequality? The high-profile areas such as heart disease and cancer get a lot of coverage and support, but mental health is almost forgotten and seems to lag behind. What message will she give me to take back to my charities in Waltham Cross and Cheshunt concerning the support that the Government will give to help them deliver services that are critically important?

Caroline Flint: The hon. Gentleman makes the very valid point that people who suffer from mental health

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problems often have other health problems that need to be attended to. They deserve to be focused on as much as anyone else in the health agenda, in terms both of prevention and of the provision of better services to meet their needs. However, we must ensure that other service providers—of housing, employment, education and so on—look hard at the different challenges that different groups face. As was mentioned in the debate the other week, people with mental health problems should certainly be able to feel that they have a right to be heard by those who provide other services.

Rosie Cooper (West Lancashire) (Lab): I agree with the hon. Member for Broxbourne (Mr. Walker) that some groups are denied access, with a resulting increase in health inequality. My example, which is analogous to the mental health example, is disability. My parents are deaf and from the age of four I used to do all the interpreting at any medical consultation that they had. The Government have done a tremendous job in tackling health inequalities—*[Interruption.]*

Mr. Deputy Speaker: Order. The hon. Lady is making a legitimate intervention. Perhaps she can make her point quickly.

Rosie Cooper: Thank you, Mr. Deputy Speaker. My point was that providing interpreting services or enabling teletext subtitle services on televisions help to get people such as my parents into hospital. My dad needed treatment, but when I arrived four hours later he was dressed to go home because he was bored and could not talk to anybody.

Caroline Flint: My hon. Friend makes an excellent point, sharing the experience of her parents who had hearing problems. When we identify services and needs, it is important that we engage with people such as my hon. Friend's parents to talk about their needs, instead of just assuming that we know best, we will provide something and patients will have to lump it. That is not what people want from their health service. If handled properly and correctly, such engagement will provide savings, as well as better health outcomes. If we do not do that early, we could be storing up an expensive problem for later down the line.

I have been frank about the fact that there is more to be done in tackling health inequalities. We have set ourselves a challenging agenda, but we are committed to delivering it so that every citizen, regardless of where they live, their social class, ethnic group, disability, or any other challenge that they face as individuals, can expect the same opportunities for—even if they may be delivered in different ways according to their needs—and expectations of, good health.

3.32 pm

Mr. Andrew Lansley (South Cambridgeshire) (Con): I am glad to have the opportunity to follow the Minister and contribute to this debate. I thank the Government for making time available for it. It may be at the periphery of parliamentary time, but it is on the Floor of the House and we appreciate that. I am not sure how long it has been since the subject of tackling health inequalities has been debated. The Minister did not say that it was the Government's intention to have regular debates on the issue, but I hope that it is. It is certainly one of the priorities that my right hon. Friend the Member for Witney (Mr. Cameron) set out for us at the beginning of the year.

It was the Government's intention to publish an annual status report on health inequalities, but the first report took two years. They said in July 2003 that the Department of Health would publish an annual report on health inequality indicators, related to the health inequality targets. The first was published in August 2005. A letter in the *British Medical Journal* in September described its publication as Labour's Black report moment, because it had been buried in the middle of August. Why did they do that? For the same reason that the Minister did not give the figures when I invited her to tell us the changes in the two national targets identified by the Government for measuring health inequalities. I do not see why not, because as she explained, the point of national targets is to focus people's attention on them, so it does not make much sense to publish them at a time when people will not notice them. Equally, if they are going in the wrong direction, the Government should be rigorous about what they will do to deal with that.

The figures are straightforward. The relative gap in life expectancy for men has increased by nearly 2 per cent. and for women by 5 per cent. The latest figures on infant mortality confirm the previously reported trend. Despite overall improvements, the relative gap between the routine and manual groups and the population as a whole has widened over recent years, since the target baseline. The overall infant mortality rate was five deaths per thousand live births, while the rate for those in routine and manual groups was six per thousand. In 2001 to 2003, the infant mortality rate in the latter group was 19 per cent. higher than in the total population; it was 16 per cent. higher in 2000 to 2002 and 13 per cent. higher in the baseline period, so the relative gap has widened—from 13 to 19 per cent.

The Minister said that it was important to look at the finer detail, but the detail she referred to showed things going in the right direction. However, the infant mortality rate among sole registrations—births registered only by the mother—rose to 7.4 per thousand live births, compared with 6.6 per cent. in 2002. In 2003, the mortality rate in the routine and manual social group rose to 6.1 per thousand, compared with 5.8 in 2002—an absolute rather than a relative rise in that one-year period.

Mr. Graham Stuart: Have not the Government failed to deal with health inequalities and is not that why they did not meet their promises? Does my hon. Friend agree that the Minister should tell the House that that will not happen again? If the Minister's top NHS priority truly is to tackle the appalling gap between the poorest and the better-off in our society, she must set targets and meet them, and report to the House not annually but every six months. That is what she should do, rather than giving us waffle and rhetoric, while people at the bottom of our society are all too often let down by the Government.

Mr. Lansley: I am grateful to my hon. Friend. In a nutshell, the burden of what I wanted to say is that, if

one is to deal with health inequalities, it is vital to focus on the relative gap between the most and least healthy, and between the richest and the poorest. It is not good enough to elide aggregate progress and relative failure. For example, the Minister—as Ministers always do—talked about the absolute reductions in mortality from cancer and coronary heart disease, on a trend that I am sure she will not deny was pretty well established in the latter part of the 1970s for coronary heart disease and the early 1980s for cancer.

The point is that in all such trends we need to look at mortality rates and find the real inequalities. We may be making considerable progress on cancer treatments, but the relative gap may be widening. At the same time, there are many deaths from lung disease, which the Minister did not mention. The British Thoracic Society tells us:

"There are three times as many deaths from respiratory disease that are associated with social inequalities ... than there are cancer deaths that are associated with social inequalities".

Social inequality in respect of the incidence of respiratory disease is much greater than that in respect of cancers. There is a gap. Eight times more deaths—3,800—are caused by respiratory disease as a result of social inequalities compared with the impact of such inequalities on coronary heart disease, which results in 500 deaths. The Minister did not mention this, but if people are talking about relative mortality rates and the things that bear on them to the greatest extent, they spend more time referring to lung disease than to cancers and coronary heart disease respectively.

Mr. Kevan Jones (North Durham) (Lab): I am impressed by the hon. Gentleman's conversion and that of the right hon. Member for Witney (Mr. Cameron) to noting the policy importance of this issue—something that has been ignored in the past. If he and the right hon. Gentleman are so committed to tackling this issue, will he support the extra funding that the Government have put into doing so? Will he also support directing extra funds to places such as North Durham and Easington in County Durham, which have some of the greatest problems with health inequalities? Would a Conservative Government support us if other hon. Members and I asked for extra money to go there, rather than to the leafy suburbs that many Conservative Members represent?

Mr. Lansley: I am not quite sure what evidence the hon. Gentleman has to back the idea that I have somehow been converted. If he goes back, for example, to before the general election to the opportunity that I took in September 2004 to set out our policies on public health, he will find that one of the first things that I did was to say that that was our top priority. I said—and I would have done it—that if I had become Secretary of Sate after the election, I would be Secretary of State for Public Health and when we debated health inequalities, the Secretary of State would be here, not an Under-Secretary of State. I made it clear that that focus on public health was intended to improve not just health outcomes for the whole population.

Mr. Jones: Will the hon. Gentleman give way?

Mr. Lansley: No. The hon. Gentleman will have to sit down.

The intention was not only to improve health outcomes in the whole population, but to increase the relative health of those who are poorest. Why did the Minister not just get up and say what the objective is? We agree that the objective of our policies is to improve the health outcomes of the people of this country and those of the poorest fastest. Why did the Minister not say that?

Caroline Flint: I did.

Mr. Lansley: The Minister did not say that. That is what must be done and she is confusing the aggregate data—it is astonishing that she carries on doing so—on whether we are making progress in improving the health outcomes of the whole population with the question of whether the poorest and the least healthy people in this country are improving their health faster than the rest of the population. They are not, and the Government should acknowledge that fact so that they can do something about it.

I asked some questions about evidence, which is central to the issue. If there are two things that have bedevilled the tackling of health inequalities, the first is that we just cannot agree about the causes. Of course, poverty is one of the causes. The hon. Member for North-West Leicestershire (David Taylor) made a rather absurd proposition about that and then left. Of course, there are many causes: poverty, poor housing, environment, family structures, education, ethnicity and genetics. Those are all causes.

Dr. Andrew Murrison (Westbury) (Con): That is right.

Mr. Lansley: Indeed, and we could say that there have been substantial shifts over recent generations. For example, one could go back 100 years when infectious disease led to 25 per cent. of the deaths in this country. The figure is now 1 per cent., and I hope it stays that way, touch wood. What lies at the heart of the debate is the fact that we must be aware—the Minister acknowledged this—that we must not only deal with those environmental issues and the physical and societal factors that cause ill health and inequality—

Mr. Kevan Jones: Poverty.

Mr. Lansley: I do not deny that poverty is included. The hon. Gentleman will be aware of the simple fact that the latest data in the family resources survey, which are from 2003–04, show that, in the lowest quintile by income, the ratio of the top to bottom quintile incomes has deteriorated compared with 1997–98. So not only are family incomes falling in the 2003–04 data, the situation of the poorest is slightly deteriorating compared with that of the richest. I do not know whether he wants to dispute that—maybe not.

The point that I was making is that if one takes the long view, which we have to do, those environmental factors, important as they are, are at risk of being overtaken by personal, behavioural factors. Even if we reduce income inequalities, reduce the number of people living in poor housing—as has happened—improve the environment and get rid of toxins in the air, which we have done because a Conservative Government introduced the Clean Air Act 1993, and eliminate or

[Mr. Lansley]

reduce the threat of infectious diseases, behavioural issues may still mean that some health inequalities are intractable and not reduced.

In some parts of the population obesity rates may be higher, drug taking may be higher, smoking may be more prevalent, alcohol intake may be higher and sexual health may be worse. *[Interruption.]* I do not dispute that the Minister said all these things. We have to focus on them and part of the purpose of today's debate is to try to get some agreement about the necessity of acting on both sides of the equation. In the past it has tended to be the case that Labour Members talk excessively about the environmental, physical and economic factors, and Conservative Members talk rather more about the behavioural factors. We must acknowledge that we have to do both, and make progress on both. We must also be aware that, over time, those behavioural factors have begun to show how intractable health inequalities are.

The hon. Member for North Durham (Mr. Jones) asked about more money for Easington. Easington has more money. I cannot remember the precise figure, but it is about £1,200 per head for the primary care trust, and the figure in my constituency is £880, so Easington is getting more money. If shifting resources within the NHS were the answer to health inequalities, Scotland would be very healthy. The Minister did not mention this, but the lowest life expectancy in this country is in Glasgow, at 69.1 years for men compared with 80.1 years for men in East Dorset. I am not aware that East Dorset is thick with NHS resources.

Mr. Jones: It was interesting to hear what the hon. Gentleman said about behaviour, but inequalities in parts of my constituency and other parts of the Durham coalfield were caused by the last Conservative Government.

Mr. Stephen O'Brien (Eddisbury) (Con): Rubbish.

Mr. Jones: The hon. Gentleman may say that but, overnight, villages lost their economic heart, so there was increased worklessness, and things such as drug taking increased. I am sorry, but the hon. Member for South Cambridgeshire (Mr. Lansley) cannot stand here today and say that that Government do not have some responsibility for the poor health and inequalities that still exist in some of the former mining villages in County Durham.

Mr. Lansley: I am not sure that the hon. Gentleman heard me say that the last Conservative Government had no responsibilities. Did I say that? Perhaps he would like to demonstrate where I said that.

Mr. Jones: Is the hon. Gentleman then prepared to apologise to individuals and villages in the north Durham coalfield and other parts of County Durham for the last Conservative Government?

Mr. Lansley: I will certainly apologise for the fact that health inequalities did not narrow more under the last Conservative Government if the Minister will get up and apologise for the fact that health inequalities have widened since 1997. She is not going to do that, as the hon. Gentleman knows. I will not apologise—I have come across this point before—for what the last Conservative Government did. As it happens, I was not a politician at the time but a civil servant, and I stood next to Norman Tebbit when he signed the deal with Nissan to bring that business to Sunderland. The transformation of the north-east economy did not happen post-1997; it began in the mid-1980s. I know, because I was there.

If we are to tackle health inequalities, we must be aware of the serious problems coming down the line. The Minister referred, for example, to the incidence of smoking among young women. There is also the increase in consumption of alcohol among young women. I was talking recently to Professor Roger Williams, who treated George Best. He is seeing in his surgeries young people, and increasingly young women, who have liver disease which to all intents and purposes is irreversible. That will be an enormous burden of mortality and morbidity in years to come.

At the rate we are going, obesity will in three or four years overtake smoking as the principal cause of avoidable death in this country. The Minister will know that over the past 10 years—before the hon. Member for North Durham chastises me, this is not a trend that was established in 1997, although it has continued over the past eight years—the proportion of our population that is obese has risen from 16 per cent. for men and 13 per cent. for women to 26 per cent. for both women and men. Our children are getting fatter faster than any other children in western Europe.

If that does not change, we will have an epidemic of weight-related diseases such as diabetes, stroke and heart disease; we will have an epidemic of mental health problems as a result of drug abuse; we will have an epidemic of liver disease as a result of the consumption of alcohol; and we will have an epidemic of infertility and related disease—pancreatic inflammation in respect of chlamydia and related sexually transmitted infections. The Minister did not mention the fact that the number of sexually transmitted infections has doubled over recent years. These things have to be tackled.

The Minister did not talk either about the structure of public health services. One of the things that I said before the election was that we needed a new structure. We must ensure that the focus is institutional and financial as well as political, and it is not at the moment. There may be professional leadership from the chief medical officer—even if he had to fight Ministers in order to get through his view on smoking—but the service is not integrated. We have the functions of the chief medical officer on the one hand and those of the Health Protection Agency on the other. Out in the field, directors of public health in primary care trusts must be tearing their hair out trying to get public health messages through the chaos and noise of PCT reconfiguration. Before the PCT restructuring was mooted by the Government, directors of public health found their priorities pushed to the margin, with the single exception of stop-smoking services, to which the Government attached a target.

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): Will the hon. Gentleman comment on the joint

public health director of the PCT and the local authority in Hull, who has been able to get out a clear message to the local authority and health services in the area to promote things such as healthy school meals? We have free healthy school meals in all our primary schools, which leads to the issue of obesity which the hon. Gentleman mentioned. That is a positive thing, which Labour has delivered.

Mr. Lansley: I am grateful to the hon. Lady for mentioning that point. She clearly has not read, and should read, Conservative party policy at the last election. It was the Conservative party's policy—my policy—that we should have jointly appointed directors of public health between the NHS and local government. *[Interruption.]* Is the Minister saying that that is now her policy? It is not actually her policy. It is happening in some places and it is welcome, but it should be a policy. We are here to debate the Government's policy and not what is happening only in some places.

Health improvement and preventive services are patchy in quality and variable in coverage across the country. That is not me saying that; the Government were saying that in their "Choosing Health" White Paper in November 2004. Why is that so? It is because there is no distinct, discrete organisational function or financial structure that ensures that public health is focused in individual localities. The Government do not even know how much money is spent on public health. They cannot measure it because it has been absorbed into primary care trust allocations. I have asked how much is being spent, but I have not received a reply. We also need evidence, and I have asked the Minister about the evidence for the things that were being thrown like bones to the press before the publication of the recent White Paper.

Surely health action zones were intended to be part of the piloting of innovative mechanisms for delivering improved public health and a reduction in health inequalities. Some Members no doubt remember the setting up of 26 health action zones across the country. Can the Minister tell me what happened to them and what the results were? The concluding comment in a draft report on the national evaluation of health action zones—it says that it is not for quotation, but I will quote from it—states:

> "It remains to be seen whether these will impact on health inequalities in the longer term."

I will not try to quote from the rest of the report, because it is rather difficult to disentangle, but the thrust of it is that it is vital to influence the mainstream—something that was not done—and that, if one is going to achieve these things, it is vital to have a focus that is not interfered with by constant diktats on priorities from the Department of Health. Health action zones were not free of such interference, and were constantly being told what to do by the Department of Health.

Health action zones were set up as a gimmick, and the poor people charged with running them found that the zones were marginalised. There were other priorities and, in the end, the evaluation did not show that the zones had had much impact. That is the nature of the Government's approach—it is one gimmick after another. The Government announced lifestyle checks in the press prior to the publication of the White Paper, and the implication was that they were going to be of immense benefit. On every occasion that we have mentioned them, Ministers, including the Under-Secretary, have moved closer and closer to the proposition that they consist simply of reminding people at certain points to think whether they need to visit their doctor, and no more than that.

A great deal could be done that would be beneficial—and I keep telling Ministers so—but not necessarily at the age of 11, 18 or 50. If Ministers believe in the checks, where are the school nurses? The hon. Member for Kingston upon Hull, North (Ms Johnson) mentioned the initiatives that have been taken in Hull, but where are the school nurses that should be in every school so that health services have a consistent visible presence for young people between the ages of 11 and 18, and, indeed, under 11, and can encourage them to understand how they can improve their health and to understand the risks that they run. Those are precisely the things that impact on behaviour, and which are important in the most deprived areas of this country if we are to change the behaviour of young people in those areas.

Rosie Cooper: I wonder whether the hon. Gentleman has heard of Healthworks and various programmes operated by the St. Helens and Knowsley primary care trusts. They operate what some people would describe as fitness checks. Others might call them very quick medicals. People are tested for their weight, cholesterol and various other things. Those tests give an indicative view of whether they should go to see their doctor. They do not take place in a surgery. In Knowsley, they take innovative form, as they take place in working men's clubs and youth clubs. The people involved in the programmes are attacking the health inequalities. That is the kind of thing that we need to push.

Mr. Lansley: Of course we need to reach out. Perhaps the hon. Lady was not in the Chamber when we discussed the White Paper when I said that the pharmacy contract was a very good example of such initiatives. It is perfectly possible for pharmacies to offer a range of opportunities, including cholesterol, chlamydia and blood sugar tests. I have seen, for example, what Lloyds pharmacy has done to promote diabetic testing among south Asian groups. There are many opportunities for such tests, and the pharmacy contract permits them. The problem is that the primary care trusts are not commissioning them. Pharmacies are keen to offer testing. That would be particularly beneficial for men, who go into pharmacies for various reasons. Given the large disproportion between women attending GPs' surgeries and men attending GPs' surgeries in the middle years of life, that would be a good way of offering men health tests. It is important that that is done.

The record that the Government published in mid-August last year shows a failure to achieve their national targets. They have not failed in every respect, but there are too many trends in the wrong direction. There are as many negative warning signals as positive ones. An improved public health structure is vital to overcome that.

Health inequalities include not only inequalities of outcome, but inequalities of access, which must be removed. There, too, the Government have recorded a

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significant level of failure. It would be excessive for me to list them all, so I shall highlight a few examples, such as the availability of drugs. There are inequalities in the availability of specific drugs such as Herceptin not only between primary care trusts in England, but between England and Scotland in respect of that and other cancer drugs.

There is also a substantial disparity between the United Kingdom and other countries. Not least because of the work of Cancer Research UK and other cancer charities, we have more and, I would argue, better cancer research than almost any other country in Europe, but is our take-up of cancer drugs in this country comparable to that in other European countries? No. We are slower to take up new drugs. That is deeply offensive to people in the UK. They contribute more than £40 million a year to cancer research, but the benefits of that do not flow through as fast as in other countries, unless people are willing to pay for treatment themselves.

There are disparities in access to dentistry. In my constituency there are virtually no opportunities to register with NHS dentists, and that is true of many other constituencies across the country. We have disparities in access to health services. We heard from my hon. Friend the Member for Beverley and Holderness (Mr. Stuart) about community hospitals being shut down. That was happening but has been reversed, under the campaigning pressure that we brought to bear, but those hospitals are still not safe by any means. Especially for people in rural communities the length and breadth of the country, those hospitals—

Ann Winterton: I am grateful to my hon. Friend for raising that matter. It is vital for my constituency, which is predominantly rural—not just farmhouses dotted round the countryside, but small towns and large villages, where access to services at the district general hospital will be jeopardised by the future health care programme. Maternity, obstetrics, paediatrics and children's services may be removed in an area where one in six people does not own a car and there is no meaningful transport. Is that not another example of health inequalities between the rural and the urban areas?

Mr. Lansley: My hon. Friend is right. We must address such inequalities of access and, like so many of the problems that we are discussing, that is not achieved merely through changes in the NHS. A wider range of changes are needed to tackle rural issues.At the outset, the Minister mentioned Sir Donald Acheson's report of 1998. Of 39 recommendations in the report, only three were directed to the national health service, so the problem goes wider than that.

In our earlier exchange about resource allocation, the Minister made some perfectly fair points but she did not answer the question. Resource allocation is still being decided across the country on the basis of assumed and aggregated data in respect of deprivation and age. We increasingly have data that would allow known morbidity in a community to be the basis on which NHS resources are allocated. I hope that the advisory committee on resource allocation will start to make those changes. That would make an enormous difference to many parts of the country.

At the same time, we should isolate the resources that have to go to any community to provide good-quality services to meet the levels of mortality and morbidity that are occurring in those places, and, as distinct from that, recognise the need for separate allocated resources to impact upon health inequalities and poor outcomes arising from a wide range of factors. That separation was part of our policy at the last election, and I am still convinced that it is right to have dedicated public health resources. Otherwise, we end up in the current situation, with, for example, dramatic disparities between the allocation of resources in England, Scotland and Wales. Because those resources are not necessarily being directed to public health outcomes in some places, they are not necessarily delivering the best health outcomes.

I saw an example of that when I was in Manchester last week. Hope hospital in Salford is taking large numbers of referrals from Northern Ireland, with referral letters going back to 2001. Northern Ireland does not have small amounts of money going into it for the provision of hospital services—it is just that it is extraordinarily inefficiently provided. It is evident that the shifting of resources across the country is not reducing inequalities of access or of outcome. It is all about delivering a reformed system.

Mr. Cox: My hon. Friend may be aware of the report commissioned by the Department for Environment, Food and Rural Affairs in December 2004, in which the Institute of Rural Health reported on a survey of various agencies responsible for the collection of data from which funding decisions would subsequently be made. It said that the majority had no idea that they should be looking at rurality factors or collecting data against the definition of rurality, and were not gathering information that enabled anybody to distinguish between rural and urban areas and thus to make fair decisions for rural areas.

Mr. Lansley: I am grateful to my hon. Friend. I do recall that. My hon. Friend the Member for Westbury (Dr. Murrison) has published some material of his own on how we could deal with rural health problems and inequalities of access.

The principle of evaluating policies for their impact on health inequalities is established in theory, but it has to be carried out in practice—it is a rigorous process. Technically speaking, that is what the Acheson report recommended. I am not sure how well that has gone recently, given the inclusion of the Airdrie and Shotts provisions in the Health Bill at the end of last year.

Inequalities of access need to be tackled. The Government were right to point in their White Paper to the wide disparity in the availability of GPs in different parts of the country relative to their populations. I was entertained and impressed by the article from Simon Stevens, a former adviser at No. 10, who said that the language used in the White Paper exactly mirrored that used in 1920 in relation to the distribution of doctors across the country. These are intractable problems, but we have to tackle them—I make no bones about that. We have to ensure the availability of services in the

community, notwithstanding whether GPs want to be self-employed principals in general practice in some parts of the country.

I want to close with one further thought. As I said earlier, it is always invidious to try to single out major disease groups, but the Government, right at the start of their time in office, singled out cancers and coronary heart disease. I know why they did it, and it was not a dishonourable thing to have done, as cancers and coronary heart disease were the largest and most avoidable killers. However, the time has come for there to be a wider range of clinical priorities and for their distribution to be much more determined by clinicians, practitioners and professionals than to be dictated by a narrow range of Government targets. Stroke is a classic illustration of that. The National Audit Office report identified many things that could be done today that would not only deliver substantial improvements but save more than 500 lives a year. That is the same number of lives that we set out to save in the Health Bill on Tuesday as a result of the changes to smoking. If the NHS took some of the necessary measures, such as immediate CT scans, 500 lives could be saved today. That would save the NHS money. It would not cost it any more; it would not only be value for money but would reduce the cost of treatment. The same, as I said, is true for lung disease and the availability of pulmonary rehabilitation, for example.

Such matters have to be dealt with, but for lung disease—for all that chronic obstructive pulmonary disease is a real killer—the disparities are striking. I was astonished to read that in the north and west mortality rates are 30 per cent. above the national average; in the south they are 30 per cent. below the average. Those are massive disparities. *[Interruption.]* Well, if the hon. Member for North Durham knows that, why is it not on the Government's priority list? Why is there no national service framework, since that is supposed to be how the Government have addressed such matters over the years? Why is the British Thoracic Society having to argue for a national service framework? Why has no national clinical director dealing with respiratory diseases been given the status of others? Why is there not pulmonary rehabilitation? Why do we not have routine spirometry in GP practices? If the hon. Gentleman wants those things to happen, why did he not intervene on the Minister to ask for them rather than intervening on me?

Mr. Kevan Jones: I will not take any lessons from the Conservative party on COPD. The Government put in place the most generous compensation package for those miners whose health was ruined while the hon. Gentleman's Government refused to settle those claims for many years. It is a bit rich if he is trying to say that now.

Mr. Lansley: The hon. Gentleman should understand that I am not asking him to take lessons from me, but from the British Thoracic Society. I am sure that even those former miners would take the view that the fact that they have been given compensation does not mean that they should not receive the highest quality health services. Of course they should, and that is what we are arguing for.

To tackle health inequalities we require a focus on the evidence of the disease group from which those inequalities come, on the behavioural and environmental factors and on an understanding that relative inequalities will not necessarily be overcome, even if at the same time we—like countries across the world—improve aggregate health outcomes. As in the debate about Herceptin, if it is a national health service, the national part demands equitable access to services. It should not be distorted by the centre's failure to understand what clinical criteria should be applied on a consensual basis or by distorted funding from the Government to try to advantage some areas of the country. If we do all those things and improve the public health environment, I hope that in years to come a new Conservative Government will bring our reports back to the House and show that we have tackled and reduced health inequality.

4.13 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): I am pleased that the subject of today's debate is tackling health inequalities because I have tried to address that issue in my constituency since my election in 1997. I have had first-hand knowledge of the Government's commitment to confronting and dealing with inequalities. Last week, more than 250 people from two council wards in the south of my constituency braved a freezing February evening to attend a small reception hosted by the London borough of Merton and me to thank my right hon. Friend the Secretary of State for saving their local general hospital, St. Helier. They wanted to thank her for listening to their concerns. Many were elderly or infirm and they had suffered for years as a result of inequalities in the health service, but they wanted to celebrate because they were so delighted that the health establishment's decision about where to locate a new hospital had been overruled in order to tackle health inequalities.

Inequalities in health care had become virtually unchallengeable by the end of 18 years of Conservative Government. My constituency is one of the most disadvantaged in our strategic health authority's catchment area, with some of the greatest health needs, yet through the 1980s and 1990s, when the axe had to fall, it was my constituency that suffered the cuts. As a local councillor, I spent many years campaigning against plans to close our local community hospital, the Wilson hospital in Mitcham. I led thousands of campaigners in the fight against the local authority, but eventually the Tories won and Mitcham and Morden lost its last community hospital. Thankfully, the campaign to reopen the Wilson has carried on, and now, eight years after Labour came to power, we have learned that we are finally going to get our Wilson back. The Wilson is only one example of how the health establishment targeted Mitcham and Morden. In the past few months, we have uncovered secret local authority plans, dating back to the mid-1990s, in which the authority proposed to close our nearest general hospital, St. Helier. Thankfully, it was unable to do so before Labour came to power.

The health establishment has scorned Mitcham and Morden for many years, and even now, despite many complaints from me, there is still no one who lives in Mitcham and Morden on any of the NHS boards that

[Siobhain McDonagh]

make decisions about the lives of the people living there. So I should not have been surprised when St. Helier came under threat again more recently. It was saved only after the intervention of my right hon. Friend the Secretary of State for Health.This is a salutary tale. St. Helier is not actually in my constituency, but it serves half my constituents. It is part of the Epsom and St. Helier University Hospitals NHS Trust, which covers Merton, Sutton, Epsom and beyond, and which was created when Epsom hospital got into financial difficulties and merged with St. Helier in the 1990s. Epsom hospital had been struggling for some time, and the health authority decided to look at remodelling health care so that there would be one main hospital and several smaller community hospitals.

The health authority argued that the site of the main hospital—the critical care hospital—was not important, as the community hospitals would take most of the people who normally go to hospital. A public consultation took place to determine whether there was agreement with the proposals, and it soon became clear that the main issue would be where to put the critical care hospital, which would house the area's accident and emergency services and acute services such as maternity and obstetrics.

My view is that the people who need critical care services the most are those who are the most disadvantaged and have the worst health. There is a strong link between social disadvantage, the need for emergency services, and health problems such as low birth weight and teenage pregnancy. As the vast majority of those with the greatest health needs live near St. Helier, I felt that having the critical care hospital there would be the best way to reduce health inequalities. Initially, the health establishment agreed—in its original assessment, it gave St. Helier a 7 per cent. higher score than a Sutton hospital site in Belmont.

The public seemed to agree, following the consultation. Although fewer people from disadvantaged areas take part in public consultations, and although my own surveys were repeatedly ignored, St. Helier emerged as the top choice among the public for the location of the critical care hospital. However, last January, local NHS managers voted to overturn the views of residents and to build a new critical care hospital in Belmont, a very well-to-do suburb in Surrey. That decision meant that St. Helier would lose its accident and emergency, maternity and other critical care services. Belmont is one of the wealthiest areas in the country and people living close to it have very high life expectancy, very good access to health care and very high levels of private health care.

Mr. Blunt: I am grateful to the hon. Lady for giving way. This might not be the last time that I seek to intervene on her, because the issue that she has raised affects half my constituents as well. Does she accept that the critical care hospital is going to have to serve 500,000 people, which is rather more than the populations of her constituency and mine put together, by some margin? Will she also explain to the House what particular health expertise she brings, given the advice that she has consistently been given by people involved in this exercise? That advice to the hon. Lady was summed up in this way:

"I am sorry we continue to fail to convince you that the local care hospitals will be a far more significant influence on addressing the acknowledged problems of health needs in your area than ever the Critical Care Hospital would be."

The result of her intervention, and the Secretary of State's decision, is that her constituents will not have a community care hospital addressing health inequalities; instead, they will get a critical care hospital that addresses the needs of 500,000 people.

Siobhain McDonagh: My experience, as of Monday, is 46 years of living in the constituency, being a councillor for 18 years and being MP for the constituency for the past eight years. My experience is the same as anybody could have. I am willing to take any Member who is in the Chamber in my car to see my area and that represented by the hon. Member for Reigate (Mr. Blunt). Hon. Members will not need to be health professionals to see the differences.

Out of the 174 super-output areas covered by the East Elmbridge and Mid Surrey primary care trust, which covers the hon. Gentleman's constituency, only eight are below average in the index of multiple deprivation. I have counted at least 50 within just 3 miles of St. Helier hospital. I leave it to Members to judge whether the decision on locating a hospital should be based on 50 areas within 3 miles of a hospital or the eight within a PCT.

Mr. Kevan Jones: Does my hon. Friend agree that one important thing in tackling health inequality is enabling residents to sit on PCT boards and health boards? Unfortunately, the Government have made a big mistake by setting up the NHS Appointments Commission, which is leading to self-perpetuating medical bureaucracies, which in turn lead to nonsensical decisions that ignore clear need among local people.

Siobhain McDonagh: I fear that I agree with my hon. Friend that we have a real problem over who is on boards, who they represent and how representative they are. I cite my constituency as a prime example of that.

Rosie Cooper: If PCTs go on to be foundation trusts and have their boards of governors, or membership councils, that deficit will be sorted out.

Siobhain McDonagh: I agree with my hon. Friend, as I was a prime supporter of foundation hospitals precisely because of my constituency experience. This is the only way that people from Mitcham and Morden will get on any board of any hospital or health organisation in my area. Despite the fact—*[Interruption.]* I am always slightly overwhelmed by the condescension with which people's views are treated in this Chamber. I have first-hand experience of my constituency and how the health service works.

The decision was taken despite the fact that the area around St. Helier has the greatest health needs in the catchment area and the fact that people living there have up to 10 years less life expectancy than others. It was taken despite the fact that people living near St. Helier are the least likely to have a car and the most likely to need to go to hospital. It was taken despite the fact that those in the catchment area could reach St. Helier well within the critical golden hour that our health experts

agree is crucial to survival, and despite the fact that more people could get to St. Helier within 20 minutes than to Belmont, and St. Helier has far better public transport.

Indeed, in looking at health inequalities, the programme board did not even consider access to a private car against access to public transport. In no example was the need for public transport ever taken into account. Losing those services from St. Helier would have affected not only the people in my constituency who need that hospital, but the other half of the area and the rest of south-west London because of the untenable pressure that would have been put on St. George's hospital, leading to even worse health services in another socially-disadvantaged area of south London.

Due to the harm that would be done by health inequalities if Belmont was the location of the new critical care hospital rather than St. Helier, Merton council called in the decision. The issue of health inequalities did not seem important to the local health establishment. It did not even minute letters it received from 4,000 people back in 2003, saying that the most important thing when deciding where to locate health services is health needs. It allowed only 5 per cent. of its decision on where to put the critical care hospital to be based on health inequalities.

Then, to rub salt into the wounds, the health establishment scored St. Helier at 33 per cent. on health inequalities—just 3 per cent. higher than Belmont—yet the area around St. Helier has the lowest life expectancy, the most emergency admissions, the highest accident rate among children, the lowest level of general good health, the most people with long-term illness, the most babies born with low birth weights, the most people without access to primary care, the lowest incomes, the largest black and ethnic minority population, and the least likelihood of owning a car. Apparently, all of that was worth only 3 per cent. to the health establishment.

It would have been cheapest for patients if the hospital were at St. Helier, but that was not addressed by the health establishment either, even though Government rules say that the cost to patients must be included in its plans. Even the health establishment admitted that were the Belmont site chosen, people living in seven of the 10 most deprived postcodes in the region would have to travel further than they do at the moment. Despite public agreement and all the evidence supporting St. Helier, the health establishment discovered new evidence, which has since been discredited, and decided unilaterally to remove services from St. Helier.

In the face of that, the Government have demonstrated once and for all, to the whole NHS, that health inequalities matter. Merton council was brave to take on the powers that be and refer the decision to the Secretary of State, who was also brave, because she must have been under a lot of pressure from the health establishment, and the decision must have been close. She has come down firmly on the side of reducing health inequalities, however.

Mr. Blunt: I will address some of these issues if I have the opportunity to catch your eye later, Mr. Deputy Speaker. The hon. Lady has not addressed the central point of whether a critical care hospital that has to address the needs of half a million people is the appropriate vehicle for addressing health inequalities when the choice is between that and a community care hospital.

Siobhain McDonagh: If I had the opportunity, I would ask the hon. Gentleman how many super-output areas in his constituency are in the most deprived quarter in England in the index of multiple deprivation. I understand that there are none in the whole county of Surrey. In fact, there are more super-output areas in Surrey in England's most affluent 0.5 per cent. than in the whole of the bottom 50 per cent. I would have thought that he would agree that just because inequality in Surrey means inequality between the fabulously wealthy and the merely well-off, that does not mean that Surrey needs better health services than constituencies such as mine, where the inequalities are between the poor and those who just get by.

Mr. Blunt: The hon. Lady should not seek to characterise my constituency, which she plainly does not know. In my constituency, Merstham and Preston—which will become part of the Reigate constituency after the next general election—are the two most deprived wards in Surrey, and the people who live there face particular social and economic challenges. If she knew my constituency better, she would not make such remarks. We all come to this place to represent the interests of our constituents—

Mr. Deputy Speaker: Order. I am sure that the whole House is interested in this exchange, but the hon. Gentleman seeks to catch my eye, and might do so later, so I suggest that he contains himself until then.

Siobhain McDonagh: I do not wish to test your patience, Mr. Deputy Speaker, but I said that there are no super-output areas in the hon. Gentleman's constituency that fall into the bottom quarter of wards in the multiple deprivation index. While I understand completely that some less-well-off areas in his constituency face challenges, those challenges are nothing like those faced in my constituency.

The 250 people who came to our celebration wanted to thank my right hon. Friend the Secretary of State for Health for her decision. They wanted to thank her for caring about the tens of thousands of people from disadvantaged areas whose health will now be improved by having a brand new hospital on their doorstep in St. Helier. That is why I am grateful for this opportunity to pass on the thanks of my constituents to the Government for being serious about tackling health inequalities.

4.29 pm

Stephen Williams (Bristol, West) (LD): We have had a wide-ranging debate, although we have focused rather narrowly on Surrey in the past 20 minutes or so. I want to go back to where we left off on Tuesday night, when, collectively, we made probably the biggest advance in public health legislation for decades by passing a full ban on smoking.

The prevalence rates for smoking are illustrative of the wider health inequalities that exist throughout society. I looked at the statistics for the south-west of

[Stephen Williams]

England. The highest prevalence of smoking is in my own city of Bristol, where it is 33 per cent., and the lowest is in an area that has been mentioned several times today, east Dorset, where it is 20 per cent. There are also great variations within areas. In the Henleaze ward in my constituency the figure is 12 per cent., while in the Knowle West ward, in Bristol, South, the constituency of the Paymaster General, it is as high as 56 per cent. Those wards are only about two and a half miles from each other. There is an enormous variation in quite a small geographic area. In broadly middle-class parts of the city, the prevalence of smoking is below 20 per cent. In working-class or deprived communities it is always over 40 per cent., and in some areas over 50 per cent. Throughout the city, the rates are higher among men than among women.

Perhaps the key vote on Tuesday night was on whether we should remove the exemption for private members' clubs. Several Members, mainly but not exclusively Conservative, said that attendance at a private club was a matter of choice. Had I been called to speak, I would have said that where people go in the evenings is often not a matter of choice. In many parts of the country, particularly south Wales, where I grew up, going to a private members' club rather than a pub is the norm. If we had not removed that exemption, health inequalities in such areas would have widened rather than narrowing.

Mr. Lansley: The prevalence of smoking is probably higher in Liverpool. Did the hon. Gentleman note that the Minister of State, Department of Health voted for the exemption?

Stephen Williams: That is interesting. I assume that the hon. Gentleman is referring to the right hon. Member for Liverpool, Wavertree (Jane Kennedy). I admit that I did not note that she voted for the exemption, but I am sure that the people of Liverpool will take careful note. As the hon. Gentleman will know, an excellent organisation called Smokefree Liverpool is promoting a private Bill to impose a full smoking ban throughout Liverpool—of course, it will not now be necessary—led by Liberal Democrat-controlled Liverpool city council.

Health outcomes are not always a matter of choice. They are often related to the accident of where people were born, their family circumstances, the occupation of family members, the housing in which they were brought up and the degree of poverty in their household. The hon. Member for South Cambridgeshire (Mr. Lansley) quoted from a briefing that I too received, from the British Thoracic Society, about chronic pulmonary diseases such as bronchitis, emphysema and asthma. Those diseases can often be linked with occupations in declining industrial areas. It is a complicated picture.

Mr. Kevan Jones: In the days when I dealt with the tobacco industry, the great city of Bristol was a major producer of cigarettes. Might there not be a connection between the high incidence of smoking in the city and the manufacture of cigarettes there? Will the hon. Gentleman be calling for the closing down of the tobacco industry in Bristol?

Stephen Williams: It is often dangerous to presume too much knowledge of areas represented by other Members. I do not know the hon. Gentleman's constituency, but I am sure that he knows more about occupational patterns there than I do. The smoking industry in Bristol went into decline a long time ago. I think that only very expensive top-of-the-range cigars are still produced in south Bristol, although the world headquarters of Imperial Tobacco is still there. The white-collar jobs remain in the Bristol cigarette industry, but the blue-collar jobs do not. The hon. Gentleman is partly right, however: the incidence of smoking in south Bristol can, to an extent, be linked with the fact that workers in the Wills factories were given free cigarettes almost as part of their pay.

What we did on Tuesday night to eliminate smoking in public places represents a big step towards narrowing health inequalities, but there is still much to be done. We need to deal with alcohol consumption, poor diet and other contributors to ill health.

One thing that has not been mentioned so far today is the location of health care services. The recent White Paper on community services contains an interesting section on what the Government call "under-doctored areas"—a phrase that I had not heard before. It includes a table showing the bottom 10 per cent. of areas in England in terms of the number of general practitioners per 100,000 of population. North Manchester PCT has 41, and Wigan PCT and Blackpool PCT each have 45. The accompanying map shows a clustering of low-level GP services in the north-west, south Yorkshire and Tyneside. Of course, they are the areas of greatest general deprivation in England, and they also have some of the worst health outcomes.

However, this is not just a north-south phenomenon. As is often quoted, Hastings is a pocket of poverty and deprivation on the south coast, so it is no surprise to discover that it has a GP rate of 46 per 100,000 people—a figure that matches those for the north of England. According to the Department of Health, a GP rate of 58 per 100,000 people constitutes under-doctoring. On comparing PCTs across the country, it is clear that rural and more prosperous urban areas have twice as many GPs per head of population as the bottom 10 per cent. of areas that I just mentioned. Interestingly, that distribution has not really changed since the NHS was formed in the 1940s. So Aneurin Bevan's vision of a health centre for every community in the country is still not that close to being realised, 60 years after he pioneered his service.

There is, therefore, a correlation between a low concentration of GPs and the worst health outcomes. Given that the general trend of the White Paper is to move the focus of health care away from secondary and toward primary care—and, we hope, toward preventive care as well—it is all the more important, as we undertake that switch, that PCTs with under-doctored areas be given the incentives and resources that they need to ensure that everyone has access to a GP.

As the hon. Member for North-West Leicestershire (David Taylor)—he is no longer in his place—said earlier, men are notoriously reluctant to visit their

doctor. Teenage boys are often taken reluctantly to the doctor by their mothers, and men are often pressured into going by their partners. It is true that in many ways, men can be their own worst enemies, and not only in terms of visiting GPs. Men are three times more likely than women to become an alcoholic, and four times more likely to have a drug addiction. They are also more likely to be obese and to smoke. As the hon. Member for South Cambridgeshire said earlier, we should not overlook our responsibilities in this regard. It is not simply a question of the Government providing services; we must all behave responsibility. None the less, according to the most recent figures from the Office for National Statistics, male life expectancy is 76.3 years, whereas female life expectancy is 80.7 years.

The House Magazine, of which we are all doubtless avid readers, ran a supplement on men's health in its 30 January edition. It contained some interesting articles, including one by me.

Mr. Lansley: Quote yourself.

Stephen Williams: Do not tempt me. The introductory article was written jointly by Professor Nesse and Daniel Kruger, and the following quote sums up the situation:

"Being male is one of the largest demographic risk factors for early mortality".

Of course, disparities have always existed and are often due to different working patterns, warfare, child-rearing and so on. None the less, at the start of the 21st century, social class is still a factor affecting health outcomes, and men still die younger than women do. Indeed, men are twice as likely as women to develop one of the 10 most common cancers affecting both sexes, and especially bowel and lung cancer, but there remains a great disparity in outcomes in respect of cancers that are peculiar to gender. We heave heard about breast cancer already this afternoon in connection with the drug Herceptin. That debate highlights the fact that much more research is carried out into diseases that affect women than is the case with men, and that more drugs are available for women.

On my lapel, I wear a blue metal symbol, and I get asked every day what it means. I have to make sure that it is the right way up, as otherwise people think that it has something to do with the Scottish National party. In fact, it represents a man covering his testicles and is meant to highlight testicular cancer. The pink ribbon campaign has been a great success in raising awareness of breast cancer among women, and has raised vast amounts of money for research into treatment. We need to put much more effort into raising awareness and funds in respect of the diseases that affect men.

Bowel cancer affects both sexes. It can be treated successfully if it is caught early, but men are still more likely than women to die from it. Men in whom testicular cancer is detected early have a 90 per cent. chance of getting successful treatment. That shows that the advice and support given to people is very important, as is their level of awareness of their own health, but we also need to look at the disparities between the support and advice that are offered to disease sufferers.

A recent survey showed that 34 per cent. of prostate cancer patients were given relevant advice and support, whereas 70 per cent. of women suffering from breast cancer felt that they had been given adequate advice and support. Again, that may be due to men's reluctance to ask for advice and so does not necessarily represent a failing, but it is true that many more organisations exist to support the health of women.

I turn briefly to children. We know that there is a disparity in the funding for hospices for children and for adults, and a debate on that subject has been held in Westminster Hall. However, there is also a difference in the support that is given to children whose parents have an illness that may be terminal. I shall raise that matter when I visit Bristol Royal Hospital for Children tomorrow morning.

Health inequalities in this country arise between men and women and rich and poor, but inequalities due to race have not been mentioned much in this debate. The hon. Member for South Cambridgeshire mentioned the NAO report on stroke care, which was considered at last Wednesday's sitting of the Public Accounts Committee. A surprising fact that emerged from the report was that black and ethnic minority people are far more likely to die from strokes than are white people. No explanation of that finding was given, but it is clearly worth further investigation. Moreover, a black African person is 44 per cent. more likely to be detained under mental health legislation.

Last week, the Minister and I debated sexual health and HIV in Westminster Hall, where I said that it had been shown that 45 per cent. of new HIV cases in the city of Bristol in the past two years involve black African men. That is especially significant, given that they make up only about 4 per cent. of the population. When we attempt to tackle health inequalities, we must look at the awareness of certain groups in society. We must tackle their reluctance to discuss their diseases, try to remove the stigma attached to doing so, and encourage them to find professional help.

We need better access to services targeted at people who are at the greatest risk, and to ensure that interventions are made earlier. To that end, I welcome the Government's proposal, contained in the White Paper, to introduce so-called health MOTs or life checks, but I hope that they will be targeted at those most in need.

That raises questions about joined-up Government. I am a member of the Education and Skills Committee, which this week looked at how educational attainment varies between declining industrial areas and more prosperous parts of the country. In Bristol, the Bristol, West constituency has the highest uptake of higher education in the country, and the Bristol, South constituency has the lowest access to higher education. Educational attainment is also linked to poverty and therefore ill health.

In the early 1970s, statistics show that men were twice as likely to die young if they came from an unskilled group than if they came from a professional or managerial group. Thirty years on, they are three times as likely to die young. At the start of the 21st century, the difference in life expectancy between those who live in Dorset, which has been mentioned several times, and those who live in Manchester is 9.5 years for boys and 6.9 years for girls. The hon. Member for South Cambridgeshire mentioned Glasgow as an area where such health inequalities are starkly obvious, and I would add the south Wales valleys.

[Stephen Williams]

We have had a century of state intervention in health care under Governments and coalitions of all three parties. We have 150 years of public health legislation and worker protection laws. We have a society with greater wealth and prosperity, better homes and safer working conditions, and we are all living longer. Although rich and poor are living longer, the poor have not caught up with the rich. The gap has actually widened on some indicators under the Labour Government and there is still much more to do.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Front Benchers have taken some 107 minutes of the total 186 minutes available for the debate. Seven hon. Members are seeking to catch my eye, which works out at a non-enforceable tariff of between seven and eight minutes each. I say that just for guidance.

4.46 pm

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): I was fortunate enough last week to speak in the mental health debate and, listening to the debate today, I believe that the focus on public health and mental health has taken a step forward since 1997. For my constituency, public health is one of the key issues that we need to get right.

The hon. Member for South Cambridgeshire (Mr. Lansley) mentioned behaviour and I have an example in my constituency. When Hull city council meets, it has a tea break at about 4 o'clock, at which it used to serve tea and cream scones. The portfolio holder for health decided that it would be better to provide apples and a bowl of nourishing soup. As hon. Members can imagine, that decision caused uproar at the time, but it sent a clear message. We are trying to promote healthy eating habits in Hull and the change sent a very positive message. I pay tribute to Councillor Glew who is battling hard in Hull to put public health at the top of the agenda.

Hull is ranked ninth out of 354 local authorities and districts in England in terms of deprivation. It is surrounded by the East Riding local authority, which is ranked 208th. I wish to compare some of the acute health statistics and show the difference with what is happening in my area. Hull has major health risks, with a high prevalence of smoking, a high consumption of alcohol and a bad diet. Those lead to high rates of coronary heart disease, diabetes and cancer.

I wish to make four points. I want to discuss Hull's health statistics; Hull and East Riding, and the unfairness in the funding available; what is happening in Hull now; and the positive and good aspects of what has been done since 1997. As I mentioned earlier, the local authority and the two primary care trusts in my area have a joint director of public health in Dr. Wendy Richardson, who is doing a sterling job. She has just published her annual report for 2005, in which she compares the life expectancy of men and women living in Hull and in Hambleton and Richmondshire, a rural area of north Yorkshire. She found that life expectancy for a man in Hull was 4.1 years less than for a man living in that north Yorkshire patch, just an hour up the road by car, while life expectancy for a woman in Hull was 2.6 years less. The mortality rate for Hull is 120, on a UK average of 100, which means that our rate is 20 per cent. higher than in the rest of the country. In Hambleton and Richmondshire, the rate is 89, 11 per cent. below the average.

I was delighted that this week we took the bold step of banning smoking in all enclosed public places. In the most deprived wards of my constituency, about 50 per cent. of people smoke, when the national average is about 26 per cent., so smoking is a real public health issue in Hull. Smokers are likely to live seven years less than non-smokers. As we have heard, Liverpool is trying to promote itself as a smoke-free city, as is Hull, so it is an enormous boost for a majority of Members to say that getting rid of smoking in public places is absolutely the right thing to do.

Coronary heart disease in Hull is about 50 per cent. higher than in the rest of England, so I contacted the two PCTs in my area to ask them about acute care for people suffering from that disease. Compared with Hull, East Riding has a higher percentage of people aged 65 or over, but Hull has higher rates of deprivation, so after taking age into account one would expect mortality from coronary heart disease, as well as rates of treatment, to be considerably higher in Hull. Deaths from CHD are much higher in Hull, across all age groups and both genders, compared with East Riding. However, after taking age and gender into consideration, the rate of treatment for CHD is slightly lower for males and much lower for females in Hull, which is shocking.

Similarly, the number of hip replacements, after taking into account age and gender, is more than a quarter more for males in East Riding than it is in Hull. For females, the difference is even more dramatic: there are almost twice as many hip replacements—91 per cent. more—for females in East Riding, a much more prosperous area.

Given the health profile of my constituency and the health needs of my constituents, those figures show that something is not right: there are health inequalities. People who live in East Riding may be more able and willing to visit their GPs, state their needs and demand treatment, whereas perhaps people in Hull do not have the same background and cannot stand up for themselves and say what they need, but the contrast is stark in terms of health inequalities.

The PCTs in east and west Hull will break even in the current financial year, which is a tribute to the hard work of their chief executives, chairs and boards. However, the PCT that covers East Riding is massively overspent, so the strategic health authority has asked Hull PCTs to provide funding to meet its problems. Again, when we desperately want to put money into Hull and ensure that health inequalities are reduced, we must give money to a much more affluent, much healthier area to meet the mismanagement of health service finance there, and I am very concerned and upset about that.

For the coming financial year, the SHA has already indicated that the PCTs in Hull must top-slice about £7.5 million, so that it can be put into the SHA's funds. That is intended to cover the problems of the

East Riding and other PCTs in the area. The Labour Government need to get to grips with the mismanagement of those PCTs that are not providing the best financial management that they need. We need to ensure that the turnaround teams that are going into PCTs make the fundamental, structural changes to ensure that the PCTs meet their financial commitments and do not overspend. Despite that, Hull has a proud record in tackling public health problems.

We have a spearhead PCT. I am proud that we have led the way with health trainers. Parents have become involved in Sure Start, which provides what is almost a buddy method of operating with young parents that has worked very well, and I understand that health trainers will do so too. They will get alongside people from their own communities and offer them expert advice and guidance about improving health. I mentioned earlier that we have a joint director of public health. That is a positive step.

Our local authority has led the way on the eat well, do well proposals, whereby our young people in primary schools receive free, healthy school meals. They also receive fruit at break time. There is a real commitment to instil in our young people the need to eat healthily from a young age. We have also had initiatives such as free swimming for children to get them to exercise and to maintain that throughout their lives. Of course, Hull is lucky that it is a flat city, so people can cycle around it easily. We have one of the highest numbers of people cycling to work in the country.

Excellent work is also going on in our teenage pregnancy unit. Gail Teasdale, in particular, has led the way in making that a positive way to get to grips with some of the deep-seated reasons why women choose to have children at a very early age. Our PCTs' smoking cessation rates are getting much better.

I also pay tribute to the vibrant voluntary sector that we have in Hull. It is doing a lot of work with the health community. In particular, the Age Concern building in Hull has a healthy living centre to encourage healthy lifestyles among our older population. It has a gym for the over-60s and it is an eye-opener to go in there and see people who are well beyond 60 on their exercise bikes and the treadmill. That is the kind of vibrant voluntary sector organisation that we want to promote and work with.

We have the gateway housing market renewal pathfinder in Hull, which is all about trying to get to grips with some of the deep-seated problems of poor health and ensuring that we have decent housing for everyone. Of course, I have mentioned Sure Start, but it has a really important role to play in making those early interventions and ensuring that young families and children get the very best start in life.

All hon. Members recognise that we cannot just leave this to the NHS. We must make a joint effort with local authorities, parents, families and the voluntary sector. We must have the money that has been properly allocated, especially in Hull, and I explained why we are not getting that at the moment. Of course, we are allocated a little more money at the beginning because of our health needs, but we do not get the full amount because of what happens elsewhere. We took a bold step this week. Let us carry on being bold in tackling health inequalities, thus ensuring that the health inequality gap narrows for the next generation.

4.58 pm

Mr. Crispin Blunt (Reigate) (Con): I am delighted to catch your eye, Mr. Deputy Speaker, and to follow the hon. Member for Kingston upon Hull, North (Ms Johnson), but I hope that she will understand that it is the speech of the hon. Member for Mitcham and Morden (Siobhain McDonagh) that I want to focus on in particular. I think that her contribution to the debate was sparked by the fact that I told her a couple of days ago that I wished to address the issue of Sutton and St. Helier in my remarks, and I shall try to keep them brief.

There is a substantial health and technical case against the Secretary of State's decision to overturn the recommendation of the local health community in Surrey and south-west London to site the new critical care hospital at Sutton rather than at St. Helier. The merits of that recommendation are substantial and it is the product of well over a year's work, with an enormous consultation process and the rest.

Siobhain McDonagh: Does the hon. Gentleman agree that the majority of those who responded to the consultation were in favour of St. Helier hospital?

Mr. Blunt: That does not entirely surprise me because, if one examines the scale of the hon. Lady's House postage budget, one sees that she is one of the most efficient Members at using the allowance to contact constituents. I wonder how much of the effort to get individuals to reply to the consultation was hers.

I want to address the substance of the issue: the merits of the case. I hope that the merits of the case for Sutton against St. Helier will now be addressed judicially. There is only one way to overturn the decision of a Secretary of State in these circumstances—when the decision is perverse, unfair and, in my judgment, has been taken for reasons of party political advantage rather than because it best serves the health needs of the 500,000 people who will be served by the critical care hospital. That is to invite a judge to review the decision, and I hope that that judicial review process is now in hand to put right this manifest unfairness.

It is not that case that I particularly wanted to deal with but the use of the term "health inequalities" by the hon. Lady in her lengthy campaign to secure St. Helier as the site of the hospital. She simply could not answer the central point that I made to her in two interventions, a point that has been made repeatedly in different ways during this debate. Primary care services and community care hospital services are far more effective at tackling the issues arising from health inequalities, particularly those arising for social and economic reasons. That is especially true under the new model proposed for hospital services in the area served by the Epsom and St. Helier trust, which serves 50 per cent. of the hon. Lady's constituents and 50 per cent. of mine.

When I intervened on the Minister, she did not challenge that basic proposition. The hon. Member for West Lancashire (Rosie Cooper) made clear the importance, in providing such care, of getting to working men's clubs and other such institutions, if one is genuine about drilling down through the community, as the hon. Member for Stroud (Mr. Drew) put it, to address health inequalities.

[Mr. Blunt]

It is unforgivable to put politics ahead of the genuine interests of our constituents. The reason I am so severe towards the hon. Member for Mitcham and Morden is that this is not the first time that this has happened to me and my constituents. I am afraid that we had a very similar case in 2001 when a Labour Secretary of State for Health decided to intervene in the provision of secondary care in the south of my constituency, imposing a moratorium on the reorganisation of services between Crawley hospital and East Surrey hospital. That cost the trust £10 million a year, delayed for three years the implementation of important advances in services for my constituents and has left the trust burdened with the largest deficit of any secondary health care trust in the United Kingdom. That is a direct result of the intervention of the Labour Secretary of State for Health for party political reasons. I have produced a full memorandum on the issue and I regret to say that I will have to repeat it for what has happened in the north of my constituency for my constituents there.

During all the hon. Lady's efforts to secure the siting of the new critical care hospital at St. Helier, the fact that a community care hospital would be a more effective way of addressing health inequalities was repeatedly explained to her.

Siobhain McDonagh: I apologise to Members on both sides of the House for intervening again, but this is the last time I will do so. Who needs access to maternity care led by consultants? It is young women who smoke and have babies at an early age. Who needs access to an A and E department? It is people who do not have a GP. Those are the people in my constituency, so I certainly reject the idea that local care hospitals can meet the needs of my constituents and others surrounding the St. Helier site.

Mr. Blunt: Three miles away from the St. Helier site is St. George's hospital in Tooting, 4 miles away is the Kingston general hospital and 5 miles away is the Mayday hospital. A rather greater distance away is the East Surrey hospital, whose trust has the largest deficit in the country. As a result of the Secretary of State's intervention, 7,000 more people will present themselves at the A and E at that hospital and there will be 800 more in-patients, which will require an additional 25 permanent beds. That hospital cannot cope at the moment. The situation is bizarre. A simple examination of the map would suggest where the new hospital should be sited. The consequences for the 500,000 people who are to be served by the critical care hospital and for those whose services will be deflected to other hospitals should be taken into consideration.

The party political interest in having the big institution with the flag on it close to home is being disguised. Everyone when asked says that they want the critical care hospital close to them; it was the only common factor throughout the consultation process. That we all want it as close as possible comes as no surprise, but the hon. Lady should know, because she was told so repeatedly, that addressing health inequalities in her constituency and anywhere else is about the effectiveness of primary care and community care. Critical care hospitals serving 500,000 people are not as important in addressing health inequalities. She knows that, I know that and, far more importantly, all the health care professionals involved in putting together the proposal know that. Yet the Secretary of State has intervened to overturn the recommendation of all the health care professionals, contrary to the view of the consultants, doctors and everyone else who will be involved.

The really dispiriting thing is that if the hon. Lady succeeds—I sincerely hope that the last throw of the dice on behalf of my constituents in taking the issue to a judge will overturn the decision—the opportunity for a world-class hospital in association with the Royal Marsden in Sutton will have been passed up. That site would have attracted the very best doctors and consultants to serve the people whom both the hon. Lady and I represent. If the decision is allowed to stand, it will be a tragedy for 500,000 people.

It is a great shame that the hon. Lady has put the party political interests as she sees them in her constituency ahead of all the evidence about what is needed to address health inequalities. She has campaigned for an outcome that might suit her own political interests, but I regret to say that the health interests of her constituents, my constituents and everyone else who could have been served by a world-class institution on the Sutton site in association with the Royal Marsden will be so much the worse off.

5.9 pm

Andrew Gwynne (Denton and Reddish) (Lab): I welcome the debate and am pleased to contribute to it. My constituency is in eastern Greater Manchester and covers two local authority areas. The first, Tameside, like much of east Manchester, contains a number of deprived areas, which consequently have serious public health problems. The second, Stockport, is considered one of the most affluent areas in north-west England, but, despite that, it must be recognised that there are areas of serious deprivation in Stockport, including parts of the borough that form my constituency. In socio-economic terms, they have much more in common with Tameside and east Manchester than with the prosperous areas of Bramhall and Cheadle in the south of the borough.

More than 100 years ago, at the height of the industrial revolution, the city fathers of Manchester sought to make a radical improvement in the health of the growing population by ensuring a supply of clean drinking water from the Lake district. Almost overnight, the rates of cholera and other preventable diseases plummeted. That, along with other sanitation services and the provision of public parks—I believe that one of the first municipal parks in the country was in Greater Manchester—was the first major step towards greatly improving public health in our major cities. With the introduction of the NHS in the late 1940s, there was a remarkable improvement in public health. I am proud of the fact that the former Denton urban district council was among the first councils to adopt the Clean Air Act 1956.

As a result of all those decisions, life expectancy has increased dramatically and our quality of life has been transformed from the standard that my grandparents'

parents were used to. That said, health inequalities have continued, despite the steps forward over the past century. It is sad but true that to this day there remains a direct correlation between one's background, housing, environment and income, and one's health.

I am proud that the Government that I was elected to support committed themselves at the general election to

"tackle the long-standing causes of ill-health and health inequality by . . . tough targets to close the health gap to cut deaths in poorer communities and among poorer children".

That will have a massive impact on my constituents, and for the better.

Mr. Deputy Speaker, with your indulgence, I wish to focus on the work undertaken by agencies throughout Denton and Reddish to tackle issues of concern. First, as a result of the single regeneration budget round 5 funds, there has been tremendous investment in the regeneration of the most deprived parts of the constituency. In Haughton Green, SRB funding has enabled the provision of innovative community-based health services in a new joint community and health centre. The services are provided by numerous agencies, but come together under one roof to provide local people with access to housing and homeless services, local health services, benefit advice, access to the credit union, child care help and advice for young people, including advice related to tackling sexual health issues and teenage pregnancies. That superb facility has provided the local community with a new resource.

Adjacent to the Haughton Green community and health centre are the Haughton Green playing fields. Again, spearheaded by SRB 5 and the commitment of the neighbourhood forum and local councillors, major funding was secured to refurbish completely the rather derelict, overgrown waste of space. Through community consultation, a bid for doorstep green funding was secured and that public open space in an urban area that lacks good-quality open space has been transformed into a community asset to be proud of. Not only were the football pitches drained, new play areas for toddlers, children and teens, and a new floodlit multi-purpose games area were provided. Even the old bowling green was restored after being out of action for at least two decades. Now, the area is used by all the community. A bowling club has been established and the sports development unit at Tameside metropolitan borough council ensures that the state-of-the-art sports facilities are well used by local youths in particular. That is crucial, not least to ensure that the ticking obesity time bomb is diffused in communities such as Haughton Green.

I also want to highlight the impact that Sure Start is having in my constituency, offering access to a variety of services such as child care and health advice, providing new parents with the skills necessary to be a parent, and developing simple skills such as cooking. These are crucial in areas such as Haughton Green and other parts of Denton and Reddish. Sure Start is beginning to address long-standing problems and I am proud that my constituency will eventually benefit from six Sure Start centres. I point especially to the good work being done by Reddish Vale early years centre in the Stockport part of my seat, which provides all the services that I mentioned. It has undoubtedly been a resounding success.

I draw to the attention of the House the work of Tameside youth service and the Tameside and Glossop primary care trust in providing services to young people throughout the borough. Whether we like it or not, many teenagers find themselves in situations where they have access to alcohol and sometimes to drugs. Usually as a consequence of being under the influence of those substances, they may be more inclined to have, or be at risk of having, unprotected sex.

In connection with the borough's health targets and the crime and disorder partnership, the joint service offered by the PCT and the youth service provides local young people with an all-in-one support service on drug abuse, alcohol abuse and sexual health issues. As a result of the latter, teenage pregnancy levels in the borough are starting to show an improvement. I commend to the Minister the recent report of Tameside's health and education services scrutiny panels on teenage pregnancies, which describes in much more detail the progress being made in the borough.

Finally, I highlight the proposals of Tameside and Glossop primary care trust to devolve primary care services to local communities. Three primary care centres are being developed which will provide services far more locally than ever before. A range of services previously available at only the district hospital or outside the borough will be available in the state of the art new centres. Importantly in the context of the present debate, the centres will be located in some of the most deprived wards in the borough. One of the wards, St. Peters, which is partly in my constituency and partly in the constituency of Ashton-under-Lyne, is in the top 5 per cent. of deprived wards in the whole country.

The availability of services locally is important because too many people from areas like St. Peters do not have access to good services if those are not available in the communities. Whether because of low car ownership or poor bus services, if facilities are too far away, people will not access them, so I commend Tameside and Glossop primary care trust for taking the services directly to those communities.

Leading and responding to the debate is a Health Minister, and a very good one at that, but I could fill up the Front Bench for this, because tackling health inequalities is a responsibility not just of the Department of Health. I have spoken of the single regeneration budget, community regeneration, the crime and disorder strategy and sports development, but I could also mention the hundreds of millions of pounds being invested by New Charter Housing and Irwell Valley Housing through stock transfer, and by Stockport Homes through an arm's length management organisation, which will bring the area's housing stock up to the decent homes standards.

I could talk about the new schools being built and the innovative joint services being developed with the NHS and social services, or the new jobs coming into the area through redevelopment and regeneration schemes. Put simply, tackling health inequalities involves cross-cutting responsibilities. When that is looked at as a whole, the Government have much to be proud of.

5.18 pm

Mr. Geoffrey Cox (Torridge and West Devon) (Con): I shall try to be brief, as I know that others of my hon. Friends want to speak.

[Mr. Geoffrey Cox]

I listened to the hon. Member for Denton and Reddish (Andrew Gwynne) with fascination. I have begun to realise what it must have been like for the little boy pressing his nose to the window of the pie shop, wishing he could get his hands on some of the goodies. I represent Torridge and West Devon, which is one of the most rural constituencies in England. In the few minutes of the House's time that I shall occupy, I shall concentrate on rural health inequalities.

The constituency that I represent cannot tell a story of such gladness and happiness as the hon. Gentleman has just recited. It is suffering cuts. Constituents who are in need of medical services often have to travel dozens, if not hundreds of miles to receive it. We have acute and primary care trusts in deficit. They are closing community beds, have shut down minor injuries units, and are considering further cuts on top of those. An acute hospital trust is £9 million in debt and two out of three primary care trusts are between £1 million and £3 million in debt. I know that the Government will say that mismanagement is almost certainly the only explanation for those predicaments, but I submit to the House that there is another, longer-term reason, and it has to do with the system of allocation of resources to rural areas in England.

On 10 January this year, my hon. Friend the Member for Mid-Worcestershire (Peter Luff) asked the Secretary of State to look again at the resource allocation system for rural PCTs. He was told that a review had been carried out by the advisory committee on resource allocation and that as a result,

"the formula takes account of the effects of access, transport and poverty in calculating health need in rural areas."—[*Official Report*, 10 January 2006; Vol. 441, c. 601W.]

However, things are definitely not all right. It is widely recognised by experts who have examined the subject that the indices of deprivation which partly govern the allocation of resources fail to capture rural health needs. The characteristics that make that so are reasonably well understood, although perhaps their quantitative effects are not. What is to blame is the national weighted capitation formula, which is based on the age distribution of the population, additional need, and unavoidable geographical variations in the cost of providing services. The indices adopted by the formula use inappropriate proxies for deprivation in rural communities, and research has highlighted an inherent bias towards urban areas.

It is absurd to apply to Torridge and West Devon a measurement that depends on car ownership. Everybody in the countryside who can possibly scrimp and save to buy a car will do so. It must be the same in the rural constituencies represented by Labour Members. If we adopt a proxy for rural health need that is based on car ownership, we will get a distorted picture of the needs in that rural area. It is absurd to base an assessment or measurement of health needs on the proportion of ethnic minorities in the seat. As we know, it is a documented fact that there are fewer ethnic minorities in rural areas, but that does not mean that there is less isolation, less poverty and less financial disadvantage. Nevertheless, that is the effect of the formula.

As we heard earlier, rural deprivation tends to be hidden, because people living in poverty in rural areas are dispersed across heterogeneous communities. Therefore, the indices that aim to define areas as deprived ignore profound and genuine need in rural areas. People in the countryside are a hardy breed. They are proud, self-reliant and independent-minded, and there is characteristically—a researched and documented fact—a low uptake of benefits. That, too, disguises the true level of deprivation in rural areas.

The costs of geographical variations are underestimated. Delivering services in rural areas is more expensive because of poor economies of scale, unproductive time spent travelling by health care professionals and patients alike, and additional telecommunication costs. There are additional expenses associated with transport, including higher fuel costs, providing mobile and outreach services, maintaining branch surgeries, dispersed community hospitals and providing training and support.

The Minister has said that the current formula for resource allocation to PCTs takes rural factors into account, but if one examines the fifth edition of the weighted capitation formula, which is an 88-page document, the word "rural" appears seven times in a single section about ambulance trusts. That document states, for example, that need is assessed with reference to the number of GP surgery visits, but people in rural areas do not go to their doctors as often as people in urban areas. In rural areas, GP surgeries often involve single-handed practices; people find it difficult to attend GP surgeries for want of transport; and cultural factors sometimes prevent people from admitting that they are ill. In rural areas, one cannot depend on the number of people who visit GPs to assess the primary medical services component.

Those are the reasons why the people of rural communities do not believe the Government when they talk a good game on delivering rural health services and tackling rural deprivation. The people do not believe them on health, and they do not believe them on education, which is another important factor in any assessment of deprivation. This year, the schoolchildren of Devon will receive £308 a pupil less than the national funding average, and next year they will receive £330 less, which is a function of the sixth worst education grant in the country. The people are entitled to doubt the Government's commitment to rural areas in the south-west.

A radical change in direction is needed. In countries such as Australia, Canada and even Scotland, rural adjustments are made, and it is accepted that the indices for the allocation of resources are flawed when they are applied to rural areas. In those countries, systematic research is conducted to capture those needs, and although the Government have made pious noises about compiling a rural database from which to make an accurate assessment of rural needs, little has been done.

In an earlier intervention, I referred to the December 2004 DEFRA technical report, which shows that most of the agencies from which DEFRA seeks information are simply not equipped to distinguish between the rural and the urban in the data that they collect. The health funding formula is based on the work of those agencies. Only last week, the Government's chief medical officer, Sir Liam Donaldson, said in the foreword to a booklet:

"We often think of life in rural areas as being something of an idyll, but there is now a wealth of evidence highlighting issues of rural deprivation social exclusion which has a potential impact on the health of those living in rural communities."

A concerted multi-agency approach is required, and every agency and every Department should ensure that information distinguishes between the urban and the rural. It is time for the Government to live up to the CMO's admirable sentiments.

The Government have wept crocodile tears over the plight of the countryside for eight and a half years. Farming and tourism are the twin pillars of the rural economy, but as farming has declined, English tourism has been undersold and the way of life in rural communities has been decimated by insensitivity and neglect, we have been told that it is all right, because Labour is concentrating on the things that matter to people in the towns and the countryside—education, health and poverty. However, those claims ring hollow when they are judged by the reality in the rural south-west, where people perceive a casual indifference to their areas.

If the real needs of rural people are not identified by a concerted and coherent effort, which I have discussed, health inequalities can only get worse. In Scotland and Wales, the devolved assemblies and their Executives recognise the importance of financial adjustments in the distribution of resources to their countryside communities. It is time that the Government did the same for England.

5.29 pm

Mr. Jeremy Hunt (South-West Surrey) (Con): I wanted to contribute to the debate because there is a fundamental flaw in the way in which the Government approach health inequalities that leads to serious discrimination against two groups of people. Let us take as an example a child who goes to St. Mark's Church of England primary school in Godalming, in my constituency. Godalming is an affluent Surrey town, which in many ways represents the stereotype of Surrey towns alluded to by Labour Members. For the children who go to St. Mark's, the reality is different.

Of the children at the school, 35 per cent. have special needs. Teachers have told me that in some classes 80 per cent. of the children have special needs. One teacher told me of a child fed on nothing but rice for five days. Staff turnover is high, and although the school is now on the up it is a pocket of deprivation in an otherwise affluent area and has the same health needs as the inner cities. It is somewhere where social breakdown, a lack of education and a lack of money lead to less healthy diets and worse health outcomes.

How does the NHS funding formula, designed to tackle health inequalities, treat the families of those who go to St. Mark's? If they need elective surgery, they will have to wait two to three times longer than people in virtually any city or virtually anywhere the north of the country. They will wait 26 weeks for ear, nose and throat surgery, compared with a 13 week wait in Manchester. They will wait 25 weeks for breast surgery, compared with 15 weeks in Leicester. They will wait 36 weeks for trauma and orthopaedics work, compared with 12 weeks in Sedgefield.

The NHS funding formula punishes poor families in rich areas, because it can only deal in averages. How does it work in practice? In Guildford and Waverley we get an increase of about 3 per cent. because of the high proportion of elderly people. The market forces factor, because of the cost of health care, increases the funding by 7 per cent. However, the additional needs factor decreases our funding by 25 per cent. because we are apparently an affluent area. So, somewhere that spends 3 per cent. less than the national per capita average is told that it should spend 20 per cent. less. Who suffers? The families of children who go to places such as St. Mark's.

St. Mark's is 2 miles away from Milford hospital, a specialist rehabilitation hospital that the PCT is trying to close. If it is closed, the poverty in the area surrounding St. Mark's will get worse. If Haslemere hospital, just up the road, is closed—the PCT is consulting about removing all the beds—those who will suffer are not the wealthy people who can afford to go private but the pensioners on a basic state pension who do not have that choice. That is the madness of a system based on a mathematical average of health outcomes that cannot account for individual circumstances.

One more group is badly discriminated against. Every week, 90 severely disabled children are born in this country. The lives of 90 families are turned upside down. One would think that in the fourth largest economy in the world we would look after those people properly, but for many families the help and support they get is little better than it would have been 100 years ago. A system that funds to reduce the inequality of the outcome inevitably prioritises acute care over chronic long-term conditions. According to a Mencap survey, 48 per cent. of the parents of severely disabled children get no care from the state. A further 30 per cent. get less than two hours care a week from the state. Only 20 per cent. of such families are able to get any respite at all. The result is a cycle of deprivation. Often the father cannot cope and leaves the mother to bring up the disabled child on her own. She cannot possibly work in such a situation, so the social exclusion starts and gets worse.

Why does the health inequalities agenda fail? As my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) said, we share the objective of reducing inequalities. The agenda fails because of the neo-Stalinist focus on health outcome rather than on access to health care. If the objective is to equalise health outcomes so that people have the same life expectancy in Sheffield as they do in Somerset and in Bath as they do in Bolton, we have to be careful that a mathematical formula does not end up inadvertently denying health care to Surrey, Sussex and Hampshire to make people die more quickly there than they would in Sheffield, Manchester or Leeds.

That approach is flawed because it ignores the fact that health outcomes are the product of choice as well as of circumstance. It fails poorer families who happen to live in affluent areas and those with long-term chronic conditions because it prioritises outcomes, and those people have outcomes that will never improve. Most of all, the approach is flawed because it simply does not work. The point of targets is to motivate managers in organisations to decide on their priorities.

The national public service agreement on reducing health inequalities for heart disease, for example, talks of reducing mortality

[Mr. Jeremy Hunt]

"from heart disease, stroke and related diseases by at least 40 per cent. in people under 75, with at least a 40 per cent. reduction in the inequalities gap between the fifth of areas with the worst health and deprivation indicators and the population as a whole".

The crystal test of a target is whether an NHS manager can look at it and know what he or she should do next, but it is impossible to look at that target and know what should be done to achieve it. NHS mangers have similar targets for smoking, cancer, teenage pregnancy, obesity, infant mortality and mortality. These targets are failing, and that has been a fundamental element of this afternoon's debate. We all want to eliminate health inequalities, but we are failing to do so because the system of targets is over-focused on health outcomes and not focused enough on inequalities of access to health care.

I am generally suspicious of targets because I want a decentralised NHS in which local GPs and managers have the flexibility to determine the health needs of their own area. However, if we are going to use targets, there should be just one or two, related to absolute improvements in health outcomes for the lowest socio-economic groups, rather than a multiplicity of targets relating to relative improvements. We must prioritise equality of access to health care as much as equality of outcome. That is vital for the elderly on state pensions, for poor families—wherever they live—and for disabled people with chronic long-term conditions. They, after all, were the people for whom the NHS was set up.

5.37 pm

Mr. John Baron (Billericay) (Con): We have had a short but useful debate this afternoon, in which hon. Members on both sides of the House have highlighted the extent to which the Government have failed to address the issue of health inequalities.

The hon. Member for Mitcham and Morden (Siobhain McDonagh) understandably talked about local health issues, but failed to explain why health inequalities had actually widened under this Government. The hon. Member for Bristol, West (Stephen Williams) explained how health outcomes were not simply a matter of choice. In referring to differing GP availability rates, he correctly observed that access was also important.

The hon. Member for Kingston upon Hull, North (Ms Johnson) said that life expectancy rates in Hull were poor compared with those in the rest of the country. She also talked about the need for better financial management by her local trusts. My hon. Friend the Member for Reigate (Mr. Blunt) passionately and rightly expressed his concern about the Secretary of State's intervention for political reasons in important health matters such as the siting of a new hospital, and about the adverse effect that that could have on his constituents.

The hon. Member for Denton and Reddish (Andrew Gwynne) reminded us that the Conservatives Clean Air Act 1956 had contributed to better health outcomes, and I thank him for that. My hon. Friend the Member for Torridge and West Devon (Mr. Cox) powerfully pointed out that the cuts in health services were closing community beds and minor injuries units to the detriment of his constituents. He talked about the need for the resource allocation system to be re-examined because of its apparent inbuilt bias against rural health needs. He said that his constituents were suffering accordingly, that the real needs of rural people were not being recognised, and that that situation needed to be corrected now.

Finally, my hon. Friend the Member for South-West Surrey (Mr. Hunt) rightly pointed out that the NHS funding formula punishes poor families in rich areas and that a high percentage of carers in the families of those with long-term medical conditions are unable to get respite care. The need, therefore, is to address access to services as well as outcomes.

A good number of those and many other contributions made outside this place have made it clear that strategies to reduce health inequalities are not having the impact that we all want. Indeed, the Government's own figures, as was mentioned earlier, confirm that progress has not been made. The Department of Health's public service agreement target aims at reducing inequalities in health outcomes by 10 per cent. by 2010, as we have heard, using 1998 as a start date, as measured by infant mortality and life expectancy at birth—yet, as we have also heard this afternoon, a progress report made in August last year confirmed that those inequalities have widened since 1998.

The Government's figures are not the only statistics that highlight Labour's failure to tackle inequalities in health outcomes. According to a joint study by the universities of Bristol and Sheffield last year, there is a 10-year difference in life expectancy between the most affluent and the most deprived areas of the United Kingdom. There are many other such reports.

Clearly, those depressing statistics reflect patterns of poverty and social deprivation across the country. There is, of course, a link between poor health and poverty—something that was questioned by an hon. Member who is no longer in his place. I should perhaps say at this point that some of what the Minister has said risks creating the impression that she believes that only on her side of the House are there Members with a social conscience. Among those on the Conservative Benches, too, the wish to help the most vulnerable and disadvantaged in society is the reason we came into politics, but we sit on these Benches because we do not believe that big government and socialist dogma are the way to achieve that goal—quite the opposite.

Having said that, we should be careful of overstating the causal link between poverty and ill health. Unhealthy lifestyle is the more direct relevant causal factor. The Government have still not done enough to persuade people in areas with the highest deprivation levels to adopt lifestyle changes that would do most to improve health outcomes. Smoking provides one worrying example. According to the Library, 17 per cent. of those in managerial and professional occupations smoke. The figure rises to 29 per cent. among those employed in the routine and manual sector.

Such simple facts powerfully argue for a much more ambitious public health and awareness campaign. Conservative Members pledged to put those themes at the heart of our policies if elected last year. The

Government should now do the same. However, their public health record is poor. Indeed, it was described by the British Medical Association as "dilatory and disgracefully complacent" and a "calamity". Only recently, Ministers produced an unworkable smoking policy before being forced into a total ban by their own Back Benchers. Meanwhile, Labour has presided over accelerating obesity and sexually transmitted infection rates.

As well as disturbing regional variations in lifestyles and health outcomes, there are unacceptable postcode lotteries in access to services and treatments, which has been referred to on previous occasions. Cancer is one area in which the Government have claimed a great success. Indeed, there have been improvements in services and patient experience, but cancer still exemplifies inequalities of both kinds. In terms of outcomes, a recent Public Accounts Committee report highlighted persistent and unacceptable variations depending on where patients live. For example, the figure for lung cancer deaths is twice as high in the worst region compared with the best. Breast cancer death rates are 20 per cent. higher in some regions in the north than in others, which are mainly in the south. Men with prostate cancer have a 10 per cent. better chance of surviving for five years if they live in London or the south-east than in Trent and the northern and Yorkshire regions. That is on top of the inequality already suffered by men with prostate cancer, who report significantly poorer experience of care than patients with other cancers.

Uptake of drugs and technologies recommended by NICE also reflects wide variations, a fact recognised by the cancer tsar in a report back in 2004. We know that use of the breast cancer drug Herceptin one year after the NICE recommendation ranged from a staggering 90 per cent. of eligible women in Dorset to a dismal 16 per cent. in Essex. In relation to early-stage breast cancer, it is incredible that Ann Marie Rogers had to go to the High Court to clarify the Secretary of State's direction last autumn, in which she seemed to suggest that PCTs could not withhold the drug on consideration of cost alone. By not making additional resources available at the time, however, she might have done as much to exacerbate inequalities as to reduce them, particularly at a time of worsening deficits. The charity Breakthrough Breast Cancer commented:

> "This drug could save the lives of 1,000 women a year and it is unfair and cruel for women like Ann Marie Rogers to know that it is money and their postcode that stands between them and this potentially life-saving treatment."

The whole situation is a nonsense caused by this Government.

The problem of regional variations in access to drugs and technology is not restricted to cancer. Photodynamic therapy for wet age-related macular degeneration was approved for use in the NHS in September 2003. Only last autumn, however, data presented by the Macular Disease Society and the Royal National Institute of the Blind showed that 30 per cent. of people in the UK who could have benefited from PDT had not been treated.

NICE was set up to address the postcode lottery in access to drugs and treatments. However, the Government must now address the postcode lottery in implementation of NICE guidance. In particular, they should follow the Conservative policy of ensuring that NICE appraisals are carried out in conjunction with a full resource implementation assessment, so that national guidance is realistic, implemented and successful. More broadly, NHS bodies should be subject to a statutory duty to implement NICE guidelines on standards of care as well as drugs and technologies. In a devolved health service, it is essential that patients are given clear entitlements to treatment. That will help particularly the 17 million patients who suffer from long-term medical conditions and who are increasingly realising that in a target-driven culture, conditions that are not targeted suffer unduly.

Chiropody services for elderly people and rehabilitation services for the visually impaired are two sad examples of the type of care for long-term conditions that suffers in a devolved service when Government targets are focused on the acute sector and politically sensitive waiting times. A survey by the Conservatives showed that more than half of chiropody services had recently raised the eligibility criteria for access to treatment, with the average department undermanned by a shocking 25 per cent. Meanwhile, with regard to the nearly half a million people in the country registered as blind or partially sighted, the Guide Dogs for the Blind Association has estimated that as many as 20 per cent. of local authorities have no dedicated rehabilitation services, with nearly 80 per cent. overall admitting that services were restricted due to a shortage of suitably qualified staff.

With an estimated half of all NHS trusts going into deficit, inequalities in local services and patient care are bound to increase. Hon. Members have already highlighted cases in their constituencies where services are being cut in order to balance the books. This latest development comes from a Government who spent years bombarding the NHS with targets and bureaucracy and then destabilised trusts with bungled reforms. The Government have not tackled health inequalities—in fact, they have widened in recent years.

By not implementing a strong public health programme and not radically improving the NHS, the Government have failed to break the link between poverty and ill health. All the evidence suggests that when unreformed state services do not perform as well as they should, the less well-off tend to be let down the most. Meanwhile, inequalities in access to services have also proliferated. As Conservative Members have argued, postcode lotteries will be ended only if NICE is given the tools and instructions to create a culture of standards and entitlements in the NHS. Until patients have those entitlements, health inequalities will continue to widen.

5.49 pm

Caroline Flint: With the leave of the House, Mr. Deputy Speaker.

We have had a useful debate, and I have heard interesting contributions from Members on both sides of the House. One of the issues that have confronted the Government is 18 years of disinvestment in the NHS by Conservative Governments. During that time, services were cut in many areas. I understand that that included

[Caroline Flint]

two dental training schools. Clearly it will take time to change a system that has suffered from underfunding and insufficient engagement for a generation.

Mr. Bone: Will the Minister give way?

Caroline Flint: No, because I gave way to the hon. Gentleman during my opening speech and he did not stay for the whole debate. *[Interruption.]*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. There should not be sedentary interruptions.

Caroline Flint: I think you will see in *Hansard*, Mr. Deputy Speaker, that I gave way extensively during my opening speech. As I now have less time than was taken by the hon. Member for Billericay (Mr. Baron), I want to make some progress.

Tackling public health issues is hugely important. The situation will not change overnight, but we must accept the challenges, some of which have embedded themselves over many years. There has been an increase in sexually transmitted infections, for instance, but in many other respects we live in a world that is very different from the world of 10, 20 and 30 years ago. I pay tribute to the Labour politicians who established the national health service, but their concept of the health service that was needed then was very different from the service that we need today.

Many other things have changed. Work has changed enormously. In my constituency, a mining constituency, the number of miners who suffer from respiratory disease is heartbreaking for those individuals and their families. At least the miners must be encouraged by the Government's decision to meet the claim for compensation for that industrial disease.

We in the Labour party have an historic commitment to fight for ways of tackling inequalities. That has meant fighting for safe working conditions, decent housing, a national minimum wage and—in earlier campaigns—clean water, public sewerage and public parks. Those campaigns are all part of the overall picture.

I think that all Members agree that, in general, everyone is living longer and everyone is healthier, but we must deal with the gap caused by health inequalities. One reason for that gap is the way in which services are being delivered, but there is another reason. It is interesting, but we have not much time in which to explore it. Research suggests that those who are better off and better educated can gain access more quickly to NHS services such as information and an understanding of how lifestyle choices affect health, and that that enables them to make choices more quickly. That is part of the problem. The more we provide such services, the more the better off take advantage of them before poorer people can do so. We must therefore provide services in a different way because there is no "one size fits all" solution. It is not enough to organise national education campaigns with advertisements on television, or to provide services on the internet. We need to find a better way of working in communities to give people the support that they need.

Mr. Lansley: Will the Minister give way?

Caroline Flint: No.

Reference was made earlier to the need for people to feel confident about talking to their GPs, demanding services and making their voices heard. I am afraid that it is an indication of modern life that more affluent people are often more confident, shout the loudest and get the services, whereas poorer people perhaps have less confidence and do not. That is unacceptable. For some reason, GPs do not want to work in our poorest areas, which is also unacceptable. Perhaps they prefer working in more affluent communities.

The hon. Member for South Cambridgeshire (Mr. Lansley) asked about reductions in the incidence of cancer and coronary heart disease, and the reductions are 9.4 per cent. and 24.7 per cent. respectively. The figures are not absolute—they constitute a reduction in the gap between the average for England and the figure applying to the five most deprived areas. I accept that infant mortality has risen: it rose by 19 per cent. in 2001–03, and by 19 per cent. in 2002–04. That is unacceptable, but there was no increase during the second tranche, which I hope shows that the situation is not getting worse. *[Interruption.]* I have accepted that the figure has risen, but it has stabilised and we must try to reduce it.

On obesity, the hon. Member for South Cambridgeshire will be aware that we are doing a tremendous amount of work with the food industry and others on food labelling and the reformulation of food.

Mr. Lansley: Will the Minister give way on that point?

Caroline Flint: No, I am not going to give way.

We are doing important work with schools through the healthy schools programme, but, of course, another important factor is the choices that parents make for their children, which is why we have to work with families as well. I should also point out that status reports on health inequalities are published annually on the departmental website.

On public health structures, I am glad that the Conservatives agree with us about joint appointments, which we are encouraging. My first speech as Minister with responsibility for public health was made at the invitation of the Faculty of Public Health. I pointed out at its conference that, in my view, that is the direction in which we should go, and there some very good examples of such practice. However, we must recognise that it is more than just a question of appointing someone to serve the local authority and health services in a joint capacity; there must also be a change in the culture and mindset of all the organisations involved, so that they can work together. Local area agreements are important in that regard, and the consideration of health inequalities must form an integral part of the assessment of local authorities.

The health trainers programme is based on the Bandera study, which is a psychological behaviour change model. It shows that one-to-one, structured motivation techniques empower individuals to change their lifestyles. In our view, providing such services to those who are taking advantage of other forms of information and support is a good way forward. The National Institute for Health and Clinical Excellence is working closely with us on the development of the life checks model.

Respiratory disease is an issue that we take very seriously, and it is on our list of key interventions. However, circulatory diseases account for the largest proportion of excess deaths in spearhead areas: some 70 per cent. among males and 63 per cent. among females. By way of contrast, respiratory diseases account for some 18 per cent. of such deaths. However, we obviously all these issues seriously, and it is important to deal with them.

My hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) told us about her area and the question of where the new hospital is to be located. It has to be acknowledged that the issue is not just health inequalities and services, but regenerating communities; the new hospital will play an important part in that regard. The hon. Member for Bristol, West (Stephen Williams) talked about pharmacies playing a greater role, and this Government are providing such opportunities. Our proposal to allow pharmacies and nurses to play a greater role in prescribing will allow them to add to the role played by GPs; they will not replace GPs. They will add to the mix of people who can deliver health services in our communities. Men's health was also raised in the debate, but I dealt with that extensively in my opening speech.

I congratulate the councillor to which my hon. Friend the Member for Kingston upon Hull, North (Ms Johnson) referred on her innovation. I welcome the fact that there is a joint director of public health in that area, but I hear what my hon. Friend says about East Riding, which does not have the same level of health inequalities as other areas, but seems to spend money rather more unwisely than does Hull itself. That is something that we should talk about more when we consider good management and delivery.

My hon. Friend the Member for Denton and Reddish (Andrew Gwynne) spoke well about what is happening in his area, and said that it is not just a matter of health for everyone. I think that the hon. Member for Torridge and West Devon (Mr. Cox) misunderstands health inequalities. I accept that rural areas face different problems, and we have trained the health trainers programme for Devon and Cornwall—

It being Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Mr. Peter Bone (Wellingborough) (Con): On a point of order, Mr. Deputy Speaker. I seek your guidance on a matter of great importance. First, though, in the last debate the Under-Secretary of State for Health, the hon. Member for Don Valley (Caroline Flint), inadvertently misled the House by saying said that I had not been present all the way through, when in fact I had.

On 30 November 2005, the Prime Minister said that no one had to wait more than six months for an in-patient operation. However, in a parliamentary written answer of 23 January this year, the Under-Secretary of State for Health, the hon. Member for Birmingham, Hodge Hill (Mr. Byrne), said that the NHS now operates a maximum waiting time for admissions of six months for an in-patient operation—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I understand that the hon. Gentleman has raised this matter on a previous occasion. If so, it would be wholly inappropriate to raise it again on a point of order now.

Mr. Bone: It has only just come to my attention that I received two answers to parliamentary questions on the same day that are massively contradictory.

Mr. Deputy Speaker: Order. The content of answers to parliamentary questions is not a matter of order for the Chair. I think that the hon. Gentleman will have heard Mr. Speaker advise on other occasions that such matters are matters of debate that should be pursued in other ways, either through further parliamentary questions or through the other parliamentary means that are open to hon. Members.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation).

INTERNATIONAL DEVELOPMENT

That the draft International Development Association (Fourteenth Replenishment) Order 2006, which was laid before this House on 18th January, be approved.—*[Gillian Merron.]*

Question agreed to.

PETITION

St. Mary's Church, Humberstone

6.2 pm

Keith Vaz (Leicester, East) (Lab): I wish to present a petition on behalf of my constituent Amanda Palmer of 36, Ocean Road, Thurnby Lodge, Leicester, and 900 other constituents. It concerns the decision of St. Mary's parochial church in Humberstone to prevent people laying flowers and mementoes next to the graves of their loved ones. They are very distressed and concerned by the decision, and as a result of it feel that they cannot pay sufficient tribute to those who were dear to them and who are buried or interred at Humberstone church.

The petition states:

The petition of residents of Humberstone, Leicester, declares that St. Mary's parochial church in Humberstone, Leicester, has placed a ban on visitors laying flowers and mementoes next to the graves of loved ones.

The petitioners therefore request that the House of Commons urge the Government to take action to encourage St. Mary's church council to reconsider its decision and allow visitors to place flowers and mementoes at the grave sites.

And the Petitioners remain, etc.

To lie upon the Table.

RSPB Old Moor Wetlands Centre

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Coaker]*

6.3 pm

Jeff Ennis (Barnsley, East and Mexborough) (Lab): I am pleased to have this opportunity to draw the House's attention to the Royal Society for the Protection of Birds's Old Moor wetlands centre in my constituency, which I believe is very much a best practice model for the Government's sustainable communities agenda.

Given the type of seat that I represent, I am an avid supporter of the Government's sustainable communities agenda. After all, having witnessed at first hand the total devastation visited on my local communities by the previous Government's politically motivated pit closure programme of the late 1980s and early 1990s, I know that it is important that the Government ensure that future local community development is founded on the principle of sustainability. The Old Moor centre is a classic example of the type of good practice that we as a Government need to develop, in south Yorkshire and across the rest of the country.

Twenty years ago, the site of the Old Moor wetlands was part of a much larger area known as the Wath Manvers complex which, by the early 1990s, had become the largest area of despoiled land in the whole of western Europe. Something drastic needed to be done, and the three Dearne valley local authorities—Rotherham, Barnsley and Doncaster—decided to work collaboratively on the project when they won city challenge funding from the previous Government. Indeed, my local authority of Barnsley ended up being the only local authority in England to win two city challenges, which exemplifies its efficiency and effectiveness and—I am pleased to say—that continues to this day. I would say that of course, being a former leader of Barnsley council.

The development of Old Moor wetlands was the brainchild of Robin Norbury, a good friend of mine, the former planning chairman on Barnsley council and member for the Darton ward. It became part of the wider regeneration city challenge project to rebrand the Dearne valley. The other flagship projects under city challenge included the development of Dearne valley college, addressing the skills deficit in the Dearne valley, and the designation of one of the last enterprise zones in England, the Dearne valley enterprise zone. All those flagship projects have been highly successful in transforming the Dearne valley into an economically and environmentally attractive area.

The Government's sustainable communities programme offers significant challenges to how we deliver genuine sustainable development. The Old Moor wetlands centre has demonstrated that it is possible to deliver green infrastructure, enhance wildlife populations and conserve natural resources while offering jobs, education and recreational opportunities to local people. The benefits from investing in wildlife and places such as the Old Moor centre are manifold. We need to convince all in Government that that is the right path to take.

Old Moor has proven to be an excellent example of how green infrastructure can be developed to help contribute to the Government's sustainable communities agenda, and that has been achieved thanks to significant support from the Heritage Lottery Fund, Yorkshire Forward and Waste Recycling Environmental Ltd. It has also built on the splendid work done by Barnsley council to create a wetland environment and bring the reserve to the point where it is nationally important for wintering wader birds. Old Moor has helped to deliver a fantastic resource for birds and people, thanks to the generosity of RSPB members and the many funding partners who have contributed.

Old Moor is a demonstration of what can be achieved in the restoration of former coalfields, and I hope that that approach can be replicated across the country, as part of the Government's sustainable communities agenda. Restoration of former coalfields has created excellent places for wildlife. The reserve buildings also feature renewable energy technologies and have provided new facilities for local communities, including conference facilities for local business and community groups.

David Taylor (North-West Leicestershire) (Lab/Co-op): The Old Moor project is a flagship for the restoration and regeneration of the Dearne valley and it sounds much like the Sent valley project in my own village, which is part of the wider regeneration of north-west Leicestershire. The key to that very successful project has been community involvement at volunteer level—not at employee or passive visitor level, although that has been useful. It is that volunteer involvement that has built the links. Has it also been crucial at Old Moor?

Jeff Ennis: My hon. Friend makes a valid point, and I shall come to the role of volunteers shortly. Their role is vital. Not only does it improve the quality of life of the volunteer, but it enhances the quality of life of those whom the volunteering helps.

In all, the reserve employs 24 people and has increased the viability of local businesses by adopting a local sourcing policy. Wildlife tourism is big business. People travel to see natural spectacles, and spend money at local shops and other businesses. The total number of visitors expected by the centre in this financial year is 65,000.

The RSPB has created a number of wildlife viewing opportunities for the local community and has demonstrated that rare species can be an asset for the local economy. For example, in the year after the foot and mouth outbreak, 70,000 people visited an osprey viewing site in the Lake district, demonstrating that the attraction of wildlife can draw people back to the countryside. Osprey watching at the nine sites in Britain managed by the RSPB is worth a staggering £2.5 million to local economies. The phenomenon is not restricted to birds of prey. Marine mammals tourism generates £8 million a year for the west coast of Scotland.

On the education front, about 4,000 schoolchildren a year enjoy visits to experience and see renewable technologies through the Old Moor reserve's field teaching programme. Nationally, nearly 50,000 children benefit from RSPB facilities. The society believes that all

children should be able to benefit from out-of-classroom learning, because all our modern technology and sophisticated teaching practices and living are no substitute for a child getting out of the classroom to experience nature and culture at first hand—getting their hands dirty, as we say in Yorkshire. That can link to, and help to achieve, many Government objectives, such as those on children's health, citizenship, social inclusion and the reduction of deprivation, crime and unemployment. The site's award-winning, energy-efficient visitor centre makes use of renewable energy technologies; it has a biofuel burner, solar panels, a wind turbine and a solar water heater.

On the health front, physical inactivity costs the national health service about £8 billion a year. Sport is not always the best way for the majority of people to get fit, and research suggests that sociable walking in green space can be the best way to get people moving. It also suggests that if the primary purpose of exercise is contact with a high-quality environment people are more likely to sustain their activity and thus accrue more benefits.

Health walks, such as those organised by Old Moor, and volunteering can provide people with the motivation to become active. One in six, or 18 per cent., of the RSPB's 13,000 volunteers were inactive before they started work for the RSPB, and that 18 per cent. are prepared to continue volunteering, which emphasises the point made by my hon. Friend the Member for North-West Leicestershire (David Taylor). More than 350 health walks in the UK are organised by more than 10,000 volunteers, led by the British Heart Foundation and the Countryside Agency.

Throughout England, the RSPB is an effective delivery agent and partner in the Government's sustainable communities programme and it has plans to extend the model to help to develop a bold and innovative vision to regenerate the lower Aire valley in west Yorkshire, which includes part of the Pontefract and Castleford constituency of my hon. Friend the Minister for Housing and Planning. The RSPB believes that, as a society, we have a once-in-a-generation opportunity to build sustainable communities such as those in the Dearne and lower Aire valleys. We must make the right choices to provide the homes and jobs that people need, without jeopardising their quality of life now or in the future.

Sustainable communities need wise planning, for which we must meet four crucial challenges. First, we must deliver a green infrastructure. Wildlife-rich spaces in and around new communities play an important role in people's quality of life. We believe that green infrastructure, such as that created at Old Moor, is as vital to us as the traditional infrastructure of roads, hospitals and schools. There should be no difference between hard infrastructure and green infrastructure.

Secondly, we must respect environmental capacity. Even if green infrastructure is fully designed into new communities, there will still be serious questions about the overall environmental impact of development. We believe that much more needs to be done to assess, and if necessary avoid, the impact, of national and regional planning. To do that, and thirdly, we need a national spatial strategy subject to robust strategic environmental assessment.

Fourthly, we need to conserve natural resources. Creating sustainable communities inevitably has implications for the consumption of natural resources such as fossil fuels and water. Climate change is a crucial issue, both for biodiversity and communities. To build a new home with water and energy saving measures to the eco-homes excellent standard costs as little as £160. Building on research carried out for the Department for Environment, Food and Rural Affairs, the water industry and the Housing Corporation have estimated that society could save billions of pounds on new water resources infrastructure and reduce carbon emissions. The proposed code for sustainable homes must be both rigorous and mandatory, not left to the whims of house builders.

Finally, we need to protect and enhance wildlife, which should go without saying. The RSPB also believes that sustainable community development must protect and enhance the best bits of biodiversity. That is the test of genuine sustainable development. If we cannot protect and enhance sites such as Old Moor, we will certainly not pass our environment on to future generations in the state that they would wish.

In conclusion, as I am sure that the Minister will know, the RSPB's mission statement is simply, "For birds, for people, for ever". I believe that that mission statement could also form part of the Government's sustainable communities mission statement, and I commend the Old Moor wetlands centre to the Minister and, indeed, the House.

6.16 pm

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Jim Fitzpatrick): I congratulate my hon. Friend the Member for Barnsley, East and Mexborough (Jeff Ennis) on securing this debate and thus raising issues about the regional and national work that is taking forward the sustainable communities agenda. My honourable colleague has been involved in the development of the RSPB's Old Moor wetlands centre since its inception and I commend him and Councillor Norbury on the leadership they have shown in supporting that important and valuable community asset. My hon. Friend was deputy leader and leader of the local council, as well as now being the very active local Member of Parliament.

The Office of the Deputy Prime Minister is all about creating sustainable communities, and our departmental strapline and mission statement reflect that fact. However, that is much more than about words: it is about creating change, delivering diversity and implementing initiatives. That commitment comes not just from the ODPM, but from across Government. We are working closely with the Department of Trade and Industry, through the regional development agencies, with the DEFRA agents, such as the Environment Agency, and with organisations such as the RSPB to create better places to live and work, such as those in Barnsley described by my hon. Friend.

But I should like us to take a step back: the sustainable communities plan, launched in 2003, set out the Government's long-term vision for thriving, sustainable communities in every English region. The plan defined an ambitious programme to deliver a step change in housing supply, decent homes, urban renewal

[Jim Fitzpatrick]

and countryside protection, and it also signalled unprecedented investment in our neighbourhood environments. It also made a commitment to the environment, making it clear that it is important that new housing should be located on brownfield land where possible and that the protection of the countryside and the green belt were priorities for the Government.

We have seen achievements in those areas. Residential development on brownfield land is up from 56 per cent. in 1997 to 72 per cent. today. The density of new residential developments has increased from 25 dwellings per hectare in 1997 to 40 per hectare. Between 1997 and 2004, there was a net increase of about 26,000 hectares in designated green belt. A further 13,000 hectares of green belt has been proposed in emerging development plans.

The sustainable communities plan also set ambitious targets for the growth areas, including the Thames Gateway, to consider green space as part of the overall master plan. In the Thames Gateway, the "Greening the Gateway" strategy established the principle that new and existing residential and commercial areas should be set in a network of varied and well managed green space. Supported by £26 million from the ODPM Thames Gateway programme fund, a number of green space initiatives have been funded, including £3.25 million to ensure the protection of the RSPB reserve at Rainham marshes and to construct an environment and education centre; £5 million for the London Riverside conservation park at Rainham and Averley marshes and the restoration of Erith, Crayford and Dartford marshes; and £2 million to provide a 74 hectare conservation site at Nevenden nature reserve in Basildon.

ODPM funding worth £40 million is supporting the delivery of key components of green infrastructure in the key growth locations by improving the interface between the urban and rural environments, providing improved access for people and wildlife and restoring areas of the countryside, which provides people with more opportunities to experience and interact with their environment first hand, as suggested by my hon. Friend.

Two examples of projects being funded are Dunstable downs, which is receiving £1.5 million to provide a new flagship facility to accommodate additional visitors resulting from the nearby growth area, and the Forest of Marston Vale, which is working to transform 61 square miles of land in a key location between Bedford and Milton Keynes, with a long-term aim of achieving 30 per cent. woodland cover. A sum of £2.8 million will ensure a wide range of environment and community benefits, including landscape improvement, wildlife conservation, agricultural diversification, recreation provision, employment generation and environmental education.

More recently, the Government's response to Kate Barker's review of housing supply reinforced the commitment to protecting and enhancing the environment alongside accommodating housing growth. As my hon. Friend can see, on a national and regional level we are working cross-departmentally to deliver sustainable communities.

Quite a few of the examples I have cited are from the south and the midlands, but let us not forget the subject of today's debate. My hon. Friend has given us the example of the Old Moor wetlands centre in a former coalfield area in his constituency, and I am glad that he has raised the profile of the centre, which demonstrates what can be achieved in a location that could so easily have become a no man's land, or a nobody's land, to be more politically correct.

Reflecting on what I said earlier, Old Moor certainly demonstrates excellent usage of brownfield land being, as it is, a former farmhouse and associated agricultural buildings surrounded by an area formerly used for mining with some contaminated land. Through a combined budget of £500 million, the national coalfields programme, the Coalfields Regeneration Trust and the Coalfields Enterprise Fund mentioned by my hon. Friend are delivering real change through a long-term programme and commitment to action. People are being given access to the skills and jobs that they need, the environmental legacy of the coal industry is being cleaned up, and the housing, economic and social needs of the local communities are being addressed.

Old Moor nature reserve is a practical example of how a former coalfield site can become an important community asset. A number of the awards received by the centre mirror the Government's commitment to sustainable building. During the actual building process, the builders, Wakefield-based Tolent Construction, demonstrated high standards of workmanship and health and safety to staff and visitors. The company and the RSPB won the national built-in quality award for innovation for the visitor centre's many energy conservation measures. It has a wind turbine, solar panels and wood chip boiler supplied from a nearby sawmill.

There are also links to education, culture and heritage through the work of the centre. Old Moor, with its extensive visitor facilities, is a fantastic place to watch wildlife, particularly a range of birds. A mix of habitats includes open water, marsh, reed beds and grassland. There are also curriculum-linked, term-time educational visits, including pond-dipping, "mini-beasting" and other creative and science-based activities to suit children from reception to key stage 2. Around 4,000 children have had first-hand experience of nature through the reserve's field teaching programme, and 65,000 visitors are expected to go through the gates during this financial year, reaching the targets set for 2008. I am sure that, as a result of this enjoyable but educational facility, a generation of children will grow up with a much wider appreciation of the local environment, and that that enjoyment will translate in later life into a caring and responsible attitude towards their community, as my hon. Friend suggested.

As my hon. Friend said, by the first anniversary of the opening of the centre in the autumn, the RSPB work should be replicated across the country in line with the Government's sustainable communities agenda. I hope that I have demonstrated that this is happening nationally, and I certainly commend the RSPB's plans to create and enhance other wildlife areas throughout the Dearne valley. The RSPB has additional proposals for the Yorkshire coalfield area to develop more

reserves. In the Lower Aire valley, it is looking at opportunities between Leeds and Castleford. It is to work alongside UK Coal Mining Ltd at the former open-cast St. Aidan site. People living, working and visiting the area will have easy access to a network of sites via new footpaths, bridleways and cycle routes.

Moving slightly further afield from South Yorkshire but still in the Yorkshire and Humber region, North Yorkshire county council is consulting on the Swale and Ure washland project. Future sites could form a network, with high ecological, landscape and amenity value. In Wakefield, the council is working with partners through developing local area agreements to develop plans to designate a number of local nature reserves, to improve biodiversity and provide improved green spaces for the deprived communities in its district.

I cannot finish without referring to the work of the Land Restoration Trust. It is a joint venture company, which was launched in 2004 by the Deputy Prime Minister. It is jointly owned by English Partnerships, Groundwork, the Environment Agency and the Forestry Commission, and regional development agencies are represented on its board. It seeks to hold sites, including many in the former coalfields, and to ensure that they are managed into perpetuity.

I certainly feel that I have covered a lot of ground, both geographically and from a policy point of view. It is easy to get drawn into the minutiae of these issues, so it is good to reflect on the bigger picture, as afforded by my hon. Friend. He has raised the issue of sustainable communities with reference to the Old Moor wetlands centre. Communities are about people—people from all backgrounds, young and old. Centres such as Old Moor help to bring life to an area in many ways. That area suffered with the decline of the mining industry, but a new life is emerging, as demonstrated at Old Moor and replicated in other parts of the country. I conclude by congratulating my hon. Friend once again, not only on securing this debate, but on his solid support for our policies generally and for the Old Moor wetlands site and the creation of similar sites across the country, ensuring the building of sustainable communities.

Question put and agreed to.

Adjourned accordingly at twenty-eight minutes past Six o'clock.

Westminster Hall

Tuesday 31 January 2006

[MR. MARTIN CATON *in the Chair*]

Asbestos

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Watson.]*

9.30 am

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I draw hon. Members' attention to my entry in the Register of Members' Interests. I am pleased to have secured the debate, because the issue of asbestos and the changes that are being made to relax standards in respect of it is important. I shall make three main points. First, the use of asbestos in the UK and Europe generally has left us with a bitter legacy. The Government recognised that when they introduced the Control of Asbestos at Work Regulations 2002, which were, and still are, a positive step forward. Changes are being made by means of an amendment to the EU asbestos worker protection directive.

Secondly, the proposals dilute the current practice—the way in which we impose standards in respect of asbestos. I draw to the attention of my hon. Friend the Minister early-day motion 1224, which stands in my name and has attracted the signatures of more than 100 MPs who are concerned. I shall refer to other, much more eminent people who have voiced concern about the proposed change. Thirdly, certain experts say that the research on which the proposal has been based is flawed. That will be the major plank in my argument that the Minister should press for the standards to remain as they are and should decline to accept the proposals.

It is 100 years since the first death related to asbestos was reported in Parliament. It was reported in 1906 to a Committee that dealt with workers' compensation. In the 100 years since that death, there have been an enormous number of such deaths. One expert, Robin Howie, takes the view that, over the period from 1929 to 2020, between 663,000 and 820,000 deaths will have been caused by exposure to asbestos. The investigative journalist Peter Martin, writing in *The Sunday Times Magazine* on 16 May 2004, estimated that the number of asbestos-induced deaths in the UK between 2000 and 2050 could be as high as 186,000. Again, I draw the Minister's attention to the need to ensure that we have robust standards.

Each year, there are about 1,900 diagnoses of mesothelioma, which is a cancer. The TUC believes that asbestos causes two to three times as many cancers overall as it does mesothelioma, so we are talking about a considerable number of people who are put in jeopardy each year by asbestos exposure. Asbestos has now been banned, but although the first Act of Parliament that set standards to minimise the exposure of workers to the dust came in 1931, it took another 68 years before we banned asbestos. That was done in November 1999 after this Government came to power.

Dr. Ian Gibson (Norwich, North) (Lab): Does my hon. Friend agree that, during the period that he has mentioned, the industry fought back and constructed an argument that white asbestos was safe and blue asbestos was the dangerous one? That argument has been ridiculed over the past few years, which has made a significant difference. Science is sometimes used by industry to justify its profits and position.

Mr. Clapham: I am grateful to my hon. Friend for that intervention; what he says is correct. Although blue and brown asbestos were banned in 1985, there are still a considerable number of deaths. He will be aware that the Health and Safety Commission asked Leicester university in 1998–99 to carry out research before it advised on a ban, and that that research showed that there was no safe level for working with white asbestos. White asbestos is just as dangerous as other types of asbestos. That is why we must ensure that the high standard of protection against asbestos exposure is not reduced.

Making the corporate control of asbestos a statutory priority was at the core of the Control of Asbestos at Work Regulations 2002. That positive regulation assigned the responsibility for managing asbestos in some 500,000 non-domestic premises to property owners, landlords, licensees, tenants, employers and building and maintenance managers. That was a positive step.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing the debate, which is on a very important topic. May I draw to his attention the sad experiences of Southfield school for girls in my constituency? It had a lot of asbestos in its buildings, which was disturbed by renovation work in 2003. The whole school essentially had to be relocated for the best part of a year, and all the records and equipment were lost. Even though we do not use asbestos today, the legacy of its use in buildings affects even schoolchildren in 2006.

Mr. Clapham: I am grateful for that intervention because it emphasises the need for robust standards to control asbestos in premises.

The Control of Asbestos at Work Regulations 2002 showed the Health and Safety Commission's determination to make safety a priority. It is understandable, therefore, that there is widespread concern about the consultation document that has been issued. The consultation finishes today. The document is called "Proposals for revised Asbestos Regulations and an Approved Code of Practice" and it proposes a relaxation of asbestos protection. Some believe that the HSC is now more concerned with cost cutting than ending the national asbestos epidemic. In my view, there is a real need to cap that epidemic.

The amendment that is to be made will use the concept of sporadic and low-intensity exposure to asbestos. I accept that that wording is taken from the directive, but the concept is causing serious unease. Dr. Nancy Tait of the Occupational and Environmental Diseases Association says:

"Sporadic and low intensity described the exposure recognised by DWP as responsible for many mesotheliomas."

[Mr. Clapham]

Two Health and Safety Executive publications from 1995, "Asbestos alert" and "Asbestos dust: The Hidden Killer", drew attention to the fact that many decorative plaster finishes contained asbestos and that asbestos fibre was the hidden killer.

I shall draw the Minister's attention to a discrepancy in the figures that I believe shows clearly that deaths are occurring in the home as a result of people being subject to airborne asbestos fibre. A letter from Nancy Tait refers to the Industrial Injuries Advisory Council's report on asbestos-related diseases—Cm 6553—which states in paragraph 48:

"The Council was concerned about the apparent discrepancy between the number of deaths in the UK from mesothelioma and the number of people awarded"

industrial injuries disablement benefit for mesothelioma. It continued:

"In 2001, there were 1,579 male and 269 female deaths, compared to 710 male and 40 female new assessments"

who received industrial disablement benefit. There is a massive discrepancy and that may well be because of the long latency period. Many of the people who died after retirement may have been subject to asbestos exposure during their working life. I suggest that among those figures may be a number of deaths caused by exposure to airborne fibres in schools, although when I asked a question a couple of years ago about the number of teachers who had died of mesothelioma there was one. That is explicable because it is more difficult to put a death into an occupational category if it occurs after retirement. I suggest that the figures that Nancy Tait referred to include people who have been exposed to airborne fibres in domestic premises. That is another reason for setting much stronger standards and not accepting a relaxation.

I want to refer to a number of concerns that have been expressed. The TUC believes that there is no safe level of exposure to asbestos and that reliance on the concept of sporadic and low intensity exposure to asbestos will inevitably lead to more tragedy. It recently stated:

"Given the risk of a fatal disease, even at low exposure, the nature of the maintenance and construction industry and the low level of general enforcement outside of the licensing regime, it would be irresponsible to exclude all sporadic and short term exposure work . . . The HSE should be committed to increasing protection, yet for some groups this proposal would decrease the level of protection they currently enjoy."

The Transport and General Workers Union and the Union of Construction, Allied Trades and Technicians, which represents workers in the construction industry, put out a joint statement saying:

"The adoption of a risk based approach by the HSE will result in the deregulation of work with textured decorative coatings such as Artex, the asbestos content of which can be as high as 5 per cent. by weight; previously only a licensed contractor acting within defined parameters was permitted to work with this kind of material".

Those unions are concerned that relaxation via the amendment to the directive will result in people being put more in jeopardy. The workers who will be put in jeopardy will be electricians, carpenters working in households, joiners, builders, plumbers and so on. There is a real need to ensure that we do not accept a relaxation of standards.

Mr. David Laws (Yeovil) (LD): I congratulate the hon. Gentleman on securing this important debate. He will know that one of the HSE's arguments for the relaxation that he has just described is that cement containing asbestos is already exempt on the basis that it poses a very low risk. Does he accept that argument or does he believe that cement containing asbestos should be included in the regulated materials?

Mr. Clapham: I believe that cement containing asbestos needs to be covered by the same strict and robust standards that we have had previously. It is dangerous to relax standards for any situation in which asbestos fibres are likely to be present. We must be very cautious about that.

John Battle (Leeds, West) (Lab): The cement was examined when it was mixed and only about a year old. The problem is that asbestos was added to cement in the 1960s and cement dries out; in old buildings it dries right through. The problem with fibres can exist 20 or 30 years later, but the delay factor has been ignored. When the HSE and insurance companies say that asbestos is inert, they are wrong. It is not dead material. It comes alive again and kills people.

Mr. Clapham: I thank my right hon. Friend for that intervention. He has explained clearly why it is necessary to have more robust standards.

The research on which the Health and Safety Commission's proposals were based is flawed. I want to draw the Minister's attention to what Robin Howie said. He was an occupational hygienist and president of the British Occupational Hygiene Society. He said that the research was carried out under unrealistic conditions and that the findings did not reflect the level of exposure that would take place in the real world. The removal of asbestos-containing textured coatings was done under controlled conditions by operatives working for licensed contractors in asbestos enclosures fitted with negative pressure extraction units. He made the point that the use of skilled operatives using the latest technology and equipment has not produced results that will be replicated by untrained workers employed by unlicensed contractors, unobserved and working without the same technology used in the research. That is a major point. If those controlled conditions cannot be replicated—they obviously cannot—in the real world, people will be put in jeopardy.

Furthermore, Howie pointed out that the health and safety laboratory researchers measured the level of exposure experienced by the operatives in that enclosure. What they did not take into account was the airborne asbestos fibre concentrations that would be experienced by unprotected families living in homes where textured coatings had been removed. The health and safety laboratory study was commissioned jointly with the Association of British Insurers, a body that works energetically to reduce asbestos-related liability.

The problem is that the research cannot be replicated in the real world and textured coatings in domestic premises will be removed by unlicensed contractors with the danger that they will not use the protection necessary to ensure that airborne fibres are not left when the family returns to the premises. Again, further inspections are necessary following removal of asbestos coatings and I shall refer to that in a moment.

I want to bring to the Minister's attention a paper published in 2005, which was co-authored by Daniel McElvenny of the HSE's epidemiological and medical statistics unit, which details the increasing incidence of asbestos cancer from secondary exposure such as that experienced by plumbers, gas fitters, joiners, builders and electricians. If textured coatings are removed from the licensing regime, it is highly likely that more deaths will occur among that group of workers. That is something that the Minister should take on board. The paper produced in 2005 by the HSE actually supports the point made by the agency in 1998 that there should be no relaxation. I cannot see what has changed since that paper was published in 2005. Only a sceptic would say that cost was a factor.

There is another issue of greater public concern: when textured coatings are removed by unlicensed contractors, they are likely to be dumped in unlicensed sites. According to Environment Agency statistics, someone fly-tips in England and Wales every 35 seconds; there are around 70,000 incidents per month. Following the introduction in 2004 of more stringent regulations for waste disposal, the number of landfill sites that accepted asbestos fell dramatically, and the cost increased. It is hard to see how the combination of unlicensed contractors and the reduced number of landfill sites can do anything but increase fly-tipping of that dangerous material, exposing more people to greater risk. Again, the Minister should take that point on board. Perhaps that fact should be brought to the attention of the Department for Environment, Food and Rural Affairs.

It is known that it takes a long period of exposure for someone to develop an asbestos-related cancer. I referred earlier to secondary exposure, but let me bring to the Minister's attention a case that I dealt with between 1996 and 1997 of a miner who had been subject to secondary exposure. He recalls finishing his national service and starting work with British Coal, or the National Coal Board as it was then. He worked for just four months in 1954 with a machine that had asbestos brake linings. In 1996, he fell ill. His illness was diagnosed as mesothelioma, and he died in 1997.

The point is that that man did not have asbestosis. I recall taking him to tribunals, and we could not establish asbestosis because in order to establish it there must be fibrosis of the lungs; in other words, the illness must be pneumoconiosis, and asbestosis is a form of pneumoconiosis. The diagnosis was that there was asbestos fibre in his lungs, but it had not coalesced. As a result, we had to fight through the tribunal to establish that he had been working in conditions in which he was subject to asbestos. Finally, we established that point, and he was paid industrial injuries disablement benefit. That man had been working with a machine more than 40 years ago, and it took that long for the mesothelioma to develop, even though he was exposed for only a very short period.

What is to be done? In 1998, the HSE was persuaded that there should be no relaxation of controls on removing asbestos coatings—or, should I say, textured coatings—because of the danger that it presented to those who could be exposed, and its document of 2005 supports that. So what has changed? Could it be that the HSE is now looking into cost cutting, as many people believe? That may be the case, but my view is that, given the evidence available, the methodology on which the proposal is based should be thoroughly reviewed. I hope that the Minister will order that review. I also hope that she will support continuing the process of third-party inspections by an independent body when a textured coating has been removed. That way, the family moving back into the premises can be safeguarded from exposure to airborne fibres.

Also, I hope that the Minister, who represents the lead Department on the issue, will instigate a cross-departmental approach for the victims of asbestos. Three Departments are involved in the issue—the Department for Constitutional Affairs, the Department of Health and, of course, the Department for Work and Pensions, which has the lead. The Department for Constitutional Affairs is involved because it recently put out a consultation paper suggesting that the number of specialisms in the courts should be reduced, among them the mesothelioma specialism. That specialism has been in place in the Queen's bench division of the High Court for the past three years, and it has meant that live mesothelioma cases have been settled within four weeks, and posthumous cases within seven weeks. There is a danger that if it is dropped as a specialism we will be back to longer periods in court.

I also ask the Minister to consider whether it is time to introduce a scheme for people suffering from asbestosis, and particularly mesothelioma. It could be similar to the scheme that the Department of Trade and Industry operates for miners, but better. It should be financed by the insurance companies and based on settlements commensurate with what men and women would receive in court. That would stop the indignity of being dragged through court.

As regards the Department of Health, there is a real need to introduce a treatment and care strategy. If we can marry up the legal and health sides, we can make a lot of progress for asbestos victims. I hope that the Minister will take that on board, and I hope that, having heard the evidence that shows that the proposal was based on flawed research, she will order that the matter be thoroughly reviewed, with a view to maintaining the current high standards.

9.57 am

Paul Rowen (Rochdale) (LD): I am grateful to the hon. Member for Barnsley, West and Penistone (Mr. Clapham) for initiating this debate and for giving such an excellent speech, detailing concerns that many of us have about the European worker protection directive. I am also grateful to him for tabling early-day motion 1224.

The debate is timely, marking as it does the end of the public consultation on the directive. I say at the beginning that there is much in the directive that we can support and welcome. For example, I particularly welcome the tightened provisions and the single lower control limit of 0.1 fibres per cubic centimetre of air. That is an important provision, which will be welcomed in the industry.

As the hon. Gentleman said so eloquently, there is a long history attached to dealing with asbestos-related illnesses. I represent Rochdale, which, as many Members will know, was the site of the world's first asbestos factory, and the largest. There are not many

[Paul Rowen]

people in Rochdale whose families have not been touched by the effects of asbestos-related diseases over the past few years.

The first asbestos victim from Rochdale, Nelly Kershaw, died in 1924; the first mesothelioma victim was reported in Rochdale in 1936; and a study in the 1950s established the link between asbestos and lung cancer. Despite all that evidence and the fact that people knew about the deadly effect of the mineral, it was not until 1997 that that the product was finally banned. An excellent book, "Magic Mineral to Killer Dust: Turner and Newall and the Asbestos Hazard", highlights graphically the steps that industry took to hide information about the effects of asbestos and related disease, and prevent it from coming into the public domain.

The hon. Member for Barnsley, West and Penistone expressed concern about the proposed changes in relation to textured coatings. We have to look at what is happening and who is wagging the tail. It is a fact—we have seen it reported in the press—that the insurance industry continues to do everything possible to minimise costs and risk.

John Battle: I am glad that the hon. Gentleman has raised that point, because Turner and Newall, in my constituency, was the very company that had the asbestos tragedy that I raised in the House in 1998. My hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) set out the evidence in his excellent contribution; in addition, only last Thursday the insurance companies overturned a High Court ruling that we got 20 years ago, saying that they would no longer recognise pleural plaques as evidence of mesothelioma, or potential asbestos pollution. Does not that prove that the insurance companies are determined to wriggle out of paying compensation and move away from their legacy?

Paul Rowen: I thank the right hon. Gentleman for that. I know that he has had a long battle in respect of the Armley factory. Last week was a severe set back for all those workers—there are many thousands in Rochdale—who may suffer as a result of that decision. I hope that the Minister will take up the suggestion of the hon. Member for Barnsley, West and Penistone and try to bring some order to the situation and stop the insurance companies from denying some comfort to dying people and their families in their last days.

The proposal that we are discussing lies in the face of evidence and concerns about the use of textured coatings. Yes, we are not using asbestos any more, but it is still found in many thousands of buildings. We simply do not know the scale of the problem. It is an accepted fact—back in the 1980s the then Under-Secretary of State for Employment, the right hon. Member for Suffolk, Coastal (Mr. Gummer), admitted it—that there is no safe limit as far as asbestos is concerned. Why, then, are we going ahead with declassifying and handing over to people who will not be aware of the potential effects and dangers, will have had no training and could be exposing themselves to severe risk?

As has been said, the research is flawed. Before we go ahead and introduce the new changes, we need to ensure that we have the best research available. Again, it is a fact that, throughout history, science and research have been used to suit industry's needs. I am in no doubt that the directive is a cost-cutting measure that will, if implemented, result in some tragic consequences.

I shall finish—because many other hon. Members want to speak—with a final quote from "Magic Mineral to Killer Dust", which illustrates why we are here today:

> "The asbestos experience demonstrates starkly the political and social problems in revamping health and safety laws, compensation payments and medical surveillance. Occupational diseases are deeply social and political. Industry inevitably influences both politicians and the formulation of industrial laws. The events surrounding the introduction of asbestos regulations in 1969 should banish any naive ideas that government and industry logically follow the healthiest and safest option."

We have the healthiest and safest option at the moment, but if we proceed with the introduction of the directive in its proposed form, we will not have that and we will suffer the consequences in years to come.

10.4 am

John Battle (Leeds, West) (Lab): I congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) on raising this subject again. He has fought tirelessly on this issue throughout his time in Parliament—often unacknowledged by many in the media and so on. He has kept the issue alive in the House, in Parliament and in Departments. His expertise on these matters is second to none, because he has worked through cases and the law, and we owe him a great debt for insisting that the subject is kept in the forefront of the public mind.

Last week, on 26 January, Norwich Union, on behalf of a consortium of companies, overturned in court a decision that we got in Manchester in 2004, under Lord Justice Holland, which ruled that asbestos victims could claim if they had pleural plaques—signs of mesothelioma and cancer later down the line. Last week that decision was overruled: pleural plaques were declared inert. It was said that they would not be a problem, so people could not claim compensation from the insurance company. I want to say a little bit about why that demonstrates that the insurance companies are absolutely determined not to pay out for victims; they want to hold on in there and keep court cases going for years and years, as they have in my constituency, in the hope that the people will die out and take the evidence with them.

When I first stood for Parliament a young man of 48 came into my office. He was off work sick with chest problems, but volunteered—he was not a Labour party member—to help in the campaign. He asked if he could do a bit of office work. I found out that he lived in the Armley neighbourhood near the office and near to J. W. Roberts's factory, which made asbestos blankets but which had closed in 1956. That factory was part of the Turner and Newall group over in Rochdale. We discovered during our research that although laws were brought in to protect the workers, to some extent, in the 1930s, for some strange reason that factory thought that it was okay to carry on blowing the dust out on to the streets nearby after work. People picked it up and used it as snowballs, for example, and it was on the lintels and

window sills. What was the result? More than 400 people in my constituency in a cluster around that factory have died of mesothelioma. The young man I mentioned was one of those people. Two years after he came into my office he was dead of mesothelioma. All he had done was go to the local school and play in the asbestos dust.

It took us eight years to get Turner and Newall into court. Why? It said that the problem was in the neighbourhood, rather than the factory, and the laws only affected workers, not the neighbours. We established the precedent that the company was liable for polluting the neighbourhood. We had to clean up all the houses. This Government gave money to the council—some £5 million—to strip the asbestos out of all the houses and clean up the neighbourhood. That was a cost to the public. Can we get the money back from the company? No. The company was taken over by Federal-Mogul in America, which campaigned for years to try to stop paying out money to the victims.

Then what happened? Last week, we got a decision. I should just like to mention Professor Richard Doll, who died last year at the age of 90. He gave his life to campaigning for people with lung diseases. He campaigned against the odds, when everyone was saying that he was wrong. He campaigned to ensure that asbestosis and mesothelioma were taken seriously, as well as smoking-related diseases. He would be turning in his grave if he had heard the decision on 26 January. If he had been there, he would have spelled out that pleural plaques are—to use his words—an indicator of exposure to asbestos that is latent, not inert, 20 years down the line. That man in my office had been in the playground; 40 years later the disease was evidenced in his lung. Exposure to one fibre gave him mesothelioma.

We must remember that this is a disease with a time line. It is a disgrace for the companies now to declare that pleural plaques are no longer compensatable, because there is no proof that people are suffering. It is a bit like saying, "It's all in your head, really. You're worried about it, but there's no problem. You might get it later, but it's nothing to do with us. Move away."

I want to contrast what is happening with two other examples. In America, people are given compensation if they have the potential to die from mesothelioma or asbestos-related disease. That is allowed at the early stages. One reason why the companies will not pay out on the Armley cases is because we deal with actual cases in Britain—people must have proof that they have the disease. However, in America, it is the potential that matters. Sometimes, the lawyers refer to those people, rather abusively, as "the worried well", but the companies pay out. The Armley cases at the back of the line are potential cases. If they can accept potentiality in America, why do not the insurance companies and the big multinationals accept it here?

Dr. Gibson: Does the right hon. Gentleman agree that in America the industry got wily and moved production to Mexico to pollute the lungs of the Mexicans?

John Battle: Indeed. However, I do not have time to deal with that, because this debate was secured by my hon. Friend the Member for Barnsley, West and Penistone.

We found out, after research, that the company in my constituency moved the Armley factory to India, so it could carry on producing and move away from any regulation here. We got someone outside the factory gates in India to show that the workers there would be killed within 40 years in the same way that people in my neighbourhood had been.

Let me draw another parallel. There is one question that we should be asking the insurance companies, and I would be very interested to ask it. We should say, "Okay, you say pleural plaques don't count. You say if I've got them, they're inert and don't really matter. So can I have my life insurance? How long will you give me?" I bet my bottom dollar that they would cut back provision and increase my premium if I had pleural plaques. Well, they cannot have it both ways: they cannot ask me to pay more because I have pleural plaques, but go to court the day after and tell me that they do not count for anything and will not kill me. They are having it both ways, and we should expose the scandalous way in which they are trying to move away from the problem. Insurers who deduct from life insurance but who campaign to say that pleural plaques do not count should be challenged.

Last week, three judges in the Court of Appeal overturned the decision that Mr. Justice Holland made in Manchester in November. He ruled that victims of asbestos pollution could claim on the basis of pleural plaque evidence, and Richard Doll would have supported that. The Court of Appeal decision was divided—two of the judges were for it and one was against—and even the chair of the bench, Lord Phillips, said, "Oh well, the court is divided. It will obviously have to be looked at again." So the case moves on to the Lords. We should build a campaign against the Court of Appeal decision in memory of Richard Doll and say that we want it overturning. Lady Justice Smith, who ruled against the appeal, said that Mr. Justice Holland's decision should stand. If we do not campaign against the Court of Appeal decision, but let it stand, the asbestos companies—the Turner and Newalls and the Federal-Moguls—will wriggle out of their responsibilities, backed by their insurers.

We do not have the detailed figures, but Richard Doll showed where the curve is and we could guess how many people are affected. Asbestos use has stopped, and we can look back over the 50s, 60s and 70s and work out who might be affected 20, 30 or 40 years down the line. The asbestos insurers have done their calculations and have an idea of how much they will have to pay out and they are trying to bring that curve down. That is what this is really about.

We should campaign to say that time is up. We have the scientific evidence, and my hon. Friend the Member for Barnsley, West and Penistone has put it in a much wider context. We should not backslide and let the Health and Safety Executive and the insurance companies say, "Well, this is a difficult one. We've done a bit about it. We've stopped it happening in the future. But we won't address the legacy of the past." The victims are being denied justice and we should continue to fight for them.

10.12 am

Jon Cruddas (Dagenham) (Lab): I shall be relatively brief because a few of my colleagues want to speak and several of the points that I wanted to make about the

[Jon Cruddas]

pleural plaques judgment and the policy issues have been made in the three excellent speeches that we have heard. I, too, want to speak against the changes to the licensing regulations that apply to the removal of textured coatings that contain asbestos, such as Artex. Such changes would mean that contractors could manage textured coatings regardless of their experience or qualifications. Unlicensed contractors will not have the training or insurance to ensure that workers, householders and their families are adequately protected against exposure.

By way of background, let me say that the borough that I represent—Barking and Dagenham in east London—is one of the country's hotspots for asbestos-related cancers and mesothelioma. According to the Health and Safety Executive report "Mesothelioma mortality in Great Britain: an analysis by geographical area, 1981–2000" the standardised mortality ratio and the number of deaths in my area are the highest in London and the ninth highest in the country; indeed, for women, the figures are the highest in the country. East London remains a hotspot, partly because of the legacy of the Cape asbestos factory in Barking. The testimonies of the people who worked there are very similar to many others, with the stories about snowballs in the yard and women washing out clothing, and that accounts for the high mesothelioma rates. Such problems are transportable round the country and they are not the product simply of our industrial heritage in the north of England; they exist in this city today. That is an important point.

In Barking and Dagenham, we have set up an asbestos group with the London Hazards Centre, and I was fortunate and privileged enough to chair the first meeting a few months ago. We are working hard on this agenda, and I pay tribute to my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) for his long record of work on this issue, for his expertise and for his tireless campaigning, which is a credit to public representation in this country.

The proposed decreases in safety controls will weaken the protections currently offered to many groups of workers, many of whom are constituents of mine. Many of the policy issues have been covered in previous contributions, however, so I shall just give a simple example. I held a surgery on Friday night in Dagenham, and the 29th case that came through the door was that of Mr. Michael Barclay of Marsh Green road in Dagenham and his mate, Bob Bailey, who are constituents of mine. They are both plumbing and heating fitters in a neighbouring local authority's work force, and I simply want to read a bit of an HSE report about an incident that they logged in 2004. This is Mr. Barclay's testimony:

"I went to the job on 21/06/2004 and identified that a water heater inside the sink unit which was surrounded by suspected asbestos material. Left the job and informed the manager to use an asbestos removal team"—

a licensed contractor.

"Manager informed these people and asked them to fax him when they were going to be there so work could be stopped. This didn't happen, on 22/06/2004, a new central heating boiler was to be fitted. Walked into the property to find two men in there, one with a crow bar and another with a hammer who were hitting out the asbestos. They weren't wearing any breathing masks or taking other precautions"—

I repeat that this is a licensed contractor.

"I left the boiler in the flat and left immediately. I returned to the yard and made an incident report to my manager. The same day, the manager received a clearance certificate from Cavendish Laboratories saying that the property had been air-tested and been given the all clear. On 23/06/2004, at about 10:30AM, myself and my partner, Bob Bailey, arrived at the site with other materials e.g. pipework and radiators. On arrival, there was a plumber at the premises, noticed that the warm air unit that was supposed to be taken out and disposed of was still there. There was lots of dust as well as debris on the floor. Immediately phone my Manager, which is Paul Gibbons and he told us not to touch anything and he attended straight away. He had some sample bags."

He took the bags away, and of four samples, three tested positive within two hours. The job was closed and the locks were sealed. The matter was reported to the services manager—a safety officer at the borough—and a report was made to the safety manager at the HSE on 30 June.

Mr. Barclay then describes in detail the countless efforts that he has subsequently made to contact the HSE. He has made 13 different formal representations, and there have been representations from his union to find out the details of the HSE report. Mr. Barclay was reliably informed that the HSE

"came down and took lots of statements and told me that within six months the people responsible would be pulled in."

A year and a half later, however, nothing has happened.

That happened in a regulated part of the building industry in east London, where licensed contractors do local authority work today. That raises several issues, which are applicable to some of the proposed relaxations in the regulations regarding coated materials. First, there is the ease with which people can get clearance statements. Secondly, there is the question of licensed contractors with a lot of work hiring guys with no knowledge of working with asbestos. The people whom Mr. Barclay described had no safety equipment and were just banging the asbestos out with mallets. Thirdly, there is the issue of prevalence. In my area, we have a massive council estate with a long history of asbestos-related incidents, and the problem is dormant in many of our houses, where Artex is used throughout. We seem to be moving in the wrong direction in relaxing the regulations, and all the policy issues that have been raised today demonstrate that.

I shall say nothing more, because my colleagues have covered all the substantive policy issues. I simply make the point that when it comes to the day-to-day realities of work in modern Britain, the problem of asbestos has not been resolved, as Mr. Bailey and his mate have shown. It is a day-to-day hazard, and we should be moving in the opposite direction, not relaxing the regulations covering work in certain industries.

10.19 am

Jim Sheridan (Paisley and Renfrewshire, North) (*Lab*): I, too, congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) on securing this important debate. I certainly take the view that there is no more important issue for legislators than protecting the safety of our constituents. All our constituents should be allowed to come home from work at night free from any causes of danger to their lives. I say that as a former shipyard worker who worked with this deadly material. Like many thousands of my

colleagues, I live every day with the fear that there is something inside waiting to come out, and that is not a pleasant experience. Having watched some of my former colleagues suffer and die, I know that there is nothing more horrible than to die of an asbestos-related disease. It is not only the victims who are affected but their families, who have to watch them die.

Dr. Gibson: Does my hon. Friend find it ironic that there is a picture in the newspapers today of the Prime Minister having a lung function test? Did my hon. Friend's work mates ever have lung function tests or was the company doctor so tame that even that was too much?

Jim Sheridan: My hon. Friend makes a perfectly valid point. I, too, saw the picture of the Prime Minister in the newspaper. It would not take the colleagues I worked beside in the shipyard long to blow into a tube, because they would not have the breath, but at least we are making progress.

Having worked in the shipyards, I can well remember when the sun would shine into the bilges of the ships. It is not often believed, but there are sunny days in Glasgow—the third Wednesday in May, I think. When the sun shone through we would see the particles and our gaffer would say, "Oh, that's okay, it doesn't affect you. That's all in the insulators"—the "white mice" or "laggers", as they were called. "It's only the guys working with that stuff who'll be affected. Don't worry about it, just carry on doing what you're doing—you're fine." People would go home in the belief that their employer knew better than they did. They carried on working, only to find out in later life that that was not the case. Indeed, some of the gaffers and foremen are now dying from mesothelioma as well.

I well remember driving a van for Breville, delivering the insulation to the people who were stripping out the asbestos in the bowels of Lennox Castle hospital. They were six young men, stripping out asbestos with their bare hands and wearing no protective equipment whatever. At the same time, they were eating their chips, as we call them—or lunch, as it is called here—with the stuff on their hands. Being the kind of person I am, I raised the issue with the employer on site, only to find—surprise, surprise—that when I got back to the depot my services were no longer required. That is the nature of the beast with such companies.

I have had other unfortunate experiences. Scottish law recently changed. It used to be that when a claimant died, the claim died with him and the family received no compensation whatever. However, I pay tribute to my union, the Transport and General Workers Union, for going to court and getting the law changed. Some of the insurance companies and those representing them had developed a practice whereby they would get the claimant to court—sometimes with great difficulty for that individual—and make them face a GP sitting beside a lawyer. The GP would try to judge how long that claimant had to live and a technical reason would then be found to suspend the case in the hope that that person would die before it started again. Those are the kind of people whom we were dealing with, but thankfully the law has been changed, as a direct result of the trade union's action.

Mr. Bob Laxton (Derby, North) (Lab): Is my hon. Friend also aware that the insurance companies are seeking to challenge claims under tort and common law by arguing that an individual who has worked with asbestos over 20 years and in 10 different companies, for example, has to prove which company got the asbestos fibres into their lungs? If they are unable to prove that a specific company is responsible, their claim fails. That is another case of insurance companies and employers trying to wriggle out of their responsibilities.

Jim Sheridan: My hon. Friend makes a perfect point. Trying to get people who have moved between different sites around the country to identify which company is responsible is ridiculous. Often a company will sub-contract a job to another company, so claimants become involved in a paper chase. That is outrageous, and people are losing out. Companies are finding loopholes to avoid facing their responsibilities and paying out compensation.

I do not wish to take up too much time, as others wish to speak, but it would be remiss of me not to mention Clydeside Action On Asbestos, which is a voluntary organisation that does excellent work in the west of Scotland. It is now common practice for its volunteers to wear a black tie every day, because it is guaranteed that there will be a funeral. The group does magnificent work counselling families, giving advice to those who have contracted this horrible disease and offering guidance on some of the legal loopholes.

In concluding, I am extremely concerned that companies are moving out of this country and into developing countries, such as India. I despair to think that in years to come people in underdeveloped countries will suffer from the same horrible disease that people in this country suffered from in the 1950s and 1960s—and even today—while the employers and the insurance companies walk away scot-free.

Mr. Martin Caton (in the Chair): I call Huw Irranca-Davies, but I warn him that there are only four minutes left before I should like the Front-Bench spokespeople to start.

10.27 am

Huw Irranca-Davies (Ogmore) (Lab): Thank you, Mr. Caton, I take your warning on board. I would like to cover ground that has already been covered, and congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) not only on calling today's debate but on his excellent work over many years, not least with the all-party group on occupational safety and health, which has pushed the issue hard.

When I entered Parliament four years ago I was told not to go looking for causes because they would come to me. Within six months of my becoming an MP, a lady called Ann Howells walked into a surgery in one of the villages in my constituency and tearfully told me about the recent loss of her husband through asbestos-related disease. She explained that she had no support and guidance and that she did not know where to turn. That was the first instance that I had come across and it prompted me to look at the research work and all the matters that have been alluded to, and the issue became a cause for me.

[Huw Irranca-Davies]

Unlike the constituencies of other hon. Members who have spoken so passionately, articulately and knowledgeably, mine is not in a hotspot. In some ways that causes its own difficulties, because the level of support and guidance in relatively remote and rural areas is significantly different from that on Merseyside, Clydeside or wherever there are docklands or a history of heavy industry involving asbestos. However, that does not make the need to support the people affected any less urgent. I am pleased that in south Wales we have established a support group for those who have been affected by asbestos-related diseases, with union support and the help of a firm of lawyers. The group is growing in numbers, and it is surprising how many isolated people come forward once one starts banging the drum on this issue.

I echo support for a national scheme such as my hon. Friend the Member for Barnsley, West and Penistone proposed. If we are staring at the start of a rising bell curve for asbestos-related disease among people exposed 20, 30 or 40 years previously, now is the appropriate time for the Government to consider implementing something similar to the chronic obstructive pulmonary disease scheme, with which many of us are familiar. If we carefully consider such a scheme now, it could be in place before we reach the peak of the bell curve and, in addition to addressing the diseases, could help the worried well. They include the families, who may not have been exposed to heavy industry directly but may have washed the clothes of those who were. We can help them avoid the added trial of taking their cases through the courts one by one in ways that will have the insurers standing against them at every turn. If the Minister is to take one message from my brief contribution, I hope that it is to speak with ministerial colleagues and consider the possibility of introducing a scheme similar to the COPD scheme.

10.30 am

Mr. David Laws (Yeovil) (LD): We have had an excellent debate and I, too, congratulate the hon. Member for Barnsley, West and Penistone (Mr. Clapham) on having secured the debate. He has demonstrated his long-standing commitment to addressing the issue. He has also, as has been said, managed to secure the debate on the very day on which the Health and Safety Commission consultation ends. That is extremely timely; the random nature of the balloting process for our debates sometimes has a logic of its own.

We have heard good speeches from other hon. Members with a commitment to tackling the issue, including my hon. Friend the Member for Rochdale (Paul Rowen), who spoke about the problems in his constituency. The right hon. Member for Leeds, West (John Battle) made a passionate speech about compensation, an extremely topical issue that really merits a debate on its own, and which he aired fully. I shall not touch on it now because of the limited time available, but it would repay us to come back to it in future. We also heard about the experiences of the hon. Members for Dagenham (Jon Cruddas), for Paisley and Renfrewshire, North (Jim Sheridan) and for Ogmore (Huw Irranca-Davies), and about some of their work on the issue. I am pleased to see that there is such a strong corps of hon. Members who take the matter seriously and who are determined to follow through their concerns over a long period.

It is tempting for those of us who are not so well informed on the issue as some of the hon. Members who have spoken today to think that the asbestos problem belongs in the past, and that we have got through it. However, the figures that have been cited for new cases and for deaths from mesothelioma demonstrate that we are experiencing the problem now, and that the full cost of the problems caused by asbestos is beginning to show in our health figures. We are dealing with a massive legacy, as a number of speakers have said. The HSC estimates that some 500,000 commercial, industrial and public buildings and the common areas of some 4 million rented residential properties are likely to contain asbestos, so the legacy is enormous.

In the light of the ghastly diseases associated with asbestos, and the concerns that hon. Members have expressed about the way in which certain commercial operators have acted over the years, it is not surprising that there is a lot of emotion about the issue and a great deal of concern about whether commercial interests are influencing the development of legislation and guidelines. However, it is important to make the point—I am sure that the Minister will do so later—that, although there must be a great deal of concern about the emotional and commercial issues, we are entitled to ask the Health and Safety Commission to base its judgments and guidelines on the evidence.

A number of hon. Members questioned whether the HSC was basing its judgments on the evidence or being swayed by commercial reasoning. In my view it has, on the whole, tried to strike the right balance between excessive regulation and exposing people to unacceptable risk. I take at face value its attempts, in new regulations—

John Battle: Will the hon. Gentleman give way?

Mr. Laws: I will not, if the right hon. Gentleman does not mind. We have a very short time left, and I want the Minister to have time to respond.

Although the hon. Member for Barnsley, West and Penistone has raised legitimate issues today, we ought to accept at face value the HSC's attempts to strike the right balance. It spelled out what it was seeking to do in a press release dated 18 January, which said:

"The draft package implements changes to the European asbestos worker protection directive and tightens statutory protections for those working with asbestos, by introducing a single, lower control limit for worker exposure".

It continues, in relation to the specific issues raised by the hon. Member for Barnsley, West and Penistone:

"The consultation takes into account new research. This research shows that the risk from asbestos-containing textured decorative coatings is comparable to the risks from work with asbestos cement, something that already does not require a licence. It is proposed that work with such textured coatings will no longer require a licence."

The HSC claims elsewhere:

"Asbestos exposure levels from these materials are much lower than previously thought: estimated to be 1000 times less than that

for other licensable materials, and lower than that from work with asbestos cement",

which, it repeats, does not require a licence.

The hon. Member for Barnsley, West and Penistone is perfectly entitled to raise his concerns. I shall return to them in a moment, and the Minister must address them head on. He is also entitled to say that it is clear that the HSC changed its view over the years, so the situation cannot be regarded as having one obvious solution. The recommendations have changed over time, and we are entitled to ask whether it is right that that should have happened, and what evidence has been used as a basis for change.

In section 42 of its consultation paper, "Proposals for revised Asbestos Regulations and an Approved Code of Practice", the HSC points out:

"Work with asbestos cement has never required a licence because the risks are relatively low, and below the level to attract a licence. The new research suggests that the risks from work with textured coatings are even lower than the risks from work with asbestos cement."

There is a table showing the predicted deaths over a 50-year period for 500,000 general building workers, working 0.5 per cent. of their time on asbestos-containing materials for 10 years. In that time 0.3 asbestos cement removal workers and 0.1 people working with textured decorative plaster are expected to die. In other words, despite the concerns of the hon. Member for Barnsley, West and Penistone about the existing asbestos regulations, the HSC—using its own evidence—considers that the product is considerably safer than cement, which does not now require the same degree of regulation. That is why I asked whether the hon. Member for Barnsley, West and Penistone believed that cement should be included in the protections and regulations. The logic of his position, surely, is that we should tighten the regulations rather than ease them.

That is the HSC's case, and it is perfectly entitled to it. Its job should be to assess risk, and to make us aware of the types of risk with which we are dealing. There are risks in everything; there are risks in crossing the road. I say that not to be childish or to score points but to illustrate the HSC's job. It has to ensure that people are not subjected to unreasonable levels of risk and that we do not spend a lot of money protecting ourselves from minuscule risks.

That case having been made by the HSC, I hope that the Minister will address some of the concerns about the evidence on which it bases its conclusions, such as those raised by the hon. Member for Barnsley, West and Penistone, who considers that the evidence from trials was secured under unrealistic conditions. He mentioned that controlled conditions with extractive units would not be replicated by untrained workers, and that the research could not be replicated in the real world. Those are legitimate concerns. If the HSC has come to its conclusions on the basis of an utterly unrealistic scenario that would not be faced by real workers in the real world, none of us will be happy and we will not want to expose people to the risks. We understand that perfect conditions are often not reflected in the real world, as the hon. Member for Dagenham said.

As a politician without medical expertise or knowledge of asbestos as a product, I want to know whether the evidence that the HSC has gathered, which seems to be its basis for changing the regulations, is rational and soundly based, or whether the concerns of the hon. Member for Barnsley, West and Penistone are legitimate. I congratulate him on having raised the matter, and hope that the Minister will address that particular point.

10.40 am

Mr. Tim Boswell (Daventry) (Con): I, too, thank the hon. Member for Barnsley, West and Penistone (Mr. Clapham) for bringing this important subject to the attention of the House. Of course, this might well be our only opportunity to rehearse the draft regulations in such circumstances. The hon. Gentleman has a long and honourable record of leading on occupational health matters in the House, and I am pleased to collaborate with him in the all-party group on occupational safety and health. I take seriously the passion and sobriety of the comments made by other hon. Members and the sober, careful and dispassionate analysis developed by the hon. Member for Yeovil (Mr. Laws).

The debate has been useful. It is about a dreadful disease and complex of diseases that are particularly vicious, not only in their intensity and almost inevitable fatality but because they arise through latent effects, often over a long time. Frankly, I have no special expertise on the area, but I have a little more familiarity with some of the policy issues on exposure to ionising radiation, and there are some analogies. Effects can be immediate in such cases, but they typically occur over the long term, leading to cancers and other horrible diseases. However nothing is visible by way of hazard, unless it is mediated and exposed by equipment.

I take the point that there may be cases in which problems have been obvious and should have been dealt with at the time, but that is not typical. In relation to asbestosis there is both an occupational risk for carpenters, joiners, plumbers and so on and a long-term risk of domestic exposure for people in the house afterwards. I agree with the hon. Member for Yeovil that the Health and Safety Commission should approach the matter objectively, partly because of the intensity of the feelings concerned. I certainly do not think that health and safety matters should ever be approached in the House in a partisan spirit. We should start by looking at what is right and build our thoughts from that.

From my own somewhat jaded ministerial experience, I know that in some issues of scientific policy experts will always come with different views and present them within Departments or outside the frame, and that they will comment on departmental decisions, which are ultimately the responsibility of Ministers. Ministers are well advised to take seriously the objective advice that they receive, to ask questions about its quality and, if necessary, to seek further advice—I do not advise that they depart from that. That is the way in which I would expect the Minister to approach the subject.

The difficulties that have emerged from the debate include the nature of risk. Clearly, the HSC must take the lead. It has demonstrated to my satisfaction that, although there is no question but that there is an element of risk, the risk is definitely less than that for other substances. It would normally be the practice in

[Mr. Tim Boswell]

government to set the control level above the point at which there is real concern about occupational health. I remember from my time looking at becquerel counts that the control level is an order of magnitude different from where real danger is likely to arise. It has to be set appropriately, however.

There is also the question of the European directive. The Minister needs to comment on the fact, which I know has concerned some TUC representatives, that there are two tests in the European directive—sparsity and low intensity. I take it that that implies two tests rather than merely being tautologous.

We should also remember when considering risk elements that they will vary in particular circumstances. They may depend on the type of coating, the way in which it is placed on the wall, the likelihood of people ingesting it when they remove it, and so on. It is not simply a matter of saying that such things are safe or below the control level; the work has to be seen in context. I am concerned that there is no guarantee that the work will be done to a satisfactory standard by a non-licensed contractor. Indeed, the hon. Member for Dagenham (Jon Cruddas) has given examples of what goes wrong and there must be concerns about what happens. At the same time, if the requirements of the regulations are too onerous or inappropriately onerous—this is not an excuse but a statement of fact—people will be more likely to take the law into their own hands, knock the stuff out with a hammer and fly-tip it. I suspect that that is the worst of all possible outcomes. It is also worth saying that there is a general obligation, even if the specific regulations on textured coatings are lifted, for contractors to operate a safe working practice. The difficulty that Ministers are bound to have is that we are not likely to know for 40 years whether what has been done wrongly will have any effect. That is the dilemma.

The long-term effect is real. On the other hand, it is impossible to give a permanent certificate for the status quo in such issues. They must be re-evaluated. Just because something has been restricted in the past is not in itself an argument for restricting it indefinitely if the risks are found to have changed. It is, I think, an argument for caution in making changes. Given the nature of the disease and the facts that have been properly set out by hon. Members from all parties, we cannot simply look for a commercially attractive solution without considering the matter coolly and objectively. It is therefore up to the Minister, based on the advice that she receives from the HSC, to make her own case.

It is important that the Government should be informed by a number of general considerations. First, Ministers need to satisfy themselves that they have a proper understanding of the risks involved. I gather that the HSC is to look again—although we do not have all the data yet—at some of the issues. Those need to be factored into the decision, even if they cannot be factored into the consultation document because the consultation is now closing.

Secondly, even if changes are made in the regulations, I hope that there will be some follow-up. It is right that when the commission—or local authorities acting on its behalf—considers building work, it should carry out proper monitoring of the activities that are undertaken. It is possible to take tests in buildings after the event and ask, "Was it really cleared? Is it safe for domestic reoccupation?" We should bear in mind, as my hon. Friend the Member for Kettering (Mr. Hollobone) said some time ago, the fact that risk tends to arise from the removal of such substances rather than leaving them in place, and it is tremendously disruptive to the activities of schools and families when it is necessary to impose restrictions.

The Government have also got to be ready—to steel themselves—to maintain specific controls where they are seen to be appropriate, in the light of any further evidence, and even to reintroduce elements of specific control for particular cases—perhaps taking into account the way in which the surfaces are configured or the nature of the anticipated occupational exposure for those removing them. Indeed, in the light of any monitoring that will take place if the regulations are relaxed, it should be possible to consider and, if necessary, to act on any changes that give rise to concern. Again, I emphasise to the Minister that it is not easy to do that. If Ministers do not carefully control the process, something could be let out the consequences of which we may not see for 40 years. That is why she has, rightly, to proceed with caution. If she had any doubts about that—I do not think that she did—she will have no doubts after this debate that there are real concerns. People have been killed, and there is a legacy that we should all be concerned about, whatever our politics, and however much we may have particular commercial or other interests.

We need to get this right. It is a matter that goes far beyond sectional interests. This is one of those occasions when Ministers have to respond frankly to the public concern, look at all the evidence coolly and objectively, be prepared to keep their minds open to any changes that the evidence may bring over time, and do the right thing on behalf of our community and the people who work in it.

10.50 am

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): I congratulate my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) on securing the debate. It has been a thoughtful debate on a very difficult subject, and I congratulate all the hon. Members who have participated. I am aware that there are great concerns about asbestos. They are shared by Members of all parties, as is highlighted by the list of those who have sponsored an early-day motion tabled by my hon. Friend.

Asbestos is an emotive issue and feelings run high, not least because of the tragic cases that have arisen, some of which hon. Members have highlighted in this debate. Many of us who represent former industrial areas or areas where there has been a strong mining community come across such cases in our daily activities as Members of Parliament. However, although these are difficult issues, I must stress that the precautions necessary to work with asbestos materials should also be proportionate.

The Health and Safety Commission continues to take the risks from asbestos very seriously. About 3,500 people in Great Britain die every year because of past exposure to

asbestos. That has been well illustrated by many hon. Members. Although we all recognise that this is a dreadful legacy, it is important to remember that there is a delay of between 15 and 60 years between exposure to asbestos fibre and the onset of asbestos-related disease. Most of those dying now were exposed to asbestos from the manufacture and installation of asbestos products between the 1950s and 1970s, when exposures were often high due to less stringent control measures. It is estimated that the number of deaths will peak between 2011 and 2015, but those will still in the main be due to past exposures, some of them from decades ago.

Although the current high death rates do not in any way reflect current levels of exposure, it is necessary to retain stringent controls, and asbestos is one of the few substances that has its own set of regulations. Although asbestos is no longer imported or used, asbestos products are still present in many buildings—we have heard some examples this morning—that were constructed or refurbished between the 1950s and the 1980s.

We have heard some horror stories. My right hon. Friend the Member for Leeds, West (John Battle) mentioned that schoolchildren used to make snowballs from asbestos; that clearly indicates that there was a time when asbestos was not thought to be the dangerous substance that we now know it to be.

John Battle: I just want to correct that. It was thought to be dangerous in 1936, but the companies concerned would not accept responsibility for what happened in the neighbourhood, although they accepted it for the factories. That is the problem.

Mrs. McGuire: I thank my right hon. Friend for that intervention.

Because of the continuing risk from asbestos, the HSC has consulted on proposals that it believes would further strengthen the regulatory protection for workers. Today is the deadline for responses to the HSC's consultation on asbestos regulations. That is a happy coincidence—or perhaps the powers that be have managed to make it happen. It may help to clarify matters if I explain some of the HSC's proposals, but I should emphasise that before the HSC puts any advice before Ministers, it will carefully consider all the comments made during the consultation—and, of course, during this debate. Therefore, at this point in time Ministers have before us no proposals or advice from the HSC, and I should not—and cannot—pre-empt anything that it might say to us.

It is proposed to retain the requirement currently in regulations for those employers who undertake high-risk work with asbestos materials to be licensed by the Health and Safety Executive. It is important to understand the purpose of asbestos licensing. It should not be confused with separate requirements to control work with asbestos, which apply to all work with asbestos.

The example highlighted by my hon. Friend the Member for Dagenham (Jon Cruddas) should not happen. Last year, the HSE issued 155 enforcement notices. There are situations in which licences are revoked. That example was horrific, and action should be taken. If my hon. Friend gives me the details of it, we can pursue that.

Another important proposed amendment to the legislation would require employers to provide specific training for all workers who are, or who are likely to be, exposed to asbestos fibres. The proposed regulations would specify the training required to enable workers to acquire the necessary knowledge and skills, and although that is already covered in existing guidance, it would in future be a specific legal requirement. That would apply to all work, both licensed and unlicensed; that is an important point. Maintenance workers and others who are likely to encounter and disturb asbestos products during the course of their work will need asbestos awareness training. This requirement is imperative if we are to ensure that workers appreciate the possible risks and are able to use the correct measures sufficiently to reduce those risks. The training requirement would also support the duty to manage asbestos in non-domestic premises introduced into the regulations in 2002.

During the consultation, there has been great focus on a single element in the proposals—the proposal to remove asbestos-containing textured decorative coating from the licensing regime. I take this opportunity to describe that proposal, and to explain why it has been made by the HSC, and—perhaps—to allay some of the concerns raised in this debate. The HSC is consulting on the proposal to remove such textured coatings from the licensing regime because recent research and a risk assessment have demonstrated that the risk is very much lower than was previously thought. I appreciate that hon. Members—such as my hon. Friend the Member for Norwich, North (Dr. Gibson), who is no longer present—may challenge that assertion, but that is the current judgment of the HSC. The consultative document includes a summary of the research on the removal of textured coatings and a wider risk assessment, and proposes amendments to the regulations on that basis. The HSE used research undertaken by the Health and Safety Laboratory, along with previous measurements, to calculate the risks to licensed asbestos removal workers from work with various different asbestos-containing materials.

I take on board the comment of my hon. Friend the Member for Barnsley, West and Penistone about the controlled nature of the experiments, which was also reflected in some of the remarks made by Opposition Members. There will be a review of the science, recognising some of the concerns that have been raised; a peer review is currently being undertaken. That will of course be a part of the consultation exercise, and it will also form part of the material that will be taken on board by the HSC commissioners when the report is eventually given to them.

Not all textured decorative coatings contain asbestos. Most such coatings contain chalk and gypsum plaster. In the judgment of the HSE—I appreciate that this is a matter of judgment—even when work to remove textured coatings is carried out poorly and dust is produced, only a very small proportion of that dust is released as asbestos fibres. Work with those textured coatings is currently within the scope of the HSE's licensing regime.

It could be asked why all work with asbestos is not licensed. Asbestos licensing is a regime that is intended to cover the highest-risk asbestos-containing materials. Work with lower-risk materials and certain types of work of short duration are not licensed—

Mr. Martin Caton (in the Chair): Order. We have to move on to the next debate now.

House of Lords Reform

11 am

John Bercow (Buckingham) (Con): It is a privilege to open a debate on House of Lords reform, the first such debate in this House since that which was initiated on 23 February last year by the then right. hon. Member for Livingston, the late and much lamented Robin Cook. He was truly an outstanding parliamentarian and a superb ambassador for the House. How fitting it is that an issue so important to him and of such continuing concern to many Members in all parts of the House should be kept on the agenda in the way that today's opportunity is providing for it to be.

In 1911, the Parliament Acts were introduced. They were accompanied by a statement from the Government that they intended to substitute

"for the House of Lords as it at present exists a second Chamber constituted on a popular instead of hereditary basis".

Interestingly and telling, there was an accompanying caveat, which said:

"but such substitution cannot be immediately brought into operation."

Pressing the fast forward button, we find that 92 years later, the Government presented seven options to the House on the future of the second Chamber. Each option was defeated, but it is relevant to recall that the option of an 80 per cent. elected and 20 per cent. appointed House came within three votes of being approved. It was defeated by 284 votes to 281. No fewer than 336 Members voted for 60 per cent., 80 per cent., or 100 per cent. election. However, it was not to be. A noble cause was put on the back burner.

In late 2004, Lord Falconer signalled that the final stage of Lords reform could be expected to take place early in a third Labour term. Since then, internal division within the Government, and possibly some lethargy to boot, have combined to produce no significant development. The most recent utterance that I have encountered was from the Minister of State at the Department for Constitutional Affairs, whom I welcome to the debate. In response to a written question from my hon. Friend the Member for Romford (Andrew Rosindell), the right hon. and learned Lady said that the Government intended to go ahead with

"a Joint Committee of both Houses to consider and codify the powers of the House of Lords.—[*Official Report*, 9 January 2006; Vol. 441, c. 240W.]

Separately from that commitment, she underlined that the Government also intended to press ahead with plans for a time limit on consideration by the Lords of any Bill, with the proposed abolition of the remaining hereditary peers and with a free vote on the future composition of the second Chamber.

It is important that the momentum for reform be maintained and accelerated. Today, I want to argue for the sort of second Chamber that is suitable to a modern democracy. In other words, I am describing the way ahead. The first issue on which I wish to focus is that of functions and powers. It is my view, and I am convinced that there is almost consensus in the House, that the second Chamber should be a House of review, scrutiny and deliberation. In other words, whether it will in future be called the House of Lords or something else, it should continue to be complementary, but not duplicatory, to the work of the House of Commons. The logical corollary of that proposition, for which there is general support, is that the powers of the second Chamber should be broadly the powers that it possesses today.

Thirdly, I wish to make a suggestion of which I am not the original author. When there are genuine and continuing controversies, a dispute resolution committee to resolve them should be established. It would make sense for that to be a Joint Committee of both Houses of Parliament, tasked with the responsibility to propose compromise amendments to legislation on which ping-pong between the House of Commons and the House of Lords was taking place.

The matter of functions and powers is not especially difficult or controversial. I shall move on to the meat of the issue, from which we should not be long delayed.

Mr. Oliver Heald (North-East Hertfordshire) (Con): As for a dispute resolution committee, how many pings and pongs does my hon. Friend envisage before reference would take place? Would it still be necessary under the new dispensation slightly to change the amendment each time there was a ping or a pong, or would he go for a much more transparent arrangement?

John Bercow: On the whole, I favour transparency, but I am open to persuasion. I do not have a definite view about the number of pings and pongs that should take place or be allowed to happen before the committee is invoked. There is something to be said for its being invoked slightly earlier than the arrangement at the moment, which allows for protracted exchange and continuing controversy.

Several such thoughts have been articulated eloquently in the pamphlet published last year by University College, London entitled "Reforming the House of Lords: Breaking the Deadlock". It was a cross-party publication authored by the late Robin Cook, my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), my right hon. Friend the Member for North-West Hampshire (Sir George Young), the then hon. Member for North Cornwall, Paul Tyler, and the hon. Member for Cannock Chase (Dr. Wright).

Mr. Sadiq Khan (Tooting) (Lab): I congratulate the hon. Member for Buckingham (John Bercow) on introducing such an important debate. During the past eight months, I have been troubled as a new Member of Parliament by the number of times I have agreed with him. I have not had the benefit of reading the pamphlet to which he referred, but how many other countries with upper Houses have a disputes resolution committee?

John Bercow: That is a question of the quality to which we have become accustomed from the hon. Member for Tooting (Mr. Khan). It is one of those questions that is asked ordinarily by someone who knows the answer to it, although now might be an exception. I must admit that I do not know. I think that there are about 69 second Chambers throughout the world, 47 of which have a mixed membership. However, that is a different point, and I admit that it is somewhat irrelevant to his question. Perhaps one of the authors of the report can answer him.

Almost irrespective of that which applies elsewhere, there is an argument for trying to break the logjam and to ensure that there is a mechanism whereby people of good will can abandon megaphone diplomacy, sit round a table and try to resolve issues in a civilised way, perhaps in a fashion that members of the public engaged in a continuing argument would employ.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing the debate. Does he share my worry that in discussions about House of Lords reform, the good work carried out in a modest way by the House of Lords to revise our legislation is often overlooked by the public, who tend to concentrate on what the membership of the upper House should be, rather than the function that it undertakes?

John Bercow: I agree. The House of Lords does a good job in the circumstances. I shall explain more fully what I mean by that.

I wish to talk about the principles of composition of the second Chamber. For a long period, I felt strongly that we should, in a modern democracy, have a fully elected second Chamber. I have not departed from that view, but I reckon that the prospect of achieving agreement to it in political reality is somewhere between minimal and non-existent. I have, therefore, come to the conclusion that there is something to be said for fashioning a proposal for a mixed, predominantly elected, second Chamber. That is the view of a number of colleagues here today, and it happens to be mine.

We can argue the toss about what the precise distribution should be, but my suggestion is that to have 70 per cent. elected and 30 per cent. elected is reasonable and would command widespread support. There has been widespread support in the House and in opinion poll after opinion poll for a predominantly elected second Chamber, but the notion of a mixed composition, respecting the principle of democracy and retaining the principle of existing, but unelected, expertise should unite colleagues rather than divide them.

The second principle is that the second Chamber, once reformed, should be a great deal smaller. At the moment, the House of Lords comprises 728 Members. I do not believe that we suffer from under-government in this country, but there is a compelling argument that in important respects we are materially disadvantaged by over-government. If we are to have a Chamber that is in any case principally about review, scrutiny and deliberation—in many cases, the attempt to reach consensus—a smaller group of people is almost certainly desirable. I suggest a Chamber of approximately 300 Members.

Thirdly, there is merit in the principle that the Chamber should, in formal terms, be hung. That is to say, no one party should ordinarily enjoy a majority in that Chamber, and it would be possible to construct a revised House of Lords so as either to render that impossible or to make it highly unlikely that one party would command an overall majority.

My fourth principle is that Members of the revised and reformed second Chamber should serve much longer terms than those in the House of Commons. This is another example of how, in terms of character and ethos as well of function and expectation, it would be a very different Chamber from the House of Commons. The notion that we are just mirroring the House and providing for duplication or guaranteeing rivalry and unhealthy tension is rebutted by the fact of those desirable arrangements. Between 12 and 14 years would probably be the right period for someone to serve.

My fifth principle, and it is incredibly important that this should be included in the arrangements, is that membership of the second Chamber should be for a non-renewable term. Not only should it be non-renewable in the sense that someone who was elected and has served should not then be able to serve another term in the second Chamber, but no such individual should have the right immediately—if at all—to go for election to the House of Commons. We need to establish and preserve the distinctiveness of the second Chamber that we seek to establish.

If there is to be patronage on the part of the Prime Minister in the appointment of people to the upper House or the revised second Chamber, whatever its designation, that patronage should be kept to a minimum. The suggestion has been made that the Prime Minister should be entitled to appoint up to four people a year, and I concur, but it should not be more than that.

There is real merit in having the elections taking place on the same day as elections to the House of Commons, but on a regional basis and via a system of proportional representation, the better to conduce to precisely the non-partisan, consensus-seeking political culture that is desirable.

I do not feel strongly about specific categories of people who are currently part of the appointed element of the House but, overall, I confess that there is a lot to be said for including the Law Lords, who have a very distinctive and valuable contribution to make, attributable to their particular expertise, which is relevant to legislation, the approach to human rights issues and a miscellany of other matters.

On the whole, though I would not go to the wall over it, I am much less sympathetic to the notion that special places should be preserved for the bishops. They undoubtedly might be, and frequently are, sources of great ecclesiastical wisdom, but that does not mean that they should also be sources of political authority.

Mr. David Heath (Somerton and Frome) (LD): I am listening very carefully to the hon. Gentleman's arguments and agree with almost all that he says. I would like to be clear on one thing: when he says Law Lords, does he mean serving Law Lords or former ones? Former Law Lords make an inestimable contribution to the present House of Lords. The serving Law Lords are constrained by their judicial role and intervene very little in debate on matters of the day.

John Bercow: I was not going to confine the appointed element to serving Law Lords. It should apply to those who have retired from their positions.

We have a pretty clear idea of what could constitute a set of principles for a predominantly elected second Chamber. There is, of course, the very important question of our approach towards the appointed element of the House. My view is that there should be a statutory appointments commission, the responsibility

[John Bercow]

of which would be to recommend names. The names recommended should then go before a Joint Committee of both Houses of Parliament for determination.

As a second principle when dealing with the appointed peers, it is desirable to suggest a minimal focus on party. Of course people should be entitled to have a political preference, and perhaps even a publicly stated party affiliation, but one wants to keep that to a minimum because we seek to provide for the appointment of a set of people of distinction and expertise that is not driven by or particularly related to party political loyalty.

My third point on the appointed element is that it is long overdue and politically essential that we break the link between the peerage and Parliament. If the honours system is to be preserved—there is a powerful case for doing so—people can be made Lords, and will be, from time to time. If the Queen is pleased to approve recommendations for peerages for individuals, so be it. It should not follow that because someone is entitled to call himself a Lord, or herself a Lady, that individual should enjoy a seat in Parliament. We have a great and historic opportunity to break a link that has become increasingly discredited. Let us take it.

I should like to say something about the status of the second Chamber in the new circumstances that I envisage regarding salaries and allowances. Let us be clear: the second Chamber at present is—I say this not pejoratively but as a statement of fact—a House of amateurs. That is unfortunate, anachronistic and in practical need of early replacement. The premise on which it is constituted is very clear. There are mainly gentlemen and, in some cases, lady amateurs who come in and contribute from time to time. No salary is paid or expected, accommodation is poor, facilities are inadequate and allowances are paltry. The underlying supposition is that most of the people in the second Chamber have means by which to sustain themselves: either they have inherited wealth or they have been successful in making money in industry, commerce or the City. In 2006, that seems quite wrong.

The related point is that allowances are very poor. My research suggests that if a Member of the House of Lords were to attend every single sitting day in a parliamentary Session and it ran to its full length, he or she would be entitled to £13,000 in secretarial assistance. That is woefully inadequate. We accept, of course, that Members of the upper House do not have constituency responsibilities, but, if they are regularly to participate in important debates and undertake Committee scrutiny on public issues, why should we work on the assumption that they have nil or minimum contact with the outside world? That reinforces the notion that the upper House is just a club to which people come and in which they converse with each other without any sort of relevance to the country whose interests are at stake.

I strongly believe that the Senior Salaries Review Body should consider the possibility of making the upper House essentially a professional House. That does not mean that there would necessarily be an expectation that people would serve full time, but there is something to be said for formally recognising the idea that a job is being done and that a salary should be paid. That salary would probably be somewhat less than in the House of Commons because there would not be an expectation that the work would be full time and there would not be a constituency element, but it would be a salary none the less. There should also be a decent sufficiency of allowances to ensure that, in a modern democracy, that constituent part—the revised second Chamber—could discharge its responsibilities effectively, irrespective of whether Members had means of their own on which to draw.

The intention is to encourage the emergence and growth of a class of people of all political persuasions and, as I have emphasised, of none, who are more active in pursuit of their responsibilities. A study by the Public Administration Committee showed that 25 per cent. of Members of the House of Lords ask 87 per cent. of the questions and make 76 per cent. of the speeches or interventions. Now, I can almost hear the sedentary and unspoken intervention from any number of colleagues that that is probably not dissimilar to the position in the lower House. I am sorry to be anorakish about this, but there is an important difference: there is a much smaller number of Ministers in the House of Lords and therefore a much larger pool of question askers, speech makers and intervention contributors. In those circumstances, the fact that such a small fraction of the House is doing so much of the work on its Floor seems wrong. We want to encourage a different culture.

I genuinely believe—I say this in all sincerity and with all respect to the Minister, who I suspect is on the side of the angels in this matter—that the issue of powers is a smokescreen put up in a determined but ultimately doomed attempt to conceal the division and indecision at the heart of the Government on this important matter. People of good will, sitting round a table, could resolve the issue of powers in the space of an afternoon. The matter could certainly be decided with no great difficulty on the Floor of the House in a similar time.

Mr. Khan: To be fair to those on the side of the angels, one reason why the review of powers is taking place is that we have a thing called a manifesto, and one of the things guaranteed in that manifesto was the review that the hon. Gentleman has talked about. I would also suggest that his party was slightly busy between July and December, which meant that Conservative Members were not as robust as they could have been as far as this matter was concerned.

John Bercow: The hon. Gentleman is partly right on both counts. There was a manifesto commitment, but I would argue that it is not necessary for a Joint Committee to take very long about the matter. He makes a fair point about the intervention of the Conservative leadership election and the inevitable delay that that caused. If the Minister is prepared to give an explicit commitment today that the Government will press ahead with all due speed in the matter, I will be greatly reassured.

Mr. Heald: To be fair to our right hon. and noble Friends in the other place, they have been very prompt in their responses to Government on the question of the Joint Committee.

John Bercow: I stand rebuked by my hon. Friend. He is obviously less suspicious and sceptical than I have been up until now. Again, I wait with interest to hear what the Minister has to say.

I think that we are clear that the House of Lords, in its revised form, will continue to have a very important role to play, but with powers essentially comparable to those that it enjoys at present. It is essential that we do not, as the late Robin Cook said in the big debate last February,

"keep the second Chamber subordinate by keeping it illegitimate."—[*Official Report*, 4 February 2003; Vol. 399, c. 161–2.]

That would be an exercise of bad faith, and I certainly do not expect that from the Government or the Minister.

Let us be explicit. A seat in Parliament should not be a prize for historic battles won, services rendered or favours done. A seat in Parliament should not be a mark of approval by the great and the good that someone is suitable to join their number. A seat in Parliament should be the result of a choice by voters that an individual has the equipment and can be relied on to deliver.

The Chancellor of the Exchequer has talked many a time and oft about the merits of a progressive consensus. Well, many of us on the Conservative Benches are sympathetic to such a notion, and certainly many Conservatives are sympathetic to a progressive consensus on reform of the House of Lords. None is more distinguished in our House than my right hon. and learned Friend the Member for Rushcliffe. However, we are in a curious situation. There is a progressive consensus between sizeable numbers of Conservative Members, and, in fairness, the Liberal Democrats, who need a little recognition and sympathy at the moment and whose commitment is of long standing. The progressive consensus also enjoys the support of sizeable numbers of Labour Members of Parliament, presumably including the very considerable number who voted for a fully or partially elected Chamber in 2003. Oddly, however, the progressive consensus currently does not enjoy the support of the Government, even though one of the most senior members of that Government is its most enthusiastic advocate.

In the modern world, we have to have legitimacy and credibility in the exercise of power and scrutiny functions. That is why we have to move in the direction of a predominantly elected second Chamber. Let us have that progress soon—bring it on now. I shall listen enthusiastically and with respect to the reply from the Minister.

11.29 am

Sir George Young (North-West Hampshire) (Con): When my hon. Friend the Member for Buckingham (John Bercow) rose to his feet at 11 o'clock, he was confident that he would catch your eye, Mr. Caton. He does not always have such confidence that he is going to be successful when he jumps up from his seat in the Chamber. We are grateful to him for initiating this important debate on House of Lords reform. It is a little bit like "Groundhog Day", which I think will be quite soon. We have had a number of debates about the next stage for the House of Lords. My hon. Friend mentioned that nearly a year ago the late Robin Cook initiated a debate at which he launched a document—"Reforming the House of Lords"—that bears the names of a number of Members present. I just want to add a few footnotes to what my hon. Friend said.

When the Prime Minister begins to think about his legacy, he will find the page with "House of Lords reform" at the top of it as yet incomplete. If he wants to leave a legacy of which he can be proud, he will have to do something quite quickly. If one puts the matter in context, in retrospect, the Government should have heeded the advice of people such as Bob Sheldon, who warned them against initiating stage one without stage two. If the Minister casts her mind back to the debate during the 1997 to 2001 Parliament, many people warned the Government that if they split the process in two, they would not get further than the first hurdle. The argument was turned around, and we were told that if we tried to do it all at once, we would fail and get nothing; but if we split it into two digestible sections, we would be more likely to complete the reform.

It is worth reminding Members that when Lord Wakeham wrote his report during that Parliament, he was hoping that the first regional elections to the House of Lords would take place in 2001. That was the pace at which reform was expected. In the Government's response to the Wakeham report, they said that they would

"make every effort to ensure that the second stage has been approved by Parliament before the next general election."

That was the 2001 general election. But, of course, nothing happened.

During the last Parliament, there was the fiasco of the vote to which my hon. Friend the Member for Buckingham referred. My hon. Friend is a very generous man, because he might have reminded Government Members that there was a commitment in the 2001 Labour party manifesto to a more democratic and accountable House of Lords. Presumably, the Prime Minister had some passing connection with the drafting of that commitment.

It is astonishing that between 2001 and 2003, the Prime Minister made a complete U-turn. When it came to the vote, he voted for a wholly appointed House of Lords. How he reconciled that with the manifesto commitment to a more democratic and accountable House of Lords escapes me.

John Bercow: The explanation is quite simple: the Prime Minister developed a lethal addiction to unfettered power.

Sir George Young: My hon. Friend is moving into a less generous mode than that which he exhibited when he was on his feet. It is astonishing, given the rebukes that should have fallen on the Prime Minister for that complete U-turn on a major constitutional proposal, that he escaped quite lightly. As my hon. Friend said, the key division on the 80 per cent. proposal was lost by three votes. It would be fair to say that there was a certain amount of confusion and tactical voting that evening. The important conclusion is that if one considers all the Divisions, there was a majority for a predominantly elected second Chamber.

We should have taken a warning that the Government were not going to make fast progress from their response to the Wakeham report. There is a sentence that is worth reading out, but before I do, let me say that it does not come from "Yes, Minister".

[Sir George Young]

Giving the impression that the Government accepted the Wakeham proposals, they said:

"There are however a number of areas where further consideration of the practical effects of certain recommendations led the Government to consider some modification of the precise recommendations so as to ensure implementation of the Commission's principles in the most effective way possible."

Sir Humphrey could not have bettered that paragraph. In the ensuing eight or nine years, whoever drafted it has probably become a permanent secretary somewhere. It is a remarkably skilful exposition. Indeed, we have not made much progress since then.

I am reminded of a story that Michael Foot told the House about a conjuror in his Plymouth constituency who asked a member of the audience to produce a gold watch. Another member of the audience produced a silk handkerchief, which was placed over the gold watch. The conjuror produced a mallet, and brought it down with some force on the handkerchief and the watch. He then said, "I'm frightfully sorry, but I've forgotten the rest of the trick." In a sense, that is what the Government have done with the House of Lords. They have abolished what was there, and they have not got round to the second half of the performance.

My hon. Friend the Member for Buckingham came up with some recommendations for what a new Chamber might look like. The authors of the document before us are flattered that his proposals bear some resemblance to what was in the document: in particular, he mentioned a much smaller upper House, which would be predominantly elected. We want to get from this debate some idea about the speed of and the commitment to the process by which we shall move on from where we have been for five or six years.

In the Norton report, the Wakeham report and the unanimous Public Administration Committee report, there is not much controversy about powers. I am deeply suspicious if the Government are now saying, "We can't make progress until we look at the powers." I am afraid that that is equivalent to putting the matter in the long grass. There is broad consent about powers. All the reports are roughly agreed. Yes, we must do something about ping-pong, but that need not arrest the process of moving towards a more legitimate second Chamber.

I want to make one point about the argument that is always held against those such as myself and my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) who prefer a predominantly elected second Chamber. We are told that there is a risk of a rival mandate, and that another Chamber with an elected element will somehow challenge this House. However, in the proposals in our document, the second Chamber is clearly defined as complementary and subordinate to this House. Its only powers would be those given to it by this House, which is and would be pre-eminent. The second Chamber would not be able unilaterally to change its powers.

None the less, there has been an assertion that members of a second Chamber, were they elected, would have some moral authority that enabled them to challenge the authority of this House. I do not accept that. Members of this House are all elected on the same day on the basis of the same manifesto, and we are elected for one Parliament to the pre-eminent House, which sustains the Executive and produces the Prime Minister. We submit ourselves for re-election. None of those conditions would apply to the second Chamber as proposed by my hon. Friend the Member for Buckingham and those who produced the report. Members of a second Chamber would be elected not all at the same time, but over a certain period. They would therefore have no mandate, and some would be not elected at all, but appointed. The notion that they could somehow convert themselves into an equally legitimate Chamber that could challenge the authority of this House is simply for the birds.

We welcome the Prime Minister's commitment to give Government Members a free vote. No doubt, it will release some of them from any shackles of loyalty to the Prime Minister that they may have felt before. I hope that the Minister will explain in which of the Lobbies she personally will vote, if there is a free vote, as we are entitled to know that and to have it on the record. I also hope that she will give us some idea of when the vote will take place. Finally, I hope that she will provide a commitment that the necessary legislation for a legitimate second Chamber will be on the statute book by the end of this Parliament. If we can obtain that, my hon. Friend will have secured a debate of enormous value to the House.

11.39 am

Mr. Kenneth Clarke (Rushcliffe) (Con): I congratulate my hon. Friend the Member for Buckingham (John Bercow) on raising the debate and agree with practically every proposition that he has put forward. The debate on House of Lords reform has been going on interminably, although fortunately the pace has stepped up slightly during the past two Parliaments. There is always a danger that people will want to put this subject into the long grass, and I am delighted that my hon. Friend has mown the grass a little, and given us the opportunity of hearing the Minister explain—with a little more clarity than has been evident, I hope—precisely where the Government are and how they intend to proceed.

I very much agree with almost all the points that my hon. Friend made. I worked with my right hon. Friend the Member for North-West Hampshire (Sir George Young), together with Robin Cook, Paul Tyler and others from all parties during the last Parliament, to produce the proposals in the document on reforming the House of Lords to which my hon. Friend referred. I am pleased and flattered to listen to my hon. Friend and realise that, with minor exceptions, he is very close to those proposals.

The authors of that paper were not unanimous on every point when we started. Our objective, genuinely, was to do a little trading and reach some compromise in order to produce proposals that would command the widest possible support across parties in the House of Commons. At various stages, we all compromised with the others with whom we were working to achieve that.

My hon. Friend's speech encourages me to believe that we got near our objective. He expressed what is not exactly consensus across the House of Commons, but I do not believe that anything he said would be violently objected to by Members of Parliament of any party who

have taken a genuine and close interest in the subject recently. While the Government have, with great respect, dithered and moved far more slowly than they should on the subject, a body of opinion is forming, and people are becoming impatient to move pretty much in the direction that my hon. Friend recommended today.

I shall be slightly churlish and comment on the one thing on which I did not wholly agree with my hon. Friend and on which I have some doubts. Like my hon. Friend, I start from the position that I would prefer a wholly elected Chamber. However, I have been persuaded that that is not only unrealistic but that some good arguments can be made in favour of having an appointed element, so long as the appointments are free from patronage and party political content. There are good arguments for the present House of Lords, which has moved on from Gilbert and Sullivan's day, when it

"Did nothing in particular

And did it very well."

At present, it plays a more powerful role in Parliament by raising some important points about the quality of legislation, about civil liberties and so on. There is an argument that it is the most effective part of Parliament in holding the Executive to account in the interests of John Citizen and in making us all reflect on some of the extraordinary things that are passed by the House of Commons.

One reason why the House of Lords is able to do that is that it is not reserved for the professional politician. I am not so old-fashioned as to believe in the Victorian concept of the amateur being the best person to do everything, but the House of Commons has lost the knights of the shires, the trade union activists and the gentlemen with political interests who had their activities outside and came to the House to do their duty. Although many Members of the House of Commons have outside interests—not as many as used to—we are, largely, professional politicians. We are criticised for becoming a closed community of professional politicians with an increasing number who have never had any career but politics from the moment they left university.

At present, the House of Lords benefits from the expertise to which my hon. Friend referred. If we accept the argument that there should be appointed peers, we must ask exactly what sort of men and women we are thinking of. There is a case for the man or woman who, throughout the 12 years of office—if that is what we decide—remains predominantly scientists, academics, lawyers or business men, and who are not able to attend the House of Lords every day and to immerse themselves in full-time political careers. Plainly, if we were to start putting in place full-time salaries and large staffs, if we were to make decisions on the basis that a smaller number of peers would all be professionals, such people would be driven away.

If we are to accept the idea that some men and women in the upper House—a minority—would not stand for election but would be there for their independence, expertise or prestige, we must allow some room for the sort of person who will probably take part only in debates that are within their medical interest, or their business experience, or whatever it may be. I would be a bit cautious about saying that in order to get the legitimacy that we all want the upper House should be composed of full-time professional politicians who are different from those in the House of Commons only because they do not want to pursue the career of politics.

However, the fact that I am not repeating my hon. Friend's arguments does not mean that I wish to undermine them in any way. I was pleased to hear them and would be absolutely delighted were we to proceed on the basis that he described. If he were whipping a Bill through the House of Commons, he would get my support, and we would have an improved, more powerful, more effective Parliament as a result.

Let me say what I expect from the Minister on this important occasion. I, like my hon. Friend, am prepared to be generous and to wait to hear a helpful contribution from the Minister. However, she must deal with my suspicions about where the Government are going. I have taken part in such discussions over the years, and my feeling is that the Prime Minister long ago regretted ever raising the subject of House of Lords reform, and that many members of the Cabinet deeply regret taking the lid off a Pandora's box. They have been trying to put it back on, and they have been trying to kill reform ever since it started. The more they have come to love Executive power, the more they have decided that improved accountability for Parliament is, perhaps, something that should wait for a future Administration of which they are not members—they are not ready for it at present.

My right hon. Friend the Member for North-West Hampshire referred to past manifesto pledges, and the expectation that the second stage would follow the first stage fairly promptly. All that is obviously all fading away. I hope that the Minister can allay my unworthy fears. There are times when I believe that the Government have just two objectives. One is to get rid of the remaining hereditary peers who, in my opinion, are in the upper House as a result of a most peculiar arrangement negotiated with great skill by my right hon. and noble Friend Lord Cranborne. No other country in the world could have produced, in a modern constitution, elected hereditary peers with only an hereditary electorate.

However, people of remarkable quality have emerged from that ugly Mickey Mouse system, which would be derided as an example of a reactionary, undemocratic process if it were introduced by some leader of a Government in sub-Saharan Africa. Nevertheless, if it pleases the Back Benchers, the Labour party will be alongside them to get rid of the remaining hereditaries. Personally, I think that the hereditary principle is dead in contemporary politics, and I would not defend the continued existence of hereditary peers. Plainly, people should not be in the upper House of a modern legislature by virtue of birth.

The Government's only other interest is to reduce the powers of the House of Lords. That is what the present review is about, and there will probably be another Joint Committee of both Houses on it. The Government want an entirely appointed upper House with fewer powers and less ability than the present House of Lords has to slow the scrutiny and flow of legislation. I am afraid that I am becoming more and more convinced that that is the agenda of the Prime Minister and a large proportion of the Cabinet.

[Mr. Kenneth Clarke]

For that reason, we should obstruct any attempt to move in that direction if there is no sign that the Government are prepared to consider the wider issues of the legitimacy of the Lords, improvements in its composition and things that might give it more power and authority. I would probably even find myself voting for and defending the hereditary peers, not because I believe that they should remain a moment longer than is necessary after proper reform is undertaken, but because I would resist the Government's being allowed to get rid of them without paying the price of introducing more democratic elements and more elected members.

The key argument, which has been made over and over, is unanswerable: to make Parliament more powerful, our revising Chamber—the upper House—must have more legitimacy, and, in the modern world, legitimacy comes from the fact that the man or woman has his or her own mandate based on a section of the population who have been persuaded to send them to Parliament. The House of Lords carries out its present task very well, but it would be a more formidable influence if most of its Members had the legitimacy that comes only with democratic election.

Edward Miliband (Doncaster, North) (Lab): The right hon. and learned Gentleman waxes lyrical about the Executive—an overweening Executive, as he sees it. I am interested in his contribution to this debate, but will he tell us how his views have evolved during the past 20 or 30 years? It strikes me that between 1979 and 1997 nothing happened on the issue of House of Lords reform. Was he arguing for change, democratic legitimacy and a reformed House of Lords but simply ignored by his colleagues in Government, or have his views changed since that period?

Mr. Clarke: I accept that the Governments of whom I was a member took the view that we could not touch the subject because there was such a wide range of opinion. Opinion, however, has moved on. It was the Pandora's box argument. The 1911 settlement was described as temporary, but almost a century of Governments decided that the temporary had better remain, because no one could agree on any alternative.

Even 20 years ago, in both Houses there would have been people flatly against any reform. The House of Lords reforms agreed by all parties, introduced so long ago as to be before my time here, were destroyed by Michael Foot and the orthodox Labour party, who were in favour of unicameralism and did not want a second Chamber at all, and by Enoch Powell and the Tory traditionalists, who thought hereditary peerage a fine and defensible part of our constitution. All that put everybody off for many years.

During our time in office, the Executive grew ever more powerful and Parliament began to grow weaker. That has continued and, in my view, has accelerated in the past seven years; the urgency of the issue has therefore got greater and greater as time has gone by. Most of us believe in parliamentary democracy, and quite a lot of democrats from all parties in this Chamber today think the time has come to put a further check on the Executive into the House of Lords.

Mr. Heald: The Conservatives, of course, introduced life peers in the 1950s—absolutely nothing happened during the Labour years of the 1960s. The criticism from the hon. Member for Doncaster, North (Edward Miliband) was not particularly well judged.

Mr. Clarke: My hon. Friend is right; that was a very important change. It was astonishing that the flow of hereditary peers continued to be fed until a Conservative Government abolished them. My predecessor as Conservative Member for Rushcliffe became a hereditary peer and his son still holds the title, although he has not been elected to the upper House. Reform came from outside, and that was the most significant change.

It is important that we settle this issue. If the argument of the hon. Member for Doncaster, North (Edward Miliband) is that we Conservatives are playing a double game and that if we were to win the next election, a Conservative Government would decide immediately that they did not want to weaken the Executive and would not go ahead and reform, all I can say is that at least four Conservatives here would be utterly outraged and that position would be indefensible. We are committing ourselves to a process whereby it would be absolutely impossible for a Conservative Government not to tackle the subject and move on to the second stage.

John Bercow: I put it to my right hon. and learned Friend that the sort of proposals that I have outlined this morning, which are closely modelled on his and his colleagues' outstanding pamphlet of last year, are in the best traditions of Conservative reform. Such proposals seek to preserve the best and improve the rest, and to adapt Conservative principles for proper application to the circumstances of our time.

Mr. Clarke: I am not sure that the late Robin Cook would have agreed entirely with that. I think that the proposals are in the best Conservative traditions, although Robin obviously thought that they were in the best traditions of the radical elements of the Labour party as well.

Robin and I always got on well personally, but I thought we were politically like chalk and cheese until we suddenly found ourselves in total agreement on House of Lords reform and, as it happens, on the invasion of Iraq. The fact that people such as Robin Cook, my hon. Friend the Member for Buckingham and I could be brought to such close agreement shows that the time is right for such reform.

Finally, I should say that my hon. Friend the Member for Buckingham has chosen the right day to raise this issue. Later today, we shall discuss a highly controversial Bill on the Floor of the House. In my opinion, views on that Bill cut across parties, because it raises all kinds of ethical and legal issues in such a way that one cannot automatically assume which way a member of the Labour, Liberal Democrat or Conservative parties will go on it.

In the heat of publicity, we are being made to think again about and take a final decision on the content of that very difficult Bill. That has been an achievement for the upper House; over and over, the House of Lords has made us rethink things during the lifetime of this Government.

However, if the Bill had been sent back in its amended form by a House of Lords that was largely elected and able to thunder that, like the Commons, it had democratic legitimacy on its side—although of a different type—the prospects of that Bill's being rewritten in a sensible form would have been hugely improved. The public would benefit from a House of Lords that had its present powers but was genuinely able to amend, scrutinise and put the Government's feet to the fire, even when the Government had a majority in the House of Commons.

This is a good day for us to talk about how our upper House should be made more legitimate and more influential.

11.57 am

Mr. David Heath (Somerton and Frome) (LD): It is a great pleasure to follow the right hon. and learned Member for Rushcliffe (Mr. Clarke) and to agree with almost everything that he said, the hon. Member for Buckingham (John Bercow), whom I congratulate on securing the debate, and the right hon. Member for North-West Hampshire (Sir George Young). Judging from their interventions, I suspect that I would also agree with the hon. Members for Tooting (Mr. Khan) and for Doncaster, North (Edward Miliband).

The hon. Member for Tooting asked what other legislature in the world has an hereditary upper House. The answer was given in a speech made by the late Robin Cook—the legislature of Lesotho is the only one that can be found. I cast no aspersions on the Government of Lesotho, but merely suggest that it is odd that the two countries that share this characteristic are the United Kingdom and Lesotho.

There is enormous frustration for those of us who, after 90 or however many years, see reform of our upper House as a priority, and wish to continue and finish the work done by David Lloyd George in introducing the Parliament Act 1911. Those of us who see that as a necessity if our parliamentary system is to have any legitimacy find ourselves constantly having to stand back in amazement and admiration for the work done by the unelected House of Lords. The right hon. and learned Member for Rushcliffe is absolutely right: at the moment, it acts as a bulwark for the rights of the citizen and for human rights.

I have had more reason than most to welcome that, given the work that I have done in recent years on home and constitutional affairs. We have been constantly aware that we have friends in another place who are doing their jobs very well. However, in no way does that constitute legitimacy for an unelected House. It is time we made progress.

I pick up the hon. Member for Buckingham on one thing in his otherwise extremely good speech. He talked about maintaining the momentum for reform, but there is no momentum; the reform process has the momentum of a garden slug. No progress is being made at the moment, and the reason is, I am afraid, that forces of reaction are determined that we should not make progress. Against that, we have the shining light of those who are genuinely engaged in the debate on reform, such as the right hon. Member for North-West Hampshire, the right hon. and learned Member for Rushcliffe, my noble Friend Lord Tyler, the hon. Member for Cannock Chase (Dr. Wright) and many others who are looking seriously at ways forward.

Why is there this impasse? It is because there is a view that progress can be made only when we all absolutely agree. Well, we are not all absolutely going to agree. The spectrum of opinion is a mile wide, between those whose view is unicameralist—although it is not a view that I share, many legislatures are unicameralist, and it is a proper and respectable position—and those who would prefer to go back to the hereditary principles and think that it is a great shame that we made even the minimal progress that we did. That overlooks the fact that there is a clear centre of gravity, certainly within this elected House, as demonstrated in the convoluted system used on the last occasion for voting on the different options. I think that the system was devised intentionally by the Government Whips to avoid our reaching a clear view. The hon. Member for Tooting was not in the House at the time, but let me tell him that the Government Whips had a clear role in frustrating the will of the majority in the House. It was a great sadness to see the then Leader of the House frustrated in his ambitions by other Ministers who wanted no progress. It was clear that there was a centre of gravity for a predominately elected House—my preference is for a wholly elected one—around which we could agree.

We can make progress on a series of things if we approach them in a spirit of consensus. We need to consider the method of election, and I agree with the hon. Member for Buckingham that the logical view is that a proportional system should be used. A single transferable vote system, perhaps on a regional basis, as he describes, is most likely to give an appropriate result. That is a matter of detail. I understand the need for a system that means that the upper House reflects the genuine state of opinion across the country and does not give an artificial majority to a single party in a revising Chamber.

There is a genuine issue about the length of mandate. Again, I agree with the hon. Member for Buckingham that a long mandate without renewal provides for an independence of Members of the upper House that would not otherwise occur. At a stroke, such a mandate removes many of the powers of patronage that would otherwise exist. There is a downside that we should recognise: such a mandate would also reduce the accountability to the electorate. Nevertheless, I can see an advantage in such a proposal.

There is a discussion to be had about duplication of function between the two Houses. Most of us see the primary role of the House of Lords—or an upper House—as that of a revising Chamber. It allows for greater scrutiny, which will perhaps be extended into areas of appointment in a way similar to the United States Senate. It performs a number of functions that are simply not possible for this House to do adequately within the constraints of time and the continuing process of legislation under which we operate.

[Mr. David Heath]

I am not sure that the upper House needs to continue replicating some of the things that we do. I have always thought it complete nonsense that a statement in our House from a Cabinet Minister is then solemnly read out in the other Chamber a few minutes later by a Minister there. I cannot see the point of that; it is not necessary for a revising Chamber to respond to the announcement of the day from a Minister. Indeed, I would question whether we need Ministers in the House of Lords at all. I see no reason why they should not go to the House of Lords to present legislation, but if they were not drawn from the ranks of the membership of the upper House, it would remove an area of patronage that is not helpful to the independence of that Chamber.

We need to re-examine disqualification. It is extraordinary that someone can be a Member of the British Parliament having served a sentence for a criminal offence of sufficient seriousness to require imprisonment. If it is not allowed for us, it should not be allowed for any Member of this legislature. That needs to be addressed.

The Minister said that she would seek to entrench the primacy of this House. That is right, but primacy will be established if we are clear about the relative functions. As was said earlier, it is right that we do not establish primacy by establishing illegitimacy on the part of one half of our legislative system.

John Bercow: We are agreeing about so much that it does not matter if, periodically, there is something about which we disagree. I return to the principle of the rehabilitation of offenders. On the assumption that someone who has served a prison sentence is able to secure public support, there should not be an objection to such an individual serving in the upper House.

Mr. Heath: The same rules should apply to all parliamentarians. That is the totality of my argument. If we are to be disqualified for something, so should Members of the upper House.

If we are to retain any element of patronage, we must stop its abuse. It is a corruption of the political process for major donors to political parties to be admitted to the legislature apparently only because they donated large sums of money to any one of the parties. That does enormous harm to Parliament as a whole.

There is a danger that we talk about the minutiae and marginal issues relating to the House of Lords—

Mr. Andrew Love (Edmonton) (Lab/Co-op): Will the hon. Gentleman give way?

Mr. Heath: I am running out of time and other hon. Members wish to speak, so if the hon. Gentleman will forgive me, I will make progress.

We need to avoid the minutiae. There will be a long and, I suspect, involved debate in another place this afternoon about the Lords speakership. I have my views on whether the Lords should have a Speaker, but it is a peripheral issue. We need to talk about the basic form and function of the Lords. That is my concern about the proposed Committee of both Houses and it is why we have raised questions with the Leader of the Lords about its remit. There is a danger that the Government want to divert attention on to complicated issues of the marginal powers of the House of Lords rather than to look holistically at form and function, which is what is required.

I want the Joint Committee to have a clear remit covering all those issues and a clear time scale, so that the danger of the subject being kicked into the long grass—a situation that has been described—is avoided. I have a nagging suspicion that the alacrity with which some noble Friends of the hon. Member for Buckingham wished to join the Joint Committee was simply to maintain it in existence for as long as possible and avoid the reality of reform. That might have been at the back of their minds.

We need better terms of reference, a time scale and a draft Bill at the earliest opportunity, as part of a democratic renewal that goes beyond reform of the Lords, Commons, European Union, civil service and voting system, and which involves a reinvigoration of our democracy in this country. That is what we should all be about.

12.8 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): We are all grateful to my hon. Friend the Member for Buckingham (John Bercow) for giving us the opportunity to debate House of Lords reform. He presented his arguments with his customary eloquence and force of argument.

I remember the similar debate that we had a year ago, which was opened by Robin Cook. He referred to the pamphlet, "Reforming the House of Lords: Breaking the Deadlock", which has made a good contribution to building consensus. It was excellent that we were able to have contributions from my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke) and my right hon. Friend the Member for North-West Hampshire (Sir George Young), both of whom were part of the team that produced that pamphlet.

It was 11 years ago that the Prime Minister, in his manifesto for the leadership of the Labour party, said:

"I support Labour's commitment to replacing the House of Lords with an elected second chamber".

As my right hon. Friend the Member for North-West Hampshire said, that was repeated in the 1997 and 2001 Labour manifestos in pledges to make the second Chamber more democratic and representative. Instead, in his ninth year in office and as he approaches the end of his premiership, the Prime Minister has given us a second Chamber that is more dependent on patronage than it was in the day of Pitt the Younger. That is because the Government failed, at the outset, to grasp the nettle and have a full reform. At the time, Conservatives did not oppose getting rid of hereditary peers, but we argued that there should be a full reform with the consensus that is necessary for success behind it. We were mindful that in 1911, in the days of David Lloyd George, who was quite dodgy on the patronage front by all accounts—although he is a colossus in constitutional history—

Mr. Heath: At least he was open about it.

Mr. Heald: I am sure that David Lloyd George would agree with the hon. Gentleman about that. I understand that a full price list was available.

We have made it clear that we would like to move forward and build consensus, and that a substantially elected second Chamber is required. Since 1999, we have had two White Papers, a royal commission, a Joint Committee, free votes and, most recently, Lord Falconer's ill-fated proposals, which he withdrew in March 2004. We are not much nearer to solving the problem than we were in 1997. It is time that we tried to find a balance. As has been said, that balance is very much around the idea of a substantially elected chamber.

I remember the comment made by Robin Cook that what the Prime Minister has done so far is to move us

"from the 15th-century principle of heredity to the 18th-century principle of patronage."

Perhaps the Minister will tell us whether we are to go any further down that route. The Prime Minister has appointed 46 per cent. of the current House of Lords, including 70 per cent. of Labour peers and 65 per cent. of Liberal Democrat peers. He has created 100 more peers in eight years than Lady Thatcher created in 11 and a half. He is the uncrowned king of the ermine. I think that he has a taste for it; perhaps when one is Prime Minister, patronage seems like a jolly good thing when one is exercising it. We deserve better.

If one considers the way in which the House of Lords has performed, one sees that it has been the bulwark that has stood up for human rights and civil liberties in recent months. Control orders under the Prevention of Terrorism Act 2005 are essentially a form of house arrest and an abuse of habeas corpus, and we would not have had the sort of thorough review of that legislation that we ended up with, or the need for further parliamentary approval in 12 months' time, were it not for the active approach of the House of Lords.

As my right hon. and learned Friend the Member for Rushcliffe said, it is the Lords who have ensured that the Racial and Religious Hatred Bill has been substantially amended. Although other issues are to be discussed this afternoon, the improvements that have been made to that Bill, which I am sure that the Government will trumpet this afternoon, saying that it is now a better Bill, are the result of the work of the House of Lords. It is the Lords who are exposing all the inadequacies, loopholes and impracticalities of the legislation on identity cards. Although there are concerns on both sides of the House of Commons about that, it is only in the Lords that anything is done. Those are a few examples of the shame of the House of Commons, which is that although the elected Chamber consists of people who were sent here to debate such issues and fight for civil liberties where they are being oppressed, we are unable to tackle those issues seriously because of severe guillotining and all the problems that the Government visit on us; the other House is doing that valuable work.

I agree with my right hon. and learned Friend the Member for Rushcliffe that when we get a plan for a Joint Committee to seek agreement on

"codifying the key conventions of the Lords, and developing alternative forms of scrutiny that complement ... those of the Commons"

and on proposals to introduce limits on the time that Bills spend in the second Chamber, we are suspicious. There has been no delay from us. We got into negotiations about the form of the Committee with the Government and nobody has criticised us for not being speedy about it, so I want to make it clear that we have been prompt and willing to get on and consider the issues. If the Liberal Democrat spokesman, the hon. Member for Somerton and Frome (Mr. Heath), was suggesting that that is in some way a problem, I say to him that it is not. We are prepared to be genuine and to consider these issues, but we are suspicious.

I am not convinced that the commitments are really a new determination by Labour to improve scrutiny and accountability, and I am concerned that they are an attempt to stop the House of Lords from doing what it has been doing: scrutinising Government legislation effectively. With the Lords disabled, a Prime Minister who loves patronage, and a Government who silence debates with guillotines, the worry is that arrogance will become a greater feature of our system than it has been. We will resist that. Hopefully, it will be possible for the Joint Committee to have a sensible discussion about the powers, as my hon. Friend the Member for Buckingham suggests, but the Minister should not think that we do not have our suspicions, because we do. I hope that there will be a genuine process of trying to achieve a better second Chamber. We believe in accountable Government and want proper, final reform of the Lords. We want a second Chamber with legitimacy and the authority to stand up to Ministers, and we want to build consensus that supports that.

My hon. Friend the Member for Buckingham talked about the composition of the second Chamber and how it would operate in the new world. I agree that a mixed composition is probably the most acceptable solution. I voted for 100 per cent. elected membership but am prepared to consider a mixed solution. My hon. Friend suggested that there should be 300 members; that number is not far off a sensible sort of level—perhaps there could be a few more. I doubt whether proportional representation is the answer. It would be good if the second Chamber could have representatives of the counties and the big cities, and I doubt whether we need the single transferable vote to achieve that. It would be possible to elect directly, using the first-past-the-post system, representatives of our cities and counties—*[Interruption.]* Our Liberal Democrat spokesman is not keen on that, but of course he has to speak up for the STV, as his party has for 100 years.

On longer terms, I agree that something long is the answer, and terms should probably be non-renewable, or perhaps renewable once.

The Law Lords have been mentioned. The former Law Lords bring a great deal of knowledge and expertise and are important in the Lords, so perhaps the idea is a strong one.

Breaking the link with heredity is inevitable, although we should consider what some of the hereditary peers have done in recent years and recognise that they have not done nothing. Some have, in effect, given their lives to doing a good job in the other place, and they have done it under the rules of our constitution. That should not be diminished. I hope that the best of what the hereditary and other peers have achieved can be continued in the new era with an elected, or substantially elected, second Chamber.

12.19 pm

The Minister of State, Department for Constitutional Affairs (Ms Harriet Harman): I start by saying, as have other hon. Members, how much we miss Robin Cook—none more so than me, who worked closely with him on this matter as we took it forward. I do not doubt that he would agree, as hon. Members have said, that this is an important occasion, and I thank the hon. Member for Buckingham (John Bercow) for choosing this subject for debate. This is the first time since the general election that we have had an opportunity to debate it, and I want to say more about the role of Westminster Hall in taking that forward.

I also thank the hon. Gentleman for the tone in which he led the debate, which was absolutely right. Perhaps I may start by getting some points about tone out of the way.

There are two ways in which we can go about the matter. We can try to work together to find consensus in the House and make progress, or we can try to score points off each other. The hon. Member for Buckingham knows how to score points, but he chose not to on this occasion because he wants to make progress. I have seen him, blue in tooth and claw, and in party political point-scoring. He is a party political fighter, but he wants to make progress. I, too, am not averse to knocking spots off my political colleagues, but I do not think that that is how we will make progress in this debate. The Tories may say that it is all about the Prime Minister being greedy for power and the king of all ermine, or the right hon. and learned Member for Rushcliffe (Mr. Clarke) might say that the debate has been interminable and challenge our good faith. We might respond by saying, "You did nothing before 1997 and anyway you did not even take part in the 2003 vote." We can all do that, but those of us who want to make progress on constitutional issues must leave that baggage at the door, and I intend to do so. I want to work with all my colleagues in the House on this matter.

Mr. Heald: As the right hon. and learned Lady knows, I always try to be constructive. Is it seriously her case that the Prime Minister would refuse to take action simply because he had been called the uncrowned king of ermine and was sulking?

Ms Harman: This is about the House as a whole and how we in all parties can work together to achieve constitutional consensus and pass it into law. That is something that people in the country can respect and approve of. Everyone has an important role in the debate, and that includes the Prime Minister of course, but also Opposition parties and each and every Member of the House of Commons. We need to ensure that we take the right tone and the right approach to the debate. That is the last thing I shall say about that.

Mr. Love: I apologise for arriving late for this incredibly important debate. I came here today mainly to be reassured that it would be the start of an energetic process in this Parliament to bring forward options for both Houses. We have not talked much about the other place, and we must take that into account. I would like some reassurance that the Front Bench considers the issue important and that it will be brought forward in the near future.

Ms Harman: I welcome my hon. Friend to the debate and hope that I can provide the reassurance that he seeks.

From this point on, if right hon. and hon. Members from other parties engage in party political point scoring, I will not respond and will not be provoked. That will not be easy for me, but I will not be provoked. If my hon. Friends engage in party political point scoring, I shall make it clear to everyone that that is not the line I take and it is not a good way to make progress.

The debate is timely because it gives me the chance to update the hon. Member for Buckingham.

Mr. Kenneth Clarke: I am sorry if I upset the right hon. and learned Lady by being partisan, but we are both capable of that on occasion. May I remind her that, after 1997, I and many of my colleagues were completely non-partisan on this subject? I openly acknowledged that I agreed with what the Labour party's manifesto said on the issue and that I thought there should have been such a proposal in ours. I worked closely with the then Leader of the House, Robin Cook, on producing his proposals—I practically took the Whip from him. I served on a Joint Committee of both Houses, which produced proposals that then went into the sand.

We are entitled to ask whether it is still Government policy to have a largely elected upper House. Has the Prime Minister gone back to where he originally was, or does he still hold the view that it is impossible to have a mixed House and that it must be either wholly appointed or wholly elected? With respect, it was the Prime Minister who brought the process grinding to a halt on the day when we had all the votes.

Ms Harman: I hope that I will have a chance to answer all those points in this speech.

The debate is timely. It gives me the chance to update the hon. Member for Buckingham and other colleagues on where we are. The debate is important because it is about how we legislate in our democracy. The right hon. Member for North-West Hampshire (Sir G. Young) and the right hon. and learned Member for Rushcliffe have long track records on this issue. New hon. Members are also present at the debate: I am happy to welcome my hon. Friends the Members for Doncaster, North (Edward Miliband) and for Tooting (Mr. Khan), who will play an important part.

The problem is that the House of Lords has a legislative role in our democracy, but it is not democratic at all. There is general agreement that to give people a role in our legislature by virtue of their birth is simply not defensible. We cannot have a central part of our democracy that is not democratic. That is why we legislated to end the hereditary principle. Now, all but 92 hereditary peers have gone, and we have a commitment in our manifesto, which we will carry out, to abolish the right of the remaining hereditary peers to legislate. However, we have to agree on what will replace the hereditary principle as the way to select people for the second chamber.

There is general agreement that we must ensure the primacy of the House of Commons. We want a clear line of accountability from Parliament to the people, and a clear line for the accountability of the Government to this House. That is where the Government's authority comes from. The Government must have authority and legitimacy or they cannot do their job. The difficulty comes with the concern that we all have to achieve two things. We need an effective second chamber, as the hon. Member for Buckingham said, for additional review, scrutiny and deliberation. However, we must be careful that, in our enthusiasm to say that we need a second chamber, we do not do a disservice to this House by underestimating the importance of the review, scrutiny and deliberation that happen here. We want an effective second chamber, but we do not want it to undermine or threaten the primacy of this House.

That is why the question of composition is difficult and inextricably linked to the role and powers of the second chamber. I do not agree that the work of the Joint Committee is a smokescreen. The issue is not a problem for me: when I came to vote in 2003 without the powers all laid out and codified, I thought, as the hon. Member for Buckingham did, that we could sort that out afterwards. The problem is that not all hon. Members took that view, and we could not reach consensus. I approach the issue in the firm belief that the Joint Committee's work is not a smokescreen but a necessary precondition to reassure those hon. Members who feel that, otherwise, we will not deliver on our commitment to ensure the primacy of this House. That is why we will set up an all-party Joint Committee to codify the powers of the second chamber, ensuring, for example, that the Salisbury convention will be respected and that we have reviews and scrutiny—

Mr. David Wilshire (in the Chair): Order. I am sorry to cut the Minister short, but we now come to the next debate.

School Community Activities (VAT)

12.30 pm

Mr. Graham Allen (Nottingham, North) (Lab): My hon. Friend the Economic Secretary visited my constituency when he was an Education Minister. He has seen our massive educational under-attainment. He knows that we send the fewest young people to university of any constituency, and that at all seven secondary schools on my patch youngsters have no option of staying on at their own school at the age of 16—they all have to leave. Now he can do something to help.

I wish to raise an issue that might seem small in scope but it is gigantic in its absurdity. I am referring to the extraordinary VAT penalty that new schools and colleges risk if they open up their facilities to the local community. Such schools should be the hub of regenerating our disadvantaged communities—open to adult learning, evening classes and public use of their gyms, halls, classrooms and swimming pools, so as to be central to personal and family development. As we develop our three academies in the city of Nottingham and get more local youngsters qualified to go to our local sixth-form college, the problem will become ever more obvious and unacceptable. There is room for a piece of joined-up thinking by the Government.

In 2005 a brand new sixth-form college, Bilborough college, was opened in my constituency. At the moment only a handful of young people from the constituency get the grades to be educated there, but we are working hard on improving that. One way forward is for the college to play a bigger role in serving the community in which it is located; to break down the barriers and literally open up its doors. The principal of the college wants to play his role. The world-class facilities lie idle at evenings, weekends and holidays. While the Prime Minister and other Ministers are urging greater community involvement, the Treasury and Her Majesty's Revenue and Customs block the way.

The price that the principal would pay for opening up the college to the community starts at £2 million. Why? Because when Bilborough college was rebuilt, it received a zero rating for VAT on the cost of its construction. That is to say, it avoided the levying of 17.5 per cent. taxation—a sum of about £2 million. However, it received that rating at a price. If Bilborough college opens its state-of-the-art theatre to the local cub scouts for their annual play, or its media centre to the learning and skills council for literacy courses, it must not charge anything. If it opens its doors for more than 10 per cent. of the time—about an hour a day after school—it will lose its zero rating and have to pay the £2 million in VAT.

According to the college's principal, Martin Slattery,

"if you open your doors to the community then it precludes zero rating."

The restrictions mean that 90 per cent. of the school's usage must be for its principal activity: the post-compulsory education of 16 to 19-year-olds. That severely restricts them from the education of adults. By failing to address that HMRC regulation, and instead of the school being a familiar environment for local youngsters to aspire to, the Treasury is in effect waving two enormous fingers at a needy community. Would it

[Mr. Graham Allen]

not be better to turn this perverse policy on its head and levy VAT on schools that do not open their doors to the local community?

Bilborough college, like many further education institutions, was taken outside local education authority control and turned into an independent charitable corporation. For the most part, its cousins in the local education authority do not face the same problem. They can do as they wish with their existing buildings and realise their potential. However, the 5 per cent. de minimis level for exempt attributable input tax is clearly challenging many local authorities, at a time when there is desire to develop new buildings for wider community use.

We could find LEA schools adding VAT to prices, pricing out many of the locals who would want to come in and use the facilities, or we could find facilities being handed over to for-profit organisations. That is not what our school policy should be about. New buildings should be, first, for those who use them during the school day, and then—not far behind—for all the community. That is particularly true given that we are trying to break the anti-education culture, in which schools are places that no one goes to other than children up to the age of 16, and when they reach 16 they are released from that imprisonment to do whatever else they need to do. We need to get a sense of the school being at the heart of the community.

Exactly the same issue affects some further education colleges. For example, the principal of New College Nottingham told me this morning that he would love to use the brand new building in High Pavement—which is in the middle of Nottingham—in the evenings, but cannot. He says that that is a terrible waste of a resource. He cannot do what he needs to do to spread the education mission in Nottingham, North, where we are desperate for that sort of revival. As I shall suggest, that education loophole could be closed quickly and to the benefit of all with very little loss to the Treasury.

Simon Hughes (North Southwark and Bermondsey) (LD): Will the hon. Gentleman allow me to intervene?

Mr. Allen: I would like first to move on to academies, because that subject is of interest to the hon. Gentleman.

Appalling as the impact of the VAT problem is, it gets much worse when we consider the Government's expansion of their academies programme. In Nottingham, North, we have worked tirelessly to get two academies. Again, I thank the Minister and his education team for all that they did to help us in that regard. Those two academies will help us to break into our poor educational culture by concentrating on vocational work and training for 14 to 19-year-olds. They will help us once again to make education not just academic, and so irrelevant to many of the kids off the estates in Nottingham, North. Instead, it will be relevant to them, their future and the future of local families, and that will help to crack that anti-education sentiment.

We are grateful that academies have been given the flexibility to allow that sort of curriculum and approach, rather than a plain, straightforward academic approach; that is a brilliant breakthrough, yet we are banning those same youngsters, adults, and families on those estates from their school outside normal school hours. As with the other schools in my constituency, I want these new institutions to be key players, not just in local education, but in the local community, and I want them to offer services to local people as well as day pupils. However, as those institutions fall outside local education authority control, any community involvement outside the school's core functions will incur a colossal VAT bill.

In my constituency, three secondary schools are uniting to create two academies. The two people likely to be head teachers of those academies are full of trepidation that their dream of building schools that will play an integral part in the community will be shattered because of this nonsense.

Simon Hughes: The hon. Gentleman will be aware that this is not just a Nottingham issue; Ministers will know that we in Bermondsey have been pursuing it with the Government for more than a year. Does the hon. Gentleman agree that it needs to be sorted so that schools can be rescued—in our case from a £3.5 million burden—and sorted soon? Until the Government come up with an alternative solution, the problem will blight not just those places that are waiting to do their job but many plans in the pipeline. This is a serious, central issue. Ministers keep saying, "Any day now, we'll get you an answer", but we have had lots of those, and we need an answer soon.

Mr. Allen: I agree very much that this is not just a Nottingham problem. In fact, people are anxious about the issue throughout the UK, particularly as the academies programme unravels. For example, Sam Price of the Bexley business academy estimates that the opening of his school doors to the community would cost £7 million in VAT. That flies in the face of the objectives of academies, which, according to the academies sponsor prospectus from the Department for Education and Skills, is to

"serve the local community in which they are established, including sharing their facilities with the community".

It is set out in the prospectus that is issued to the people whom we are trying to draw in—as we are doing in Nottingham, North. For example, the university of Nottingham is intimately tied in to the health academy that we want to build, and there are many other sponsors. The founding prospectus states that we want to share the facilities with the community, yet a small loophole could be disastrous for the meeting of that objective. The point is not to open to provide nice add-ons in middle-class areas. It is central to our belief in building our academies that they should be part of the answer to the broader problems of regeneration in our area. They must be at the heart of what we are doing, not peripheral to it.

To return to the subject of the Bexley academy, it cost £31 million to build, which is why it has the sword of Damocles of an enormous VAT bill hanging over its head if it involves the community. VAT on construction was waived by the Treasury, which gave it a zero rating just as it did for Bilborough college. If we are not careful, we could end up defying the very drive that has led us to try to improve schools locally.

In Nottingham, North it is imperative that the two fantastic new institutions that we hope for in the next couple of years should not be, effectively, useless outside the school day. Ironically, they would then be offering less to the community at large than the schools that they will replace. It would be a tragedy if during evenings, weekends and school holidays local people were left looking enviously through the windows of those state-of-the-art buildings and could not use them and develop as a result. We in Nottingham have lobbied, cajoled and begged our way to getting the two academies, so that they can be at the heart of our revival and regeneration—not so that they can be off limits and elitist.

So, that is the problem; here is the answer. The Treasury has argued that the sixth European VAT directive prevents it from exempting academies and new build further education colleges from VAT. The obvious solution, therefore, is to allow them to recover their VAT under section 33 of the Value Added Tax Act 1994—a provision that is already enjoyed by local education authority schools without the collapse of civilisation as we know it. Section 33 allows local authorities, along with other specific bodies, to reclaim VAT on non-business activities and certain VAT-exempt business activities. Article 4 of the sixth VAT directive provides for such VAT reclamation:

"States, regional and local government authorities and other bodies governed by public law shall not be considered taxable persons in respect of the activities or transactions in which they engage as public authorities, even where they collect dues, fees, contributions or payments in connection with these activities or transactions".

Academies, sixth form colleges and FE colleges clearly fit the EU's test for

"bodies governed by public law"

under the Council directive 93/96. The sixth directive stipulates that those bodies should be considered taxable only if their activities

"would lead to significant distortions of competition".

I fail to see how offering evening classes to parents, facilities for local amateur dramatics, language classes, music classes, computer classes or five-a-side football for local disenchanted youngsters would cause significant distortions of competition. The present state of affairs is madness and the Government need to resolve it quickly. The activities that I outlined are exactly what the LEA schools are able to provide, and what academies and sixth form colleges, particularly in educationally under-attaining areas, should be aiming to provide. The last bit of Treasury advice was that schools should dodge the article by providing their facilities for free, which means misusing money from the Department for Education and Skills and sponsors as a way round this stupid regulation.

I understand that HMRC told the DFES that academies would not be eligible for section 33 status because they do not have tax-raising powers. That is ludicrous. The sixth directive makes no such restriction on existing bodies included under section 33, such as probation committees, charter trusts, the National Rivers Authority, galleries and museums—none of them have any tax-raising powers. Providing academies with section 33 status would not require any primary legislation, so we have even got rid of that feeble excuse; a statutory instrument from the Treasury would suffice. Indeed, there is a precedent, and a good one too. A statutory instrument was used in 2001 to place museums and galleries under section 33. Giving academies that status would provide them with the capacity to fulfil a key part of their charters. Will the Minister give a commitment seriously to consider introducing a statutory instrument to deal with the problem?

I am afraid that that was a rather dry exposition of some parts of EU and tax law, but it is the way forward. The point that I made may appear to be a technical irrelevance, but it is central to what the Minister did so well in his previous incarnation as an Education Minister and what the current education team is also doing so well: helping me and those of us fighting for better education in Nottingham, North—the UK's most educationally under-attaining constituency—to propose ways of using schools, in accordance with what Ministers and the Prime Minister have said.

I look forward to the Minister's reply on behalf of the Treasury—so too, I suspect, will my right hon. Friend the Prime Minister, who will wish to understand why the schools that he intends to be the flagships of his educational reforms should be subject to a VAT penalty that other schools escape. I am sorry to put my hon. Friend the Minister on the spot, but I will be ruthless in ensuring that everybody, whether at No. 10 or anywhere else, realises the damage that this technical loophole is doing to one of our key education policies.

The heads, teachers and local education authority officers in Nottingham, North, sweat blood in the UK's most difficult teaching environment, yet together we are creating a way forward to break the cycle of generations of under-attainment. That solution places a central role on schools as the heart of our communities, and unless it does that, it will fail. If the Minister cannot give us an immediate answer, I hope that he will make it clear that he is across the problem, sees it as a difficulty and will do his level best to help us, not only in Nottingham, North, but throughout the UK. The development of academies will give an extra boost to our efforts to involve communities in schools and schools in communities.

12.49 pm

The Economic Secretary to the Treasury (Mr. Ivan Lewis): I congratulate my hon. Friend the Member for Nottingham, North (Mr. Allen) on securing this very important Adjournment debate.

I know, from my previous incarnation, how much he personally has championed the importance of raising educational standards, ambitions and aspirations in his constituency if that area is to undergo the social and economic regeneration that he spends a great deal of his time trying to facilitate. I understand the passion that underpins his contribution. I shall also try to address the concern of the hon. Member for North Southwark and Bermondsey (Simon Hughes). I say to both hon. Members that I may be happy to disappoint them on any occasion, but to disappoint the Prime Minister might be more difficult. We will see whether my response helps to address some of the issues raised.

As my hon. Friend said, the Government are committed to supporting all schools in opening their facilities for wider community use as part of our extended schools agenda. The Secretary of State for

[Mr. Ivan Lewis]

Education made it clear that in future all secondary and primary schools will offer access to extended services that help to meet the needs of their pupils, families and the wider community—child care, adult education, study support and community sports facilities, for example. The same potential benefits also apply when a further education college opens its facilities to extended community use. To support our commitment to extended schools, we have already provided £160 million-worth of resources across the school sector, and intend to invest a further £680 million by 2008.

The provision of extended services and wider community use is our ambition for all schools, but I am aware that VAT consequences have been a concern in that respect. As a Treasury Minister, I do not deny that it is a live issue that we need to address as promptly as possible. It is important to make it clear that VAT rules do not prevent academies and FE colleges from making their facilities available for community use and charging for doing so. However, the VAT rules can have an impact on the extent to which that can be done if academies and FE colleges are to benefit from full VAT relief on the construction of their buildings.

It is therefore important to put it on the record that VAT relief applies to the construction of charitable buildings or identifiable parts of those buildings provided that use other than for a relevant charitable purpose will be less than 10 per cent. of the total use. A building is used for a relevant charitable purpose when used for non-business activities such as the provision of core-free education or other activities for which no charge is made.

It is a long-established principle in VAT that making facilities available in return for a charge, as an extended school or FE college may do, is generally regarded as a business activity regardless of the type of facilities, the level of the charge or the commercial or charitable nature of the supplier. That means that if the institution is to benefit from the VAT relief for construction, any use for which a charge is made must be less than 10 per cent. of the total use. Hon. Members are aware of the background to that provision.

The VAT rules apply equally to all charities. I am sure that my hon. Friend appreciates that the situation is not unique to academies or FE colleges; many other charities are in a comparable position in that they provide a range of facilities or services to the community and are subject to the same VAT rules.

My hon. Friend referred to VAT reliefs, which are governed by European VAT agreements entered into by successive Governments, under which we cannot extend our existing zero rates or introduce new ones. It is therefore not possible to allow full VAT relief regardless of the extent to which academy or FE college facilities are used for charge-business purposes.

As European agreements make it impossible to extend the existing VAT relief, it is reasonable to ask why we do not simply undertake to refund any VAT that an academy or FE college is charged. We are continuing to consider that possibility, but it is important to state that that solution is not without its own substantial difficulties.

I say to my hon. Friend that, in relation to FE colleges, the central funding provided by the Learning and Skills Council should take into account VAT costs which cannot be recovered. As he is fully aware from experience in his constituency, schools have benefited from record increases in funding in recent spending reviews equivalent to 60 per cent. real-terms growth in resources between 1997 and 2008.

The Government have ambitious plans for the development of academies. My hon. Friend has direct experience of fighting for academies and being successful in attracting them to his area. We believe that it is important to target available funding as effectively as possible. In that context, we want seriously to consider whether resources available for the academy programme are best and most effectively deployed in VAT refund arrangements designed to allow academies a free hand in the extent to which they use their facilities for a business purpose.

Simon Hughes: I do not want to eat into the Minister's time, but will he explain why we cannot apply the same principle as in local government? Councils are obliged to charge rates on a building—it might be a community building—but they will then give a grant so that there is a net zero cost. It seems that there would be no loss to the Treasury, even if we had to go through an accountancy loophole.

Mr. Lewis: Our concern is the precedent that that would set for other organisations. We are actively considering the options, because we are concerned about the financial implications, the precedent and the constraints imposed by legislation.

To return to my earlier point, there would be a need not only to find additional resources, but to ensure that the rules for academies were consistent with those for other charitable organisations. As hon. Members are aware, there are always difficulties in deciding in a fair and principled way that some charities will be refunded VAT costs while others will not.

My hon. Friend mentioned section 33 of the Value Added Tax Act 1994 and local authority-maintained schools. The refund scheme is a public spending measure that operates outside the VAT system and the scope of article 4 of the VAT directive that he mentioned. It reflects a commitment made when VAT was introduced in 1973 that the tax should not become a burden on local taxation. In keeping with that principle, since 1997 we have admitted new bodies to the refund arrangements only where they meet two conditions: first, they must undertake a function ordinarily carried out by local government and, secondly, they must have the power to draw funding directly from local taxation. Academies, as bodies that are funded directly by the Department for Education and Skills, clearly do not meet the second condition.

My hon. Friend mentioned the inclusion in section 33 of other bodies that do not levy local taxation. Although the Government have taken no action to remove bodies that were already covered by section 33 when we came into government, we have been clear that new bodies will be admitted to those VAT refund arrangements only where they undertake a function ordinarily carried out by local government and have the power to draw

funding directly from local taxation. The refund scheme for museums and galleries, for example, is entirely different from that which applies to local authorities.

More generally, the principles for funding public services require that special VAT refund arrangements, such as the scheme for local authorities, remain limited exceptions to the general rule and are applied only where they provide the most cost-effective and efficient way of achieving the Government's objectives. That demands that we remain cautious when considering any request to extend VAT refund arrangements, or introduce new refund schemes, for public service providers.

The VAT constraints that I explained earlier mean that we cannot guarantee academies or FE colleges that wish to benefit from full VAT relief a free hand in allowing the use of their facilities for a charge. However, on academies, officials at the Treasury and the Department for Education and Skills, as well as the Academy Sponsors Trust, are working together to see how academies can make the best use of the existing relief or, in the limited number of cases where this would be relevant, how they can manage any VAT costs that arise.

For example, in calculating the extent of relevant charitable use within a building, it is open to academies or FE colleges to consider identifiable parts of the academy or college separately. In addition, several methods of calculating the extent of relevant charitable use are available and, in some cases, are subject to agreement with HMRC. Using one such method, and taking the year as a whole, a 1,000-student institution could provide charged extended services for an average of 50 people a day. Obviously, that does not amount to fully unrestricted use, but it would still represent significant community participation.

An academy or FE college might prefer not to restrict the extent to which it offers its facilities for a charge and might therefore be prepared to incur VAT on some part of its buildings. In such circumstances, it will be entitled, under the normal VAT rules, to register for VAT and reclaim from HMRC any VAT attributable to taxable business use of facilities. That might, for example, include the use of sporting facilities such as gyms or other leisure facilities.

This is a live, important issue. It is about trying to ensure that we are consistent in achieving Government objectives. We understand the importance of addressing the issue promptly, and this debate will, I hope, make an important contribution towards our reaching a solution that deals with the constraints to which I have referred to do with precedent, financial implications and legislation.

Mr. David Wilshire (in the Chair): The Minister's timing was impeccable.

Post-earthquake Relief (Pakistan)

1 pm

Mr. Rob Wilson (Reading, East) (Con): I asked for today's debate because I wanted to ensure that we do not forget the people of Pakistan in their hour of need. Perhaps "hour of need" is the wrong phrase, because northern Pakistan will have years of need if it is to meet the many challenges that it now faces.

It is important to keep reminding ourselves of the huge scale of those challenges. We are all aware that on Saturday 8 October last year an earthquake struck, measuring 7.6 on the Richter scale. Its epicentre was in the area of Muzaffarabad, in Pakistan-administered Kashmir, about 95 km north of Islamabad, and it caused widespread devastation and a significant number of deaths. The challenge created by the earthquake was unprecedented in its magnitude. More than 73,000 people perished, including 35,000 children, and twice as many were injured. Half a million homes were destroyed, more than 3.5 million people were left homeless and some 1.3 million people lost their livelihoods. The homeless are equivalent to almost half the population of Switzerland.

Tens of thousands of families lost an entire generation that day. Children who left for school never returned; more than 120,000 people were injured, mostly women, children and the elderly; and thousands became disabled or paraplegic. Key public buildings and infrastructure were badly damaged, creating a catastrophe that was beyond the capacity of one country to manage on its own. Pakistan rightly sought international help, and Britain has played its part in supporting the aid effort. The immediate priority of digging people out of the wreckage soon turned to providing nearly 1 million tents, 1,800 tonnes of medicines and 73,000 tonnes of rations.

There are now 605 tented villages and 40 tented schools, and under the Pakistan Government's interim shelter strategy, 290,000 interim shelters have been constructed. The urgent and immediate priority is to help more than 3 million people to survive the harsh Himalayan winter. So far, the Government of Pakistan, in co-ordination with international partners, have been able to control the worst impact of the winter. I hope that that success will continue, but it is by no means certain, as the coldest part of the winter is traditionally in February. The scale of the disaster means that relief operations will continue—rightly—to be critical to the region for at least another year.

I know from discussions with Pakistan's high commissioner that Pakistan greatly appreciates the support that the British Government have provided so far. That has played an important role in ensuring that many people do not die unnecessarily. I have no doubt that the Minister will tell us more about the UK Government's actions.

Mr. Mohammad Sarwar (Glasgow, Central) (Lab): I congratulate the hon. Gentleman on having secured this important debate. He is right that the earthquake brought complete devastation to many in the area. Not only the high commissioner is grateful. We managed to go to Pakistan and met the Prime Minister and other Ministers, and they were very appreciative and

[Mr. Mohammad Sarwar]

expressed their gratitude to the British Government and the people of the United Kingdom for the help that they have given to the victims of that devastating earthquake.

Does the hon. Gentleman agree that, although the sterling work and leadership of the Minister and the Secretary of State for International Development in helping the victims are commendable, it is unfortunate that there are still hundreds of thousands of people living in tents in freezing conditions who need our help, and that we should continue to give that help to them?

Mr. Wilson: I agree with the hon. Gentleman. Perhaps the Prime Minister and the Secretary of State for International Development will pass his comments on.

Having set the scene and brought the story up to date, I should like to turn to what we should do by way of a second phase of reconstruction and recovery. The United Kingdom has long-standing and close ties with Pakistan through the Commonwealth and the many families of Pakistani origin who live in the UK. That is particularly true in my constituency, which has a sizeable Pakistani community, many members of which originate from the area of the earthquake. They have been active in fundraising for the relief effort; indeed, the whole community in Reading—Muslim, Hindu, Sikh and Christian—has contributed generously to the many fundraising efforts.

Substantial resources are needed, however, not only for the continuing relief work to which the hon. Gentleman referred, but for the longer-term reconstruction and rehabilitation. That work will involve rebuilding at least 400,000 homes, so that survivors do not become refugees living in tent cities; reconstructing 12,500 schools; providing rehabilitation and medical care to a generation of children; and building an estimated 1,400 basic health units, rural health centres and hospitals. The work will also involve restoring the basic infrastructure in an area where sanitation and water distribution systems, as well as Government buildings, have been completely and utterly destroyed. Entire towns and villages devastated by the calamity need to be built anew.

Pakistan estimates that it will need about $3.5 billion for the reconstruction of the social sector, the physical infrastructure and the economy. That would be a massive undertaking for any Government, but Pakistan is ensuring that the reconstruction plan provides decent living standards for its people instead of recreating slums and shanty towns, and I am told that all reconstruction will take place on the basis of earthquake-resistant designs. Priority will be given to the restoration of community infrastructure, including housing, schools, hospitals, public health, water, sanitation and Government infrastructure. The reconstruction plan appears to be a good one.

President Musharraf has launched a special initiative as part of the comprehensive plan for long-term construction and rehabilitation. Under his sponsorship programme, individuals, organisations and countries will be able to sponsor people, villages, schools, hospitals or even basic health units. Donors can also sponsor projects involving the environment, livelihood regeneration and the rehabilitation of orphans and widows. International agencies, charities and philanthropists have been invited to sponsor a health unit, a hospital or a school in the affected area.

Simon Hughes (North Southwark and Bermondsey) (LD): I have a particular concern, as many of us do, having been to exactly the part of the world affected. As we are in the middle of our winter, does the hon. Gentleman think that now would be a good time to look to our local authorities, many of which want to make a further contribution, to make those project-based commitments? That might do something immediate to help the Government effort, but would also be of continuing interest in the months and years ahead.

Mr. Wilson: That is an interesting idea and I am sure that the Minister will consider it in his response.

The donation cost ranges from $25,000 for a primary school to $33 million for a university in Muzaffarabad. A basic health unit would cost about $200,000, while a leprosy hospital would need a donation of $5.8 million. In the north-west frontier province more than 8,000 schools and colleges and a university are available for donations, while in the health sector, 1,300 health facilities, such as basic health units, rural health centres and hospitals, are available. To help potential sponsors, the Pakistan Government have kindly set up a website, the address for which, for all our listeners, viewers and readers of *Hansard*, is www.earthquakepakistan.com.

Britain has done much but, in classic new Labour speak, there is much more to do. We must not stop now. The next five to 10 years will be crucial to reconstruction and saving lives.

Mr. Sadiq Khan (Tooting) (Lab): I also congratulate the hon. Gentleman on securing this important debate and on generously giving way to three colleagues so far. We have talked about the numbers, but, important though the aid is, does he agree that it is also important to give people their dignity back? That could be done at a micro-level by enabling amputees to return to work, for example, and on a larger scale by reforming trade policy, to enable the country to trade its way out of destruction and allow people to rebuild their country themselves.

Mr. Wilson: I thank the hon. Gentleman for raising that important point, which I shall return to later.

It would be helpful if the Minister could tell us the Government's long-term strategy of support. For example, what plans for long-term reconstruction have been drawn up? Do those plans have clear, measurable targets, goals and milestones? Will the process be independently audited by the National Audit Office?

I thank the hon. Member for Tooting (Mr. Khan) for his intervention, and perhaps I can make a few suggestions about what Britain can do. Pakistan will continue to need money to help with reconstruction. I hope that we continue to be generous with our aid, working closely with the Pakistan Government to carefully target it for maximum impact. The British Government can encourage community organisations, and particularly the corporate sector, to take part in the

reconstruction effort, by securing priority projects such as housing, schools and hospitals in the quake-affected regions.

Mr. Philip Hollobone (Kettering) (Con): I, too, congratulate my hon. Friend on securing the debate. I am pleased that he has come to the part of his speech concerning what the Government can do. Will the British Government take a lead in encouraging the richer members of the Commonwealth to contribute to what is an appalling situation? All of us have been moved by the pictures on our television screens of small children, barefoot and ankle-deep in snow.

Mr. Wilson: I thank my hon. Friend for his intervention, and I hope that the Minister will deal with that question when he responds.

Doctors and paramedics in the national health service could take part in the rehabilitation programme. In the years ahead, northern Pakistan will face an acute shortage of physicians and other medical staff for the rehabilitation of trauma patients and the physically disabled, whom the hon. Member for Tooting referred to earlier.

Pakistan needs help so that it can use trade to overcome its post-earthquake challenges. Giving Pakistan special trading status in the European Union would be extremely helpful for jobs, prosperity and the overall reconstruction process. I hope that the Government are pushing hard for that, even though they no longer hold the EU presidency. Pakistan needs UK Government help with skill enhancement in many of its economic sectors, and many individuals need to be trained and reskilled. We in this country have much experience that we can share with Pakistan to help in that process.

It is important that the British Government and the British community sustain the momentum of assistance in the days, months and years ahead to help Pakistan to accomplish the enormous task of reconstruction and rehabilitation. I hope that we can give Pakistan the message today that their friends in the UK will not let them down.

1.12 pm

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): In the traditional way, I join in congratulating the hon. Member for Reading, East (Mr. Wilson) on securing the debate on this important issue. He was absolutely right to remind the House of the sheer scale and impact of the south Asian earthquake that took place on 8 October last year. As he rightly says, there has been major destruction in the most highly affected area. Some 3.5 million people and 500,000 families have been affected, with nearly 2.5 million people losing their houses and 2.3 million at risk of not being able to meet their own food needs. We estimate the death toll in that part of the affected area to be about 73,000 people, with 70,000 injured. We must not forget the people of India who also lost their lives, or those badly affected by the earthquake. A number of people in Afghanistan were also affected by the earthquake; some lost their lives and some lost members of their family.

The preliminary damage and needs assessment prepared for the Government of Pakistan by the World Bank and the Asian Development Bank estimated that Pakistan will need $5.2 billion for relief and reconstruction. That figure includes $1.7 billion for continuing relief and to restore livelihoods, and $3.5 billion to replace damaged and destroyed buildings and infrastructure. Relief and rehabilitation are therefore a huge challenge for Pakistan in the months to come and in the longer term, as the hon. Gentleman identified, as well as being crucial for the international community more broadly, including the Commonwealth, to which the hon. Member for Kettering (Mr. Hollobone) alluded.

Mr. Khan: Before my hon. Friend moves on to rehabilitation and reconstruction, will he comment on whether he believes that the international rescue and relief operation was adequate? We know of the great strides that our Government took, but was the international effort adequate? Secondly, have our Government and, more importantly, the international community, learned any lessons?

Mr. Thomas: If my hon. Friend will forgive me, I will come to that when I talk about the relief effort. A number of lessons that have been learned from the tsunami have helped to influence our response. The earthquake in Pakistan and the international response to it has added fuel to the case for investment in a central emergency revolving fund—an international fund to help UN agencies in the immediate aftermath of a disaster better to meet the needs of the affected communities. I am pleased to say that we have now secured United Nations General Assembly support for the launch of CERF and we hope that it will be operational by the end of March.

As my hon. Friend the hon. Member for Tooting (Mr. Khan) and the hon. Member for Reading, East have said, we have been playing a strong role during the relief effort, committing some £58 million-worth of support. We will continue to play a major role during reconstruction, both as a trusted partner of the Government of Pakistan and as one of the largest bilateral donors in that country. I pledged some £70 million for the reconstruction programme at the donors conference in Islamabad last November. We are working with the Government and other donors to ensure that the lessons from previous natural disasters are included in both the relief effort and the long-term reconstruction effort.

Some hon. Members will be aware, particularly those who have visited the affected areas, that such is the nature of the terrain—the area is remote and mountainous—that it is probably more challenging for the relief effort to help people to deal with the impact of the earthquake than it was to help those affected by the Asian tsunami. Road links have been badly affected, necessitating the extensive use of helicopters for relief support. In many areas the only means to get relief to those affected has been by Pakistani army patrols using mules. The harsh conditions of the Himalayan winter provide a further constraint on the rapid provision of adequate shelter and present a clear risk to survivors. The earthquake, coming as it did just before the immediate onset of winter, allowed only a short opportunity for emergency shelter and other critical facilities to be put in place.

Mr. Rob Wilson: Aid agencies suggest that many of the tents and interim shelters are proving inadequate

[Mr. Rob Wilson]

against the winter cold. Has the Minister heard that from aid agencies, and if so, what action are the Government taking?

Mr. Thomas: I will describe in detail our response. We have obviously heard of concerns that some of the tents that have been provided have not been good enough. We have certainly been working to do everything we can to ensure that the tents that we and other donors provide are the so-called winterised tents, to provide better support to people in the way that the hon. Gentleman has rightly said needs to happen.

I believe that, given the complexity of the disaster and the way in which we need to respond, relief efforts can be judged so far to have been broadly successful in meeting the priority needs. As the hon. Member for Reading, East and my hon. Friend the Member for Glasgow, Central (Mr. Sarwar) said, because February is traditionally the coldest month of the year in Pakistan, we cannot afford to be at all complacent about the coming weeks and the need to maintain the relief effort at its current level, if not to step it up a gear further.

Adequate steps have been taken to prevent widespread outbreaks of diseases. There has been good collaboration between the Pakistani authorities, the Pakistan army, local and international non-governmental organisations and the international community. We have continued to play an important role in support of the relief effort, both in providing direct humanitarian assistance and in urging others—those in the Commonwealth and outside it—to do more as well.

I have said that we pledged some £58 million to the relief effort. We have so far committed some £52 million of that.

Simon Hughes: I join others in thanking the Government, through the Minister, for what they have done. Is it the view of the Government and the international community that there is available now the extra medical support and other equipment, particularly to deal with the very bad winter that may be in prospect? Is that in the region and available, or are we still short of what we may need to deal with what could be, as the hon. Member for Reading, East (Mr. Wilson) said, a further crisis?

Mr. Thomas: In very broad terms, the necessary relief supplies are in the region. However, the United Nations has flagged up a shortage of female medical personnel. That is creating major problems for the UN and other humanitarian partners, because there are, of course, various cultural and traditional reasons why female people in the affected areas would want to see only a female doctor. We will obviously support the UN in discovering what can be done to remedy that problem.

Mr. Sarwar: The Minister will be aware that thousands of people—particularly young children—have lost their limbs in this disaster. We are proud to say that many British doctors are doing excellent work with the minimum of resources. My hon. Friend the Member for Birmingham, Perry Barr (Mr. Mahmood) and I visited Roehampton rehabilitation centre this week, which is happy to offer its expertise and capacity to establish a limbs-fitting centre in Pakistan. Will the Minister consider helping other doctors to establish limbs-fitting centres, which could help thousands of people in the region to start leading a normal life?

Mr. Thomas: I pay tribute to the assiduous lobbying of my hon. Friend, and to that of other Members not only on the Labour Benches but of other parties, who have continued to champion the cause of Pakistan. I know that my hon. Friend has met the Secretary of State to discuss this issue. The only word of caution that I would throw back to him is that we must make sure that the Government of Pakistan are in the driving seat of the reconstruction effort, and that they decide the priorities for not only the relief but the reconstruction phase. If they think that such support is necessary, we will continue to engage with the organisation to which he has alluded.

I should put on record that our direct support to the relief effort has included sending 15 relief flights and funding 78 flights for the Disasters Emergency Committee. We have also provided a range of urgently needed materials, including 5,500 winterised tents, 19,700 collapsible 10-litre jerry cans—which are crucial for the supply of water—36,000 blankets and 70,000 tarpaulins. More plastic sheets and blankets are arriving. We have provided £19 million in support of the UN's relief effort, including our crucial and continuing funding of helicopters. We have also supported the UN's activities through the NATO airlift, transporting relief items from warehouses in Europe and the middle east to Pakistan, and through the direct use of three UK Chinook military helicopters and the 59 Independent Commando Squadron Royal Engineers, which has been doing emergency shelter-building operations in the remote high-altitude areas in the Bagh region.

I met some of the crew of the Chinook helicopters when I visited Pakistan in November, and I wish to put on record my appreciation of the remarkable job that they were doing. They were clearly hugely appreciated by the people in the villages to whom they were airlifting supplies, and they deserve the recognition and praise of the House for their huge efforts. Our soldiers also deserve our praise for the work that they were doing; each shelter they built and the repairs to roads that they have effected have saved lives.

Mr. Khan: My hon. Friend the Member for Glasgow, Central (Mr. Sarwar) and I and other colleagues met the excellent Chinook team out there. Does the Minister agree that we should also pay tribute to our charities—both to those on the Disasters Emergency Committee, such as the British Red Cross and Islamic Relief, and others not on the DEC that are doing sterling work, such as Muslim Hands and Helping Hands? Will he comment on today's comments of Save the Children? It said that there is an urgent need for more permanent shelter for the earthquake-affected communities in Pakistan. Although the Minister has confirmed that we have given the aid that we have pledged, what does he think about the fact that Save the Children has said that "only 18 per cent. of the money needed for the UN flash appeal" has so far been committed?

Mr. Thomas: I join my hon. Friend in paying tribute to the work of aid agencies that were on the ground in

Pakistan before the disaster struck and international non-governmental organisations that responded to the emergency, such as Islamic Relief, Oxfam and Save the Children, as well as groups such as Muslim Hands and Muslim Aid which also responded. I also pay tribute to—and I am sure that the House would want to record its appreciation of it—the generosity of the British public in helping to raise around £50 million for work to support the Disasters Emergency Committee.

The hon. Member for North Southwark and Bermondsey (Simon Hughes) referred to the contribution that local authorities can make, and perhaps the Chamber will indulge me by allowing me to say that my local authority, Harrow, has helped to facilitate a fundraising effort among communities in my borough. Such hands-off but important and practical support is one way in which local authorities can continue to make a difference.

We are supporting the provision of more shelter, winter kit—including stoves, management and servicing of campsites—primary health care centres, mobile clinics and hospitals, women's health and counselling services, water and sanitation in camps, and food both in camps and to displaced communities in remote areas. We remain the second largest donor to the relief effort. The truth is that relief efforts are better in some areas than others and careful monitoring of the situation in the coming weeks will be needed to try to iron out some of those differences. We will continue to be part of the effort.

This debate is well timed because we need to think about the transition from the relief effort to early recovery and on to the reconstruction and rehabilitation phase. That relates to my hon. Friend's reference to Save the Children's concerns. That broader concern is well recognised in Islamabad, where the earthquake reconstruction and rehabilitation authority will take over from the Federal Relief Commission to lead the long-term reconstruction effort. The hon. Member for Reading, East is right to say that it will not be possible to complete that soon; it is a two-year, three-year or five-year process and for some people it will take a very long time indeed to recover. One of the immediate concerns that we must recognise is support to households to restore their livelihoods at an early stage—for example, through cash-for-work schemes.

We will continue to play an important role during reconstruction. We are one of the group of seven large donors who are working closely with the Pakistan Government to meet the recovery challenge. We have made it clear that we will do everything possible to help Pakistan to recover and that is why I pledged some £70 million-worth of support for that reconstruction effort.

On infrastructure alone, again as the hon. Gentleman highlighted, a huge effort will be needed to replace the facilities that were destroyed: 4,000 km of roads need to be replaced or repaired, 400,000 homes need to be constructed, 7,500 schools need to be repaired and nearly 600 primary health clinics and other medical facilities need to be provided. The earthquake destroyed some 84 per cent. of the housing stock in Kashmir and the north-west frontier province. There is a huge job of work to be done.

As I said earlier, we can learn lessons from previous disasters to ensure that best practice in responding is brought to bear on the reconstruction effort. I am pleased that the Pakistani authorities and the seven major donors who are supporting them have agreed to make sure that a set of principles based on that international best practice is adhered to.

Mr. Rob Wilson: Will the Minister give way?

Mr. Thomas: Not now.

We are keen to ensure a long-term effort on disaster risk reduction so that buildings are better built as a result of the disaster.

In general, I recognise the concerns about trade and we continue to represent the Pakistani case to other member states of the European Union. We are expecting some reports shortly which I hope will help to move things forward in the way to which the hon. Member for Reading, East alluded. We recognise the importance of responding to Pakistan's needs. I am grateful to the hon. Gentleman for calling this debate and to other hon. Members for their assiduous and continuing efforts to make sure that the issue is not forgotten inside or outside the House.

Mr. David Wilshire (in the Chair): Once again the timing was impeccable.

Local Education Authorities

1.30 pm

David Taylor (North-West Leicestershire) (Lab/Co-op): The Prime Minister famously promised that the top three priorities of a Labour Government would be "Education, education, education," and in our first two full terms in government, up until 2005, a high legislative priority and very large budget allocations helped to deliver on that early promise.

Substantial progress was made. For instance, we were all delighted to see the disgraceful backlog of capital works shrink rapidly, along with oversized classes in our primary schools. In the 2001 and 2005 elections, there was no doubt that education and the economy were key electoral pluses in North-West Leicestershire and elsewhere. I was therefore somewhat surprised to find myself in front of the Parliament square cameras late last year, expressing major reservations about the then newly published White Paper, "Higher Standards, Better Schools for All—More Choice for Parents and Pupils", which is very much a Janus of a document.

The progressive parts were perhaps written by the Secretary of State and deal, inter alia, with personalised learning and school discipline. The bonkers bits may have been written by a shadowy, unelected, privately educated marketiser who, for security reasons, we will call Lord A. It launched trust schools and effectively bade farewell to local education authorities.

A major debate on those Government proposals, which have met such substantial flack from across the party, is under way. The proposals have drawn fire from the most surprising quarters and from the previously most loyal of colleagues. It is that unjustified and irrational abandonment of LEAs that I wish to deal with next.

I must first declare an interest: I am a parent of four daughters, all educated entirely in local state comprehensive schools—none of which were bog-standard, in Alastair Campbell's unfortunate phrase. As a school governor for 25 years, and as someone who worked for a long time for the local county council, although not in the education sphere, perhaps I have the edge over metropolitan peers, who have none of the advantages that such experiences can offer. The White Paper's flaws are rooted in its metropolitan analysis, which does not apply to much of the rest of the country. Its proposals may have a resonance in London, but they are doomed to fail in the shire counties.

My local LEA has never been controlled by my party, so my appreciation of its achievements is driven not by partisan considerations but by a real assessment of its successes over the decades. It was not well funded by successive Administrations; however, its portfolio includes fine comprehensive schools, first-rate community education, top-quality accessible music and the arts, and good special needs provision. The list goes on. For such a body to become an educational eunuch after being a prolific producer of initiatives and ideas is unacceptable.

So what are the White Paper proposals intended to achieve? They are all of a piece with the general philosophy for the reform of public services that was spelled out starkly by the then Cabinet Office Minister, now the Secretary of State for Work and Pensions. Speaking in Washington in October 2005, he said:

> "We needed to drive greater challenge into the system, and that could not be entirely reliant upon target setting and performance management from the centre. It does involve greater contestability, the opening up of these monolithic structures from across the private, voluntary and social enterprise sector. This has proved to be our biggest political challenge. The expected opposition from the trade unions and the professional interest groups was predictable and it has happened."

Contestability is the current euphemism for competition. When we came to power, the real powers-that-be must have concluded that the previous Government's marketisation was not changing the schools system fast enough, and that further central intervention was not achieving the desired results. Two additional organisational drivers are apparently needed. One is more competition, which is achieved by breaking up the LEA system into individual competing schools, driven by consumer choice on the part of parents and performance league tables. That, of course, tends to reinforce middle-class advantage—surely not a conscious political strategy. The other driver—following specialist schools and academies—means external sponsors and trust schools, both subjects for other debates.

Let me turn to the rationale for the enfeeblement and ultimate marginalisation of local education authorities. Our Prime Minister said that we needed:

> "Every local authority moving from provider to commissioner, so that the system acquires a local dynamism responsive to the needs of their communities and open to change and new forms of school provision."

The "from provider to commissioner" policy is not new. It has been Government policy since the Department for Education and Employment paper, "The role of the Local Education Authority in school education" was published in 2000; it was as long ago as that, as the Minister will know. For years LEAs have had to outsource many of the services they previously provided to schools, as a result of enforced delegation of budgets. That has created a profitable market for edubusiness companies, although the associated quality of the delivered services has not always lived up to reasonable expectations. It is now surely impossible to obtain further outsourcing without either more enforced delegation to schools or new legislation. Which is it to be?

Some critics suggest that the Government have pursued a consistent programme of centralisation of control. Often under the guise of local empowerment, programmes can have precisely the opposite effect. Passing responsibility to levels beyond which people have the resources, knowledge and skills to exercise it effectively gives greater control to the state. Governors in general, and parents in particular, are often not able to administer schools effectively. As a result, schools are controlled through the national curriculum, Ofsted and funding arrangements. I hope that that criticism will be answered by the Minister today.

Let us consider the presently mooted reorganisation of local government. By moving powers away from local government on education and the police, for example, and fragmenting local government, particularly by splitting up counties, central Government may

undermine effective local government—a level of government that can be a bulwark against, and an effective critic of, the occasional excesses and incompetence of all central Governments.

Current suggestions for further fragmentation of local government appear to be along the same lines. Part of the White Paper is taken up with rather weak pseudo-statistics and anecdotal examples that do not add up to a substantial case. If the Government think that those form the basis for "evidence-based change"—a favourite phrase—they have started to inhale their own press releases.

On the White Paper, the criticisms that the proposals will primarily benefit the middle classes and that there will be the effective introduction of more selection are probably relevant, but almost certainly a distraction in this context. The fundamental premise of the planned Bill seems flawed, unless the intention is to boost meritocracy, put more public money into private pockets and increase central Government control.

The White Paper is summed up in its annexe on resource and legislative implications; there is not much merit in some of the proposals therein. The idea that parents know, let alone generally have the competence to carry out, what is best for schools can be off beam—parents organisations have said so.

After decades of being a governor at a number of schools, I can say that the availability of governors, and of the time and knowledge to undertake the sorts of roles envisaged by Government in this White Paper, is patchy to put it mildly. The role of local government, far from being enhanced, becomes increasingly an arm of central Government administration.

Education does need reforming—it needs constant reform, to reflect the needs of society, technology and all the other things that are happening in the background. It needs reforming to a system in which central Government give up most of their interference, hand back the development of education to the professionals and the experts, and give oversight to a level of local government that has the skill and resources to represent local interests.

Mark Hunter (Cheadle) (LD): Will the hon. Gentleman give way?

David Taylor: The hon. Gentleman has not indicated in advance his intention to intervene, which is the normal practice, so I am afraid that I will not take the intervention.

I now turn to the question of fair admissions. I commend the powerful submission by Comprehensive Future to the Education and Skills Committee inquiry into the White Paper, which contains many references to, and commitments about, fair admissions.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): Will my hon. Friend give way?

David Taylor: I am happy to give way to my hon. Friend, who mentioned to me earlier that he might intervene.

Jeff Ennis: I congratulate my hon. Friend the Member for North-West Leicestershire (David Taylor) on securing this timely and important Adjournment debate. As a member of the Education and Skills Committee, he will know that we have suggested an enhanced role for local education authorities and schools admissions forums in monitoring closely schools admissions policies in the future. We also suggested the facility for LEAs to set benchmarks for all secondary schools in terms of all schools taking their fair share of children on free school meals and children of parents who receive working families tax credit. Does he agree that we need to examine those issues seriously if we are to take the White Paper forward?

David Taylor: We certainly do need to take these issues seriously. I will come on to that point shortly.

Comprehensive Future correctly points out that if all schools were to become self-governing—either as trust, foundation or voluntary-aided bodies—there would be about 24,000 admission authorities, each of which would be able to set its own admissions criteria. It further states that, unless there is a clear division of responsibility for admissions between schools, local bodies and central Government, that is likely to lead to fragmentation on a grand scale. It will make the possibility of fair admissions even more unlikely than it is at present.

If the promise of fair admissions—I accept that promise; the Minister is an honourable person—in the White Paper is to be a reality, there must be changes to permitted admission criteria, the regulations covering the code of practice, admission authorities, admission forums, the adjudicator and, particularly in the context of this debate, the role of local authorities. In 2004, for the first time, local authorities were required to co-ordinate the secondary school admissions process for their areas. From this year, local authorities will also co-ordinate primary admissions.

Co-ordination has made it easier for parents to exercise the choice already available to them by cutting down on the number of forms that they have to complete and by introducing a common timetable for each area. It has ended a system under which different schools made offers on different dates, and some parents received several offers and some received none. In the first year of operation, a greater number of children received an early offer of a school place than in previous years. Co-ordination has also made it easier for local authorities to identify and follow up cases in which no application has been made for a child. Those improvements flow straight from the good work of local education authorities, the powers of which will disappear if the Bill becomes an Act.

The e-admissions national project is an example of how, when LEAs are given responsibility for administration, systems can improve. To avoid the fragmentation that the White Paper will encourage, the local authority should administer admissions for all local schools, including the publicly funded independent schools—academies and city technology colleges. The local authority must assess how applicants for places meet the admission criteria for schools in its area and run the admission process.

The shadow White Paper, "Shaping the Education Bill: Reaching for Consensus"—to which I have given some support, although I would like to see it go

[David Taylor]

further—also expresses real concern that there is the potential for pupils from poorer areas to be disadvantaged as popular schools expand and as wealthier and better informed parents set up their own schools, operating their own admissions policies. It, too, states that local education policy must continue to be democratically accountable.

The White Paper talks about local authorities acting as champions of parents and learners, but many have always tried to do just that. Moreover, Sir Jeremy Beecham, the leader of the Local Government Association's Labour group, has said of the White Paper:

"The proposals around admissions, the planning of new schools and the expansion of popular schools gives insufficient leverage to councils to maximise fairness or the efficient use of resources".

Will the Minister say something about the impact of school expansions on pupils from poorer areas and about the democratic accountability of local education policy in a constituency such as mine, where there are more than 50 schools, or in a county such as mine, where there are substantially more than 300? Does he agree that the development of a body of self-regulating schools must encompass an effective system of accountability or measures to ensure that the interests of all pupils are protected and advanced? Without the measures proposed in the shadow White Paper, is it not almost certain that the present Government proposals would deliver enhanced choice for some, and reduced or restricted choice for many others? In short, would not disadvantaged pupils lose, rather than gain, from the projected policy?

Like the Local Government Association, which I contacted before the debate—I do not support all of its responses, but I do support some—I believe that the Government's schools Bill must give local authorities more control over admissions, commissioning, strategic leadership and the 14-to-19 phase, to ensure that they are able to fulfil their role as champions of parents and pupils effectively.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing the debate. What role does he see for surplus places being at the discretion of local education authorities in order to enhance parental choice?

David Taylor: I am grateful to the hon. Gentleman for that intervention and I will deal with it in a little more detail in correspondence. Briefly, a local education authority is in a good position to have a strategic overview of the schools in its area. It can encourage initiatives, projects and approaches that will remove surplus places without the necessity for school closures.

The current admission system does not work for our most disadvantaged and vulnerable children. Local authorities, which we must now call them, must be given the power to ensure that all schools' admission policies are fair and that they cannot cherry-pick the best pupils. We need a system in which local authorities not only co-ordinate local admissions policies but set them in consultation with the admissions forum. Every admissions authority then has to abide by that policy.

The Government must provide more detail on how the council's commissioning role will work. Local authorities must be able to specify services and hold schools to account beyond standards of academic achievement and behaviour, in particular against the five outcomes of the document "Every Child Matters". Decisions on expanding popular schools and new sixth forms must be strategic decisions made by the local authority based on demographic change, greater efficiency and the needs of the whole community. Like the Deputy Prime Minister—perhaps I do not say those words often enough—I disagree with the presumption that popular schools should necessarily expand as set out in the White Paper.

Local authorities must have sole strategic responsibility for the 14-to-19 phase of education. The current system of shared leadership with the Learning and Skills Council is confusing and complicated. It does not work in the best interests of children and young people. The Minister and I have much in common. We are east midlands MPs who were elected in 1997. He is looking very nervous at this point. We are both great believers in the centrality of manifestos and stood on Labour manifestos in 1992 when we were not successful, and in 1997, 2001 and 2005.

Last year's manifesto highlighted the need to continue to raise standards and bring in new provisions

"where standards are too low or innovation is needed."

However, among the numerous things that it did not mention was removing the role of local authorities and neutering them in many areas. I ask the Minister what has changed in the past few months and why on earth we are doing what we are doing.

1.47 pm

The Parliamentary Under-Secretary of State for Education and Skills (Phil Hope): I congratulate my hon. Friend the Member for North-West Leicestershire (David Taylor) on securing this important debate. I pay tribute to his work on behalf of his constituents in promoting their interests and I thank him for setting out his concerns so clearly. I have also been impressed by the excellent work that is carried out in Leicestershire to promote the interests of children and to raise standards.

I was pleased that my hon. Friend began his remarks with a recognition of the record investment and the record results for 11, 14, 16 and 18-year-olds—the best ever results in this country as a result of eight years of investment and reform to date. As he knows, we have more to do. For example, we still have a low post-16 staying-on rate. Some of the most disadvantaged young people from low-income families are still not achieving what we might expect them to achieve. That is why we need to do more to take matters forward.

I almost wholeheartedly disagree with my hon. Friend's description of the future role of local authorities, which he described as enfeebled and marginalised. Yes, the role of local authorities is obviously changing, but it is certainly not diminishing. Indeed, for the wider background to the debate, he focused on the schools White Paper. I want to preface my response to his remarks by reminding him of the bigger picture of the important role that local authorities now play.

My hon. Friend will know that the Children Act 2004 underpinned the creation of the new children's trusts, which importantly amalgamated education and social services departments to create new directors of children's services and lead members. They are driving forward the development of a holistic and joined-up approach for children and young people throughout the area of the local authority. That joining up is especially important for the most disadvantaged in our society.

The children and young people's plans will be introduced in April, when local authorities will ensure that all the services for children and young people are brought together. They are playing a crucial role in making that happen. The plan's delivery will be a vital part of the local authority improvement cycle and it will help to reduce bureaucracy by reducing duplication and over-prescription of some seven statutory and 12 non-statutory plans.

The directors and lead members of children's services are already making a difference. The children's trust partnerships that they support are enabling partners from many areas to work together to provide the best services for children. Indeed, that is why we now refer to local authorities. We want to reinforce the move to integrated children's services at local level so that we think in different ways and break down the barriers to joint working in the interests of children. I say again that the local authority has a crucial role in taking the lead to enable full partnership working to happen.

Turning specifically to local authorities and schools, let me remind my hon. Friend of the words of my right hon. Friend the Secretary of State, who spoke eloquently of the role of local authorities. At the Local Government Association conference last year, she talked about councils continuing to play a vigorous role—not an enfeebled role—in boosting standards and intervening decisively where there is failure or poor performance. She talked about local authorities challenging hard and using new school improvement partners to raise attainment in every school. She said that local authorities will need to give strong leadership to raise standards, empower citizens and put responsiveness and choice at the heart of service delivery. She said that local authorities must have a desire to respond proactively to the views of citizens, to address problems, to pre-empt difficulties and to give users a real choice over the services that they need. She described local authorities as the champion of the user, expanding their choice and responding to their concerns, with an increasing emphasis on commissioning, rather than delivery.

I should also mention the central part played by local authorities in taking forward "Every Child Matters: Change for Children" and in the delivery of the 10-year child care strategy. The schools White Paper, which I shall discuss in detail, the youth Green Paper and the 14-to-19 implementation action plan are all part of that wider direction of travel and of the enhanced role for local authorities. I dare say that my hon. Friend has been involved in negotiating the new local area agreements, and I know that Leicestershire is taking part in phase 2. Those agreements are being led by local authorities to help secure the best possible outcomes for children, young people and their families by pooling budgets and negotiating new freedoms and flexibilities.

The 14-to-19 implementation plan, which was published in December 2005, gives a lead role to local authorities, working in collaboration with local learning and skills councils. I emphasise that point because my hon. Friend made it towards the end of his contribution. Local authorities and learning and skills councils will work collaboratively together with schools, colleges, training providers, employers, universities and the rest to integrate and improve services for children. That, then, is the 14-to-19 implementation plan, which relies on collaboration led by the local authorities and learning and skills councils together.

On the relationship between local authorities and schools, I emphasise that my hon. Friend's caricature of the role that local authorities will play is fundamentally misplaced. The local authority has a key role to play in ensuring that parents have a broad choice of high-quality school places. We will make local authorities the key decision maker as regards the overall pattern of provision by abolishing the school organisation committee, as my hon. Friend recognised. Our proposals strengthen the local authority's role as a commissioner of services. Local authorities will become champions of parents and pupils in their area; indeed, some of them already are, and he is right to emphasise that we are building on best practice. They will have a new duty to promote choice, diversity and fair access, as well as enhanced powers to ensure high standards. I should also stress that schools will have to have regard to the new children and young people's plans so that everything fits together in a strategic way when local services undertake their own planning.

I want in particular to emphasise the role that local authorities will play for the most vulnerable children. The White Paper contains a range of measure to help schools to support low-attaining pupils, including those with special educational needs. However, there will be a new duty on local authorities to identify children missing from education—those who, for one reason or another, might be falling through the gaps. That is a critical job for the local authority. I will say more about admissions, but we will ensure that looked-after children—they are often looked after by the local authority—will have first priority in admissions to all categories of maintained schools. That is a major step forward for those children and will ensure that they get the education that they need.

On the relationship between local authorities and schools in their area, we very much welcome the support that the Select Committee on Education and Skills, of which my hon. Friends the Members for North-West Leicestershire and for Barnsley, East and Mexborough (Jeff Ennis) are members, gave to including the option of schools becoming self-governing trusts, free to develop their own distinct identity and ethos, and with freedom over their assets, management and staff, as described in the White Paper. That option is right for raising standards in such schools. The Conservative view that schools must be compelled to become trusts—a more centralising measure one could not imagine—represents a contradiction within the Opposition, and we do not support it.

Trust schools will be able to set their own admission arrangements in the same way as foundation and voluntary aided schools do, but that does not mean that trust schools will be able to do what they like. They will

[Phil Hope]

have to comply with relevant legislation, including the school admissions code of practice, which is enforced by the statutory adjudicator. My hon. Friend the Member for North-West Leicestershire is right to suggest that the role of the admissions forum locally will play a critical role in establishing school planning arrangements locally.

We know—my hon. Friend was right to say this—that parents value the right to choose a school for their child. However, we also know the importance of ensuring that fairness is a key element in the system, too. I want to tell him something that is directly relevant to the role of local authorities: there will be no free-for-all in school admissions; there will be no return to school selection by the front door, back door or any other door we care to name; and legislation rightly prevents schools from introducing selection as part of their admission arrangements.

The existing system also ensures that local authorities can object to any arrangements that they think unfair. The vast majority of cases referred to the adjudicator are upheld, and we will reinforce that by making such judgments binding for three years, rather than one year as at present.

Jeff Ennis: The choice adviser will play a key role. Will he promote all schools in his particular local authority, or will he promote only trust schools for future expansion?

Phil Hope: My hon. Friend raises a good question, but with the limited time available, I cannot go into too much detail. He is right: we want to give parents better information. We know that in any number of ways, parental involvement is a critical part of a child's success at school. We want those parents in particular who have taken less interest in their child's education, which does not therefore succeed, to obtain information and to become more aware of the options available to them in all schools. When the parent chooses which school to send their child to, they will know all the options available to them and make informed choices about all schools in their area.

David Taylor: I am grateful for the considered and careful way in which the Minister replies. Will he acknowledge that although "parent power" as a phrase has been abandoned, for which I am grateful, there is an assumption in the White Paper and in legislation that there will somehow be a pool of willing, able and committed parents sufficient to involve themselves in the running of schools in their community? It does not exist in large parts of Corby, in east Northamptonshire or in North-West Leicestershire.

Phil Hope: I am rapidly running out of time, but the real challenge for all of us is to engage parents right across the board. Many parents get involved, but there are many who do not. They do not have, or do not seek out, the information, or they do not have a voice, or they do not feel that they have the chance to air their views, so they do not get involved in the way that we know is so important to the future of their child's education. The White Paper describes a range of ways of providing parents with more information, giving them a greater voice in the system, getting them involved in how schools are run, and supporting them at home, so that they can provide the support for their children that is so vital to their success at school.

I am sorry that I cannot address all the points, and I shall write to my hon. Friend. However, I emphasise that we see a major and changing role for local authorities in relation to schools and throughout services for children and young people. The White Paper enhances and strengthens the strategic role of local authorities—something that the Select Committee itself mentioned. We have seen its recommendations, and we shall consider them seriously and carefully as we move forward.

Mr. David Wilshire (in the Chair): Before I adjourn the sitting, it may help if I clarify the position about giving notice to Members who have half-hour Adjournment debates, because there are two relatively new Members present. If a colleague wishes to make a speech in a half-hour Adjournment debate, the convention is that the permission is sought of both the person whose debate it is and the Minister, and the Chair is then notified. Whether or not there are interventions is entirely in the gift of the person who has the floor at the time.

Question put and agreed to.

Adjourned accordingly at Two o'clock.

Westminster Hall

Wednesday 1 February 2006

[MR. ERIC MARTLEW *in the Chair*]

Iran (Nuclear Programme)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Gillian Merron.]*

9.30 am

Mr. David Gauke (South-West Hertfordshire) (Con): I am grateful to have the opportunity to initiate this timely debate on what is an important matter. It is timely because the five permanent members of the United Nations Security Council and Germany met earlier this week and agreed on a specific course of action, and because the board of the International Atomic Energy Agency meets tomorrow to discuss what action needs to be taken. It is important because of the nature of the Iranian regime and the steps it has taken to acquire nuclear weapons. That is a threat to the entire world, and particularly the middle east. Of course, if there is one country that is most concerned, it is Israel. In that context, I should declare that I recently travelled to Israel, courtesy of the Conservative Friends of Israel.

We must understand the nature of the Iranian regime. Its human rights record is truly appalling. It has been censored 52 times by various organs of the United Nations. It has treated minorities—such as religious minorities, homosexuals and women—appallingly. In the interests of time, I will not dwell on specific examples, but, if necessary, one could recount many tales of minors being executed, women being stoned to death for committing the crime of adultery, and many politically motivated executions. If hon. Members wish to find specific examples, I recommend the website www.abfiran.org, which is a memorial to more than 9,000 people killed by the regime.

Iran also has an appalling record of exporting terror. It has committed many assassinations overseas, including three in London in 1987. It was behind the bombing in Argentina that killed 85 people in 1994. The revolutionary guards were believed to have been involved in an attempted coup in Bahrain in 1996. In Afghanistan, there is evidence of the revolutionary guards forming a fifth column, which has attempted to undermine Hamid Karzai. They also worked closely with the Afghan warlord, Gulbuddin Hekmatyar, who has also attempted to destabilise the Karzai regime. In Iraq, there is widespread concern that Iran has been backing elements of the insurgency, and there is evidence that Iranian technology, including roadside bombs, has been used to kill British soldiers. Unfortunately, there have been two tragic examples of that this week, and I pay tribute to the brave troops who are out in the Gulf.

There are conflicting messages about the relationship with al-Qaeda. There are al-Qaeda sympathisers who are in jail in Iran, but there is also evidence of some degree of collusion; it is an uncomfortable relationship, but there is evidence of that. The clearest relationship with a terrorist group is with Hezbollah—effectively a proxy organisation of the Iranian regime which has caused enormous difficulty in Lebanon, and continues to this day to launch rocket attacks on northern Israel. On my recent visit to Israel, we met members of the Israel Defence Forces who could recount tales of that. There is concern regarding Hezbollah terrorist raids into northern Israel in attempts to kidnap Israeli soldiers. However, there is not just Hezbollah in that part of the world. In the west bank and Gaza, Iran has developed relationships with Hamas and Palestinian Islamic Jihad, and it has given support through funding, helping the families of suicide bombers and providing extensive training.

It is notable that a Shi'ite regime is working so closely with Sunni extremists, but they are united by a hatred of Israel. The attitude of the Iranian Government—particularly in recent months, but also going back many years—is truly horrifying. The entire world has been shocked by the comments of President Ahmadinejad about his intention to wipe Israel off the map and his calling of the holocaust as nothing more than a myth, but he is not alone. The supposedly moderate Ali Rafsanjani has contrasted the "devastation" of Israel by a nuclear bomb with the mere "damage" that would be inflicted if there was a response from Israel against the Islamic world, given the far greater population of the Islamic world. Supreme leader Khamenei has stated that the only way to solve the middle east crisis is to "destroy the Zionist regime", which he describes as a "cancerous tumour". In 2002, the Israeli Government produced a dossier of public statements by Iranian officials that identified 150 threats to the very existence of Israel. The strategy of the Iranian regime—given that it represents a Shi'ite nation, and therefore a minority in the wider Muslim world—is to advance its cause as the lead state in the Muslim world by being the most vociferous opponent of Israel. That makes it all the more dangerous for Iran to have a nuclear bomb.

We must also remember that it is not just Israel that the Iranian regime hates; it hates the west as a whole. President Ahmadinejad has talked of a world

"without the United States and Zionism"

and of the world of Islam being in the process—I emphasise that phrase—of an historical war with the world of arrogance, by which he means the west.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing this timely debate. He is giving us a real tour de force description of the evils of this abhorrent regime. Does he agree that although the international community has come together quickly to condemn recent developments in Iran, we should be doing far more to encourage internal opposition to the Iranian regime?

Mr. Gauke: I entirely agree with my hon. Friend, and I will return to that point.

Given the nature of the Iranian regime, its enormous hostility to the west, and the clear instability of the Iranian leadership—mental instability, I mean—the thought of the Iranians acquiring nuclear weapons is terrifying. I have no doubt that that is what the regime is attempting to do, despite its repeated denials and claims that its nuclear programme is purely for the generation of electricity. The case for that is overwhelming. First,

[Mr. Gauke]

there is the secrecy of the programme. Until 2002, we knew very little about the Iranian programme. Then the Iranian resistance revealed the existence of the nuclear enrichment site at Natanz and the heavy water plant at Arak. When the Lavizan-Shian site was exposed in the spring of 2004, the entire site, including the top soil, was removed. That is not the action of an innocent state merely wishing to develop civilian nuclear energy. It is also the case that Iran has one of the largest oil and gas reserves in the world. Therefore, why would it seek to develop nuclear power, which is relatively expensive? The IAEA visits have been highly restricted, and more evidence of that came out only yesterday. The nuclear programme is under the control of the revolutionary guards—not some department of energy—partly because that conceals the programme from the IAEA, and partly because the revolutionary guards are the most hard-line and extreme organisation within the Iranian leadership.

We also know that Iran has been in contact with A. Q. Khan, the renegade Pakistani scientist who was heavily involved in the nuclear programmes in North Korea and Libya. Evidence of highly enriched uranium has been found on centrifuges in Iran—too enriched to be necessary for nuclear power, but appropriate for nuclear weapons. The Arak 40 MW reactor is designed to produce plutonium, but most experts believe that the quantities it will produce are too small to generate electricity and too big for purely scientific or experimental purposes.

There is evidence of attempts to develop internally, or to smuggle a large range of material or equipment necessary to create, a nuclear bomb. That includes: nuclear warheads; gyroscopes and guiding devices; polonium 210, which is used as bomb detonator; tritium, which is used to increase the explosive power of a bomb; maraging steel and ceramic matrix composites, both used for encasing nuclear warheads; and beryllium, which reduces the amount of enriched uranium or plutonium required in a nuclear bomb.

There has been enormous expenditure on missile technology and on various classes of the Shahab missile, which is capable of travelling to not only Israel but much of southern Europe. Just this morning, we learned from an interim report by the IAEA that Iran has obtained designs for building the core of a nuclear weapon. Rightly, the international community has dismissed any idea that Iran is purely seeking to acquire nuclear energy.

Tony Baldry (Banbury) (Con): My hon. Friend rightly describes a complete pariah state, but we have to recognise the reality: some major players in the region do not see Iran in that way. Iran exports 420,000 barrels of oil a day to China, and a number of us from the Conservative Parliamentary Friends of India had a meeting with the Minister of Power in India, who made it clear that India needed to be engaged with Iran in order to access gas and oil supplies for India. He said, in terms, that India would not oppose Iran, because it could see that it would be hypocritical of India, which is developing an expansionist civil nuclear power scheme, to oppose a neighbouring country that was seeking to do the same. Although we all see Iran as a pariah state, within Asia the picture is much more complex, and we will have to address that.

Mr. Gauke: I agree. The Chinese, the Indians and, indeed, the Russians have been much more reluctant to take action against the Iranian regime than we would like. There is perhaps some movement in the right direction, but there is no doubt that the world community has been very restrained in the action that it has taken, for reasons that have been outlined. I acknowledge that, and will perhaps return to those points.

It behoves this country, and the international community as a whole, to take strong action against the Iranian regime, simply because of the consequences of Iran having a nuclear bomb. There are a number of reasons to think like that. First, and most obviously, given President Ahmadinejad's nature and his recent comments about the coming of the 12th imam, it is just possible that he would use the bomb. It would be the first time that nuclear weapons were in the hands of somebody just crazy enough to use them. It is very difficult to see how the concept of mutually assured destruction would work with someone such as President Ahmadinejad.

Even if the bomb is not used, if it is acquired by the Iranian regime it will undoubtedly help to raise its prestige both internally and externally. It will strengthen its position within Iran so that it can continue to abuse the human rights of its people, and it will also assist Iran in becoming a lead state in the middle east.

Mark Pritchard (The Wrekin) (Con): Is my hon. Friend aware of reports coming from the United States this week that the Iranian regime has offered to arm other Arab states if it obtains nuclear weapons, thereby arming the whole middle east with weapons of mass destruction?

Mr. Gauke: I am grateful to my hon. Friend for that intervention. His description of events confirms my concern about Iran becoming a lead state within the middle east. Of course, any country armed by Iran will owe it a degree of allegiance; it will not act in such a way unless there is benefit to its own regime. That would further strengthen its position and further weaken the security of the middle east.

Even if Iran does not arm other states in the middle east, there has to be some concern that its actions will result in proliferation. Certainly, if Iran had nuclear weapons, I have no doubt that the Saudi Arabian regime would seek to acquire nuclear weapons. That in itself causes concern, not so much because of the current regime in Saudi Arabia, but because, given the instability of the house of Saud, one would be concerned about who might ultimately get their hands on those nuclear weapons.

Also, if Iran acquires nuclear weapons, it will be seen as an act of defiance against the west—it will be seen as sticking two fingers up to the Americans and Europeans. I have no doubt that such an act of defiance would encourage further acts of defiance of significant proportions against the west. It would also act as a deterrent to western involvement in the middle east. Not

everybody supports the engagement in Iraq, but nearly everybody supported the involvement in Kuwait. However, it would be very difficult for the west to take any action in the middle east once Iran had nuclear weapons.

Mr. Mark Harper (Forest of Dean) (Con): That is particularly worrying at this moment, given that we are proposing to send a significant deployment to Afghanistan, a neighbouring country. We know that Iran is interfering and supplying improvised explosive devices in Iraq, causing the death of civilians and members of our armed forces. Given the picture that my hon. Friend paints of Iran's interference overseas, it is worrying that it may well do likewise in Afghanistan.

Mr. Gauke: That is an excellent point. The concern about Iran acquiring nuclear weapons is that it may pass them on, not simply to other states, but to terrorist organisations—I outlined Iran's links with such organisations earlier—and so further destabilise much of the middle east. We talk about missile technology, but given the unconventional means by which certain middle eastern terrorist groups act, the concern is not purely about missiles. If nuclear weapons get into the hands of proxy groups such as Hezbollah, perhaps the concern will be more that a nuclear weapon may be held in a container ship arriving at Tel Aviv or—who knows?—Felixstowe. We have to be desperately concerned about that.

That brings me to the response of the west. After the exposure of the nuclear programme in 2002, the lead was taken by the EU3—France, Germany and the UK. The exposure of the nuclear programme coincided with a policy of greater engagement and dialogue with Iran. There was a time when the EU3's approach was seen as a success; on 3 February 2005 the Foreign Secretary used the engagement of Iran as an example of the advantages of the EU working together on foreign affairs. However, in reality, the period of negotiation with the EU3 simply allowed Iran to proceed, albeit disrupted, to develop its nuclear programme.

Two deals have been made with the EU3, one in late 2003 and one in late 2004. In October 2003, Iran agreed to suspend uranium enrichment activities. In June 2004, however, it reneged on that deal and renewed construction of its uranium conversion facility in Isfahan and, probably, of its enrichment facilities. In November 2004, Iran again agreed to suspend enrichment processes. The suspension agreement was not very comprehensive. For example, it did not include construction of the Arak research reactor. Between June and November 2004, there are claims that some 37 tonnes of uranium yellow cake were converted into gas at Isfahan, despite the fact that Iran was required not to do so in October 2003. Indeed, Iranian officials have been boasting about how, during that period, they were able to develop their nuclear programme.

Iran has consistently evaded or delayed meeting its obligations and, despite doing so consistently, it blamed the EU for failing to meet its obligations. Given that during that period Iran's nuclear programme continued to develop, and that the Iranian Government have become more hard-line, the EU3's policy of engagement cannot be judged a success, to put it mildly.

The EU, along with the US, has for some time called for Iran to be referred to the UN Security Council. On Monday night, the five permanent members of the Security Council, plus Germany, agreed that the IAEA should report Iran when it meets tomorrow, although no action will be taken until the IAEA report is completed on 6 March. That is a step in the right direction, but we cannot be overly optimistic that any action will be taken. As my hon. Friend the Member for Banbury (Tony Baldry) said, China and Russia have been reluctant to support action against Iran, and even the agreement on Monday has merely meant reporting Iran, rather than making a referral, which is more likely to lead to sanctions. We have a month's delay, without any great likelihood of any action at the end of it. At best, this is a small step in the right direction, but after three years of diplomatic failure, the Government are being hopelessly complacent if they believe that the softly-softly approach in itself will bring results.

I hope that I am wrong. I hope that simple diplomacy is enough, but it is unlikely, in all honesty, to resolve the problem. The Iranian regime has not negotiated in good faith and it will not do so. The next step, presumably, should be sanctions, although, as we have heard, there will be resistance to that. We have heard of the enormous commercial relationships with China, India and Russia that may prevent us from making our position as clear as we would want.

It must also be accepted that the effect of sanctions can be unpredictable. Will they cause disillusionment with the regime among the Iranian people, or will they rally behind their leadership? Will sanctions be enforced? Our experience in Iraq is that sanctions do not always prove effective and are often evaded. However, that is the right next step, because it would be a clear signal of the world's disapproval of the Iranian regime.

Even so, we need to go further. My hon. Friend the Member for Kettering (Mr. Hollobone) referred to assistance to the internal opposition within Iran. One example, in the face of the Iranian regime, has been the treatment of the mullah's internal resistance. In 2001, the People's Mujaheddin of Iran was proscribed. Many serious and distinguished lawyers, such as Lord Slynn of Hadley, have concluded that that organisation does not belong on the list because it has never attacked the west or its interests and has not undertaken any violent activity since 2001. It is hard not to reach the conclusion that the PMOI is on the list in part to please the Iranian regime. The de-listing of the PMOI would send a clear signal that we are on the side not of the Iranian Government, but of the Iranian people.

There is growing unrest in Iran. In 2004, according to Iranian Government figures, there were 1,300 demonstrations during the entire year. The number of demonstrations that took place in November and December 2005 alone almost reached that figure. We must do what we can to encourage the internal opposition to the Iranian regime, not discourage it by prohibiting the one organisation that can provide an alternative voice.

I am under no illusions about the enormous undesirability of ever taking military action in Iran. There are enormous practical difficulties. This is not Iraq; the nature of the terrain and internal organisation is such that there is no comparison whatsoever. There are great practical concerns about a surgical strike

[Mr. Gauke]

succeeding in destroying Iran's nuclear programme. Indeed, as we speak, there are reports of Russian-made anti-aircraft defences being installed in Iran. Having said that, however, as a last resort we should not dismiss military action.

In this context, people often talk about Israel. Having met many officials and politicians in Israel recently, I know that there is no desire to take military action. There is certainly no desire to take symbolic military action. However, Israel faces an enormous threat, with nuclear weapons potentially pointing in their direction. With Iran under a leader who has pledged to wipe Israel off the face of the map, Israel may decide to take action. If it does, I have no doubt that much of the world will condemn it in the most forthright terms. I have no doubt that most Governments will condemn it strongly, that many hon. Members will do so, too, and that Kofi Annan will be very concerned. However, Iran poses an enormous threat to the Israelis and were they to take action, we should be slow to condemn them, given the extraordinary circumstances that they face. Having said that, I do not think that the world should try to leave the problem to Israel.

If Israel, rather than anybody else, acts, it would make the matter much worse because it would damage the middle east peace process and to some extent inflame the Arab street—although sometimes predictions on that can prove unreliable. It would, undoubtedly, worsen the position of Israel. It would be a catastrophe were Israel to act on this. Unfortunately, however, there may be a bigger catastrophe if it does not act. We should show some understanding to the Israelis on the matter.

Mr. David Jones (Clwyd, West) (Con): Is not the difficulty that in order for Israel to attack Iran, it would be necessary for Israeli planes to fly over either Iraq or Turkey, which would necessarily imply that the United States would have to be at least aware of the attack? That being the case, is it not more appropriate for NATO to get involved, rather than to leave it to Israel to carry out that work?

Mr. Gauke: My hon. Friend makes an essential point. I agree that it should not be left to Israel. Indeed, should Israel act, the entire west would be implicated. The responsibility rests on the entire world. Israel's bombing the Osirak nuclear site in Iraq in 1981 was condemned by most of the world, but most of the world has benefited enormously as a consequence. None the less, we should not rely on, and should not expect, Israel to have to take that action.

Bob Spink (Castle Point) (Con): My hon. Friend is making a balanced speech and is approaching the issue with sensitivity and understanding. Does he feel that the world community has something to learn from the action that Israel had to take against Iraq in the 1980s, and that looking at that lesson should galvanise the world community in ensuring that Israel does not, on this occasion, have to come forward to rescue the region?

Mr. Gauke: My hon. Friend makes his point well. There is a lesson to be learned from what Israel did in 1981. Such action should be a last resort, but under some circumstances we reach the last resort. We did in 1981 and we may well do so again, soon.

Mr. Brian Binley (Northampton, South) (Con): We do Israel and the concept of world peace a total disservice if we create the situation in which it thinks that it needs to take action because we are not doing so. That creates a great danger in the middle east which we all need to recognise and face up to more positively than we have done to date.

Mr. Gauke: My hon. Friend makes an excellent point. Israel will take desperate measures if it is in a desperate circumstance. The west should not allow Israel to find itself in such desperate circumstances.

The Foreign Secretary has described military action as "inconceivable". He has said that that is not on the table and is not something that we should think about. That is hopelessly naive. We need to maintain the leverage—as John McCain referred to it—of having that option available to us. It is an appalling action to take, but it may be the least worst alternative and we should continue to consider that as a possibility.

Time is running out to stop Iran acquiring nuclear weapons. If we think we have a problem now, how much greater will it be when Iran acquires nuclear weapons? There have been occasions when this Government have been bold and courageous in taking action in the belief that they were stopping a rogue state acquiring weapons of mass destruction. The Prime Minister has shown great leadership on this type of issue in the past, although that is, perhaps, an unpopular view, at least in his own party. None the less, it is time that this Government recovered some of that courage and prepared to take bold action to defend our interests and those of the world community as a whole. We face an enormous challenge. I hope that the Government show that they are up to that challenge.

10 am

Mr. Iain Wright (Hartlepool) (Lab): I should like to point out to the Chamber my position as chairman of Labour Friends of Israel.

I congratulate the hon. Member for South-West Hertfordshire (Mr. Gauke) on securing this debate on a vital, extremely timely and fast-moving issue. I was pleased to have been able to hear his contribution to the debate on Israeli policy in the Palestinian territories a couple of weeks ago. He spoke with experience and wisdom about the security threat facing Israel, and did the same again today, with astute analysis and thoughtfulness.

This is the most profound and important issue affecting international relations today. It has an impact not only in the immediate region, but throughout the world. It affects relations between and with the European Union, the United States, China, Russia and India—a subject that I shall come back to, if I may.

The internal nature of Iran is not particularly encouraging. By and large, since 1979, religious extremism has been at the top of the Iranian Government, interpreting Islamic teachings as anti-western, anti-capitalist and anti-Semitic. The election of

Mahmoud Ahmadinejad as Iranian President in June 2005 fortified decisively the position of the extremist clerical elite at the heart of Iranian Government policy.

Thus, as the hon. Gentleman said, we see a denial that the holocaust ever took place: last month, Iran announced its intention to sponsor a conference to examine the scientific evidence supporting the holocaust. There have been calls for the death of the western world. Soon after he became President, Ahmadinejad was quoted as saying:

"Thanks to the blood of the martyrs, a new Islamic revolution has arisen and the Islamic revolution of 1384 will, God willing, cut off the roots of injustice in the world."

As the hon. Gentleman also said, there is a direct threat to the existence of another state; the comments last year about wishing to see Israel wiped off the face of the earth were both offensive and disturbing. Only last week, the Iranian Defence Minister was quoted as saying:

"Zionists should know that if they do anything evil against Iran, the response of Iran's armed forces will be so firm that it will send them into external coma, like Sharon".

I find it absolutely astonishing that one member of the United Nations should be permitted to express a wish to obliterate another. That cannot be tolerated. It is therefore vital that all of us—particularly the Foreign Office and my right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs—should support the work this week by the international community to ask the International Atomic Energy Agency to report Iran to the UN Security Council.

The hon. Gentleman mentioned Iran's expansionist and aggressive foreign policy, which has been backed up by Iranian support for terrorist groups. As he pointed out, Iran has strong links with groups associated with violence and terrorism, such as Hezbollah, that wish to undermine the middle east peace process. Iran supports Palestinian Islamic Jihad, which claimed responsibility for the attack at Hadera in Israel in October 2005.

Given that context—a demagogic religious extremist President, support for terrorist groups and a wish to wipe out Israel—it appears likely that Iran is attempting to back up its foreign policy through an acceleration of its nuclear programme. That would completely derail the middle east peace process, increase tension in the region to crisis point and have profound repercussions throughout the world.

As I mentioned earlier, the Iranian nuclear issue is affecting, and will continue to make its mark on, relations between EU states and with the United States. The attitude of the emerging economic superpowers of the world—China, India, Russia—to the Iran nuclear question could shape global politics for decades. For example, Iran provides about 15 per cent. of China's oil needs, a percentage that is becoming ever higher and more lucrative, given the expansion of the Chinese economy. For its part, Russia is building a nuclear power station for Iran. Both nations are very dependent on Iran, so their support for the United States and the EU3 on reporting Iran's nuclear programme to the Security Council this week is welcome.

I disagree slightly with the hon. Gentleman's interpretation of that support. I think it a sign of greater decisive action that shows an encouraging element of almost universal support from the international community in requesting that Iran complies with its non-proliferation treaty obligations.

It is extremely important that negotiations go well when Russia meets with Iran on 16 February to discuss the Russian proposal to enrich uranium outside Iran.

Mr. Tobias Ellwood (Bournemouth, East) (Con): The hon. Gentleman raises an important point about the relationship between Iran and Russia. Russia provides a lot of the uranium used by Iran and could be in a pivotal position to slow—indeed, stop—any nuclear advancement on the part of Iran. Russia should be taking bolder steps. Does the hon. Gentleman agree?

Mr. Wright: I agree to some extent. Russia's meeting with Iran on 16 February will be vital. There are not many grounds for optimism at the moment, but that meeting is a chink of light that I hope will expand.

It is difficult to be hugely optimistic at the moment. Iran has deceived the rest of the world about its nuclear research for close to 20 years. Its posturing President seems hell-bent on securing nuclear weapons to assert domination in the region and threaten the security of Israel. Yet I should like to end on a positive note. I am convinced that Iran has a vibrant and positive role to play in the international community. Its vast oil reserves will ensure that it becomes a major economic player with a strong say in international politics; the country would be able to play a role on the world stage without recourse to aggression.

Its demographic pattern—there is a young, large and increasing population—gives Iran huge potential in economic, social and cultural matters in future decades. The hon. Member for South-West Hertfordshire said that we should be extraordinarily critical about the Iranian Government but not the Iranian people, and that was very valid. A moderate Iranian nation would be strong, proud and able to fulfil its potential both internally and internationally. There is hope, but it is vital that the international community should stay together in its condemnation of Iran's leaders.

I am grateful to the hon. Gentleman for giving us the opportunity to express our views at such a timely moment—the next few days and weeks are of huge importance. I sincerely hope, and think it essential, that the United Nations should show real leadership when the issue is reported to it.

10.7 am

Patrick Mercer (Newark) (Con): I am extremely grateful to my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) for securing this debate on an extremely important subject, and I am privileged to follow the hon. Member for Hartlepool (Mr. Wright). Many of the points made have shown that all parties feel that the issue is the most serious that we have faced during the past several years.

I should like to draw attention to two pieces of rhetoric that everybody in the Chamber will have heard and that contrast starkly with some words on the "Today" programme this morning. First, we heard

[Patrick Mercer]

President Ahmadinejad spewing forth a series of appalling, irrational statements of hatred and loathing that emphasise the point made by both my hon. Friend the Member for South-West Hertfordshire and the hon. Member for Hartlepool: our argument must be with Iran's Government and not with its people. Secondly, President Bush recently talked in his state of the nation address about the serious view that he takes of the situation. However, both those pieces of rhetoric contrast starkly with the words of Mrs. Spicer on the radio this morning. She talked about her young son Leon, who was killed outside Basra just before Christmas.

I am sure that many hon. Members remember the BBC documentary "Last Night Another Soldier" from the 1980s, about the steady drip of military casualties in Northern Ireland. Let us spare a thought this morning for the parents of Lance Corporal Allan Douglas of the Highlanders and Corporal Gordon Pritchard of the Royal Scots Dragoon Guards. Two families in Scotland have been shattered by events in Iraq which are directly related to what is going on in Iran. Anyone who doubts that the technology that killed those soldiers came from anywhere other than Iran needs to consider carefully the words of the free press in the west, the less-than-free press in the east, our ambassador in Baghdad and our general officer commanding Multinational Division (South East). They all make it clear that wherever this kit is coming from, it is destined to destabilise, kill and distract the west from Iran's nuclear programme.

My hon. Friend said that it was possible that destabilisation by Iran had already started or that it would start in the near future in Afghanistan. Precisely the same sorts of weapons—exactly the same manufacture and design—that have been used to kill our soldiers in southern Iraq are appearing on the Pakistan-Afghanistan border. It does not take a rocket scientist—that might be a bad pun—to work out where this stuff is coming from. It is instructive to see how the pernicious influence of terrorism spreads from Tehran through Pakistan, to the border of Afghanistan and through to Iraq. Precisely those same routes will be followed in the event of Iran gaining a nuclear weapon.

It is worth bearing in mind the exact Iranian position. We have no need to emphasise the fact that Iran's support to Shi'a extremists via the Iranian Revolutionary Guard Corps and Lebanese Hezbollah has killed, and continues to kill, people throughout the middle east. Iran plays host to a powerful group of al-Qaeda operatives. As far as we aware, those people are confined; they are contained somewhere in Tehran. The influence that comes from the fact that those men exist, albeit under Iranian civil and police control, continues to allow powerful groups of Sunni extremists to operate inside the borders of Iran.

The conflict between Sunni and Shi'a inside Iran does not need to be emphasised, but we should not underestimate the influence on President Ahmadinejad of those particular strengths and feelings in his country. He is trying to balance Shi'a against Sunni and is having to play host to the world's most dangerous terrorist organisation. People such as Abu Mussab al-Zarqawi are using their influence through Iran to operate inside Iraq and Afghanistan. Anyone who underestimates the pressure on Iran at the moment is clearly wrong.

We would all condemn the continued support of Palestinian terrorists by Iran. There is no doubt that the fingerprints of the IRGC and of Lebanese Hezbollah are seen every day in the middle east. Any moves that Iran is likely to make can serve only further to destabilise the middle east peace process. If we allow Iran further to develop its ability to produce nuclear weapons, albeit under the umbrella of nuclear power, and if we allow the Government in Iran further to exercise their stranglehold on the people of Iran, we will have only ourselves to blame.

Anyone who cannot see the comparison between the situation in Iran and the situation in Iraq more than 10 years ago, and who does not feel the same lurch in his or her stomach when we discuss this subject, is blind to the lessons of the past three or four years in Iraq. If the west wishes to avoid another situation like the one that we face today, which is killing our soldiers day on day, we must understand that this is the most serious threat that we have faced for some years.

I despair when I read that the Secretary of State for Defence has said:

> "Elements within or connected to the Iranian system—I put it no more strongly than that—seem to be encouraging violent opposition to multinational forces."

Here is the rub, however, because he continued:

> "That is a risky way for anyone to behave, so we hope that it does not continue."—[*Official Report*, 10 October 2005; Vol. 437, c. 34.]

What words are those to try to salve the consciences of the families of dead soldiers? What words are those to go forward to oppose the dangerous Government in Iran? We need less empty rhetoric and more action by the Government to ensure that we provide the right gestures, not just the right words.

Mr. Eric Martlew (in the Chair): May I ask for short speeches? I would like to start the wind-ups at about half-past 10.

10.14 am

Andrew Mackinlay (Thurrock) (Lab): I am sensitive to the fact that we are time-limited, Mr Martlew. Both my hon. Friend the Member for Hartlepool (Mr. Wright) and I look forward to hearing the views of other Labour Back-Bench Members, so we must make time for them. It should not be left just to us to support the Government on this occasion.

Mr. Edward Vaizey (Wantage) (Con): On that point—

Andrew Mackinlay: If the hon. Gentleman will restrain himself, I might say some other things that will prompt him to ask me to give way.

I congratulate the hon. Member for South-West Hertfordshire (Mr. Gauke) on securing the debate. Although I know that it tends to become a matter of rubric to congratulate people, he does need to be congratulated on that, on the way he prosecuted the case and on how he illustrated the concerns of many

Back-Bench Members across the political spectrum about the situation and how we have reached it in terms of our international diplomacy.

I share concerns about the gravity of the international situation. I do not think that it has been so grave since the fall of the Berlin wall. What surprises me is that that has not been picked up by some of our colleagues in Parliament or by the media. Put in a nutshell, we know that Israel cannot, and will not, tolerate Iran getting anywhere near having the capacity to develop a nuclear weapon. The clock is ticking.

The situation requires the maximum amount of international agreement, particularly among the five permanent members of the Security Council, and all our diplomatic skills to prevent Iran from having nuclear weapons. Otherwise, even the most moderate Israeli Government will feel compelled to intervene. As Israeli Governments have repeatedly reminded us since the founding of the Israeli state, Israel cannot afford to lose one war. For that reason, the situation is extraordinarily grave.

I take heart from the fact that the Russian Federation and China have joined the other permanent members of the Security Council at least in contemplating reporting Iran to the Security Council. That is significant, because although reference has been made to Russia's commercial interest in Iran and to Iran's aspirations to have nuclear energy and/or a nuclear weapon, both the Russian Federation and China probably recognise the gravity of the situation. They realise that the potential for a major conflict or a conflagration is consequent on Iran's approach to nuclear power and nuclear weapons, which, if not arrested, would have consequences that are in no one's interests. Moscow and Beijing now realise how serious the international situation is in relation to the Tehran regime.

I am surprised that the Minister for Europe is present, because it seems as if a different Minister responds on these issues each time. I am not sure whether he is the jobbing Minister or the Minister who has responsibility for this matter. I do not say that sarcastically—I would like to know the answer. There seems to be a shifting of the sands, which is indicative of how our Foreign Office works—I deliberately say "Foreign Office" and not "Ministers".

I do not think that the Foreign Office has been very skilled in relation to Iran, and that eventually permeates through to the ministerial team, whose sincerity and diligence on this matter I do not question. Disappointing advice and counsel has been given by our diplomatic professionals and that has worked its way through to the ministerial team over a number of years. That is shown by the three wasted years when the EU3, with the best of motives, pandered to, and appeased, the Tehran regime. They have nothing to show for it. History shows us that when we take the advice and counsel of the Foreign Office and follow appeasement, we pay a heavy price later.

As a member of the Foreign Affairs Committee in the previous Parliament, I remember how we were coaxed and encouraged by the Foreign and Commonwealth Office to visit Tehran. I refused to go. My colleagues were well motivated, but the visit bolstered the regime. It sent all the wrong signals. The visit was made under the encouragement, advice and counsel of the Foreign Office. I say in all seriousness to the Minister that the Government need to listen more to Back Benchers. On some occasions, their prudence and wisdom might surpass that of the mandarins at the Foreign Office. If they listen to Back Benchers, especially across the political spectrum, it might occur to them that perhaps there has been a misread in the Foreign Office about the nature of the regime in Tehran and its intentions.

Reference has been made to people, both in Iran and in painful exile, who are boldly standing in resistance to the regime in Tehran. We must recognise that those who have given the west the greatest indication of the full nature of the threat of developments in Iran and the technologies that it is pursuing in its nuclear programme are members of the Iranian resistance, yet we treat them as pariahs. That is not only unacceptable, it is bad politics.

Many of us consider that the constituent organisation of the national council's resistance, the PMOI, has been listed with a terror tag to placate and appease the dreadful people in the regime in Tehran. That must stop as a matter of justice. It must also stop out of our naked self-interest. We need to send a signal that we stand by people who stand for freedom. We have a rich tradition. In 1940, some people thought that we should not recognise Charles de Gaulle. Whatever we might think of him, he was a brave man and also a correct man. As Churchill said, "Here is the constable of France." He was the flame flickering. There were some who would have tallied and bargained with the Vichy regime. It now comes round full circle. The Minister needs to take account of those who support freedom, and who will also helping him to find out what is really happening in Iran.

Mr. David Jones: The hon. Gentleman mentions the important continued proscription of the People's Mujaheddin Organisation of Iran. I have no doubt that he is aware that, next week, there is a hearing in the European Court of Justice at which the continued proscription of the PMOI will be considered. Does he share my feeling of utter shame that the only Government of a European Union nation who have intervened in those proceedings to retain the proscription are the British Government?

Andrew Mackinlay: That is a good point. My feeling is not one of shame, but one of dismay. The British Government do not read the tea leaves properly. They do not understand, first, that they will ultimately lose in the courts and, secondly, that they are sending all the wrong signals to Tehran. Going to court to resist the legitimate attempts of the PMOI and others to get the terror tag lifted is sending all the wrong signals. The Minister might find my remarks irritating, but if he pauses and reflects on matters, he might find a scintilla of truth in what I say. He might go back to the guys in the Foreign Office and say, "Well, perhaps Mackinlay has a remote point", and that might alter the course of history.

The United Kingdom representative of the National Council of Resistance of Iran, Ms Dowlat Nowrouzi, announced in January that the Iranian regime has successfully procured two types of equipment—the hot isostatic press and the hot press—to shape enriched uranium as part of nuclear weapons production at the

[Andrew Mackinlay]

materials and energy research centre near Karaj, 40 km west of the Iranian capital. Both machines are banned. That the National Council of Resistance of Iran is helpfully giving more information to the west is indicative of what happened as recently as a week ago and is a pattern of how it is revealing the true nature of what is happening in Iran. On behalf of hon. Members across the political spectrum, I make the case that for that reason plus others, the Government should reassess their position in respect of the National Council of Resistance of Iran and the PMOI.

Separately from that, I have tabled parliamentary questions about the EU's export licence regime. By inference, some criticism has been made of Russia when dealing with Tehran, but we in the European Union and the United Kingdom still do not have a sufficiently rigorous regime to stop exporting materials to Iran which have a dual use.

I have tabled a series of questions about zirconium silicate. It is used in ceramics production, but it has a dual use. To their eternal credit, the Bulgarian authorities recently intercepted a lorry load of zirconium silicate in transit from the United Kingdom to Iran, but eventually had to let it go through because of a bureaucratic and not up-to-date European Union schedule on dual-use exports. I hope that the Minister will consider such matters.

Many of us want to tell the Minister that, thanks to the negotiations with Europe, the Iranian regime gained another year in which to complete its project in Isfahan. It needed 12 months to complete the work on the centrifuges. Although I have described that in my own words, I am referring to the words of the chairman of the Iranian supreme national security council's foreign policy committee. He bragged that the negotiations with the EU3 bought it more time. An Iranian daily Government organ stated that Tehran had benefited greatly from the talks with the EU3 in advancing its nuclear programme. I am describing the pattern of our failing to send the right signals early enough to potential adversaries so that we make it clear that we will not tolerate and continue such a course of appeasement.

The Foreign Office Minister has been questioned about the Lovers of Martyrdom Garrison, which has been encouraged by the acolytes of the so-called President of Iran. The regime is encouraging young men and women to prepare themselves for martyrdom not in Iran, but abroad, where they should go as the ultimate export of terrorism, to sacrifice their lives in the cause of the regime. Yet again, there has been an embarrassing silence from the United Kingdom Government and the European Union in the face of the declaration by the Tehran regime that it is encouraging young men and women to prepare themselves for the ultimate martyrdom.

Colleagues throughout the House will wish to draw to the attention of the Government that 430 Members of Parliament and peers have now requested them to revisit their attitude to the National Council of Resistance of Iran and the PMOI. Yesterday, 2,000 distinguished lawyers signed a similar declaration. Those involved are not fringe people; they are not made up of the hon. Member for Thurrock. They have had stewardship in this country of both justice and national security. Lord Waddington, who was Home Secretary, is among them, as is Lord Archer of Sandwell, Harold Wilson's Solicitor-General. People from throughout the political spectrum in large numbers are urging the Government desperately to rethink their attitude as a matter both of justice and of plain common sense.

In the interests of the United Kingdom, we should recognise those who are bravely resisting the terrible regime that denies human rights, persecutes people internally, and exports terrorism, as the Prime Minister alluded to a few weeks ago when the deaths occurred of coalition soldiers in Iraq, which have been mentioned. Again, on that occasion we received confusing signals. The Prime Minister, to his credit, was robust, the Foreign Secretary said something similar, but slightly different, and the Secretary of State for Defence said something different again. We need a coherent indictment from our ministerial leaders about Iran's role in funding, facilitating and giving equipment to the irregulars in Iraq who are trying to attack the coalition forces and undermine its work and that of the Iraqi Government.

Mr. Vaizey: *rose—*

Andrew Mackinlay: I would like to give way to the hon. Gentleman, but there is no time, so I shall conclude my peroration by saying that I hope that the Minister will make a name for himself by saying that the Government will reflect on what has been said.

10.31 am

Mr. Jeremy Browne (Taunton) (LD): I will be brief, because I know that there is enthusiasm in all parts of the Chamber to hear the Minister's response to what has been an interesting debate. We owe a debt to the hon. Member for South-West Hertfordshire (Mr. Gauke) for securing this opportunity to discuss such an important subject.

There is a widespread consensus about the nature of the problem, although there may be somewhat less of a consensus about the solution. We should start by acknowledging that our disagreement is not with the Iranian people. I know that that sounds like a general point that is almost not worth making, but it is important, because the Iranian regime is keen to portray the British Government and the British Parliament—and for that matter the British people—the Americans and others as innately hostile to Iran, its people and its way of life. We must be sure to reject that and say emphatically that our argument is not with the people. I have been to Iran on a number of occasions and can recommend it on many levels to others who might wish to visit. The people there have a great appetite for many of the points of common humanity that we would recognise and share with them.

Another important point, which has not been made—or at least not at length—is that we should try to understand the mindset of people in the middle ground in Iran, rather than that of the most extreme people. To take the view of an Iranian person, on the west is Iraq, which is occupied predominantly by the United States but by the United Kingdom as well, while on the east is Afghanistan, which is also subject in large parts to, as an Iranian might see it, occupation by the United States,

the United Kingdom and other countries that might not be entirely sympathetic to Iran. Further east are India and Pakistan, which have been discouraged from developing nuclear weapons, but appear not to have paid any great price for having done so. In fact, to the contrary: Pakistan's unelected leader and India's elected leader both seem to enjoy pretty good relationships with the United States, the United Kingdom and others.

I would therefore urge caution to hon. Members who think that people in Iran are unaware of how absurd their regime is being. A lot of them are more open-eyed about the situation and have come to a more rational decision. After all, the President of Iran was elected, albeit in an imperfect election, which caused complications for people who wished to argue that everybody had been hoodwinked. In fact, the Iranian people were more clear about the choices that confronted them than we sometimes give them credit for. That makes the problem more complex than we in Parliament would wish.

Despite that, the backdrop to the development of Iran's nuclear capacity is extremely worrying. Iran has a deeply repressive state that by any liberal standards is one of the worst in the world, with routine restrictions on speech, the media and religious expression, and foreign policy statements from its President that lurch between the alarming and the deranged. Nobody should be in any doubt that the threat is a great one. The Government are therefore right to be pleased that the matter has been reported to the United Nations. That is an important step and we should not be dismissive of it. The threat of sanctions and other activity ought be real. Iran needs to realise that there are economic, political and cultural consequences to being isolated.

When it comes down to it, most people can accept most of those points; but what happens if Iran does not respond to those promptings, however energetic and however firm the consensus among leading world powers? That is the big question that the Minister needs to address. I do not detect any enthusiasm for conflict, and the hon. Gentleman rightly pointed out that, leaving aside the political considerations, there are enormous practical and military questions that lie between where we are now and intervention of that sort. However, we need to realise the seriousness of the situation and make it emphatically clear to the Iranian regime that it needs to think through the full political and other consequences of the action that it is taking. The Iranian Government have to be extremely careful about brinkmanship and seeing how far they can push the good will and tolerance of western countries, or for that matter of countries around the world.

As in any negotiations, we perhaps also need to recognise that the Iranian Government need to be able to tell their people that they have reached a politically manageable solution, in terms of Iran's internal dynamic. However, as has been said before, ultimately, no Government can afford to rule out any option altogether. I will be interested to hear the Minister expand on what consequences he thinks will follow if the United Nations route does not prove to be successful, as we all hope it will be.

10.37 am

Mr. Keith Simpson (Mid-Norfolk) (Con): I, too, congratulate my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) on introducing this important debate on Iran's nuclear programme. Like him and other hon. Members, one has the sense that this is a serious moment and that the next few months and years will be important not only for the international community but for Britain. As somebody who is by nature a reasonably sunny personality—at least politically—I am pessimistic not only about the situation in Iran but about the connected situation in Afghanistan.

Hon. Members have spoken passionately and I should like to congratulate Labour and Conservative Friends of Israel on some most effective lobbying. Perhaps one day, when the regime has changed, we shall have a debate in which Labour and Conservative friends of Iran will be represented.

The hon. Member for Thurrock (Andrew Mackinlay) seemed to speak on behalf of a number of my colleagues who were unable to get in. He is, of course, the voice of Lady Thatcher, in that when she was Prime Minister she believed that the Foreign Office existed to represent the interests of foreigners inside the United Kingdom. As a shadow Foreign Office Minister, I am not here to defend the Foreign Office—I am sure that the Minister will do that—but I should like to point out a factual error that the hon. Gentleman made. The most malign advice that Prime Minister Neville Chamberlain was given did not come from a Foreign Office official. Sir Horace Wilson was of course from the Treasury, and we should all know where our real enemies lie in Whitehall.

Our policy is simple. We welcome Monday's decision by the five permanent members of the Security Council to report Iran in March. We recognise that we must work hard to prevent Iran from acquiring nuclear weapons, for all the reasons that have been succinctly argued by colleagues. However, like other colleagues, I have a number of concerns. It seems that Iran has had numerous opportunities to change course and address international concern about its nuclear intentions, yet the seven resolutions that the International Atomic Energy Agency has passed on Iran since 2003 represent a litany of Iran's failures to declare its activities and the deficiencies in its co-operation with the agency.

After more than three years of inquiries, the IAEA has not been able to establish the details of the full genesis of Iran's programme. Iran has failed to provide transparency and has followed a deliberate policy of concealment. In early January, it removed IAEA seals from its nuclear installations and made preparations to begin enrichment. It has violated its safeguard agreements and there is a long litany of its saying one thing and doing the exact opposite. That is a difficulty for both the Foreign Office and the international community. They are hoping for the best but preparing for the worst. There is no guarantee that any commitment made by Iran, whether individually to the United Kingdom or to the international community, will ever be carried out.

A number of hon. Friends and colleagues, including my hon. Friend, put forward the dilemma for any democratic country and the international community. That is what happens when every element of diplomacy has been used, an attempt has been made to bring pressure to bear and sanctions have ultimately been introduced but the country at the receiving end has failed to respond. That leaves a great chasm and some form of military action may then be inevitable.

[Mr. Keith Simpson]

A number of hon. Friends and colleagues pointed out their concern that if Iran fails to respond and the international community fails to persuade it, Israel might ultimately decide to take military action. If I follow the logic of the arguments of my hon. Friends and colleagues, that puts even greater emphasis on the international community to think about taking the full rack of sanctions. As we know from the United Nations charter, that does not rule out the international community's use of some form of military action.

I want to flag up for the Minister a number of the Conservative party's concerns. We are worried that we seem already to have moved away from the outcome that our Government, the United States and our allies were seeking—an early referral to the UN Security Council. The Government's original response to the Iranian ending of suspension was, rightly, very strong, but are we able to deliver on our threat? Have the Government received assurances from Russia and China that they will support tougher action if necessary and if Iran continues its course of intransigence and confrontation? To my mind, Russia and China are the key. If they decide to sit on their hands and not go the full course, I greatly fear that someone—I am sure that the Government are attempting to point this out to them—will take what most of us would consider to be unacceptable action, which would ultimately be the military option.

Mr. Harper: Will my hon. Friend give way?

Mr. Simpson: I will not give way because I shall be only one more minute and other hon. Members, rightly, want to hear the Minister.

We are also concerned that in expressing interest in Russia's compromise proposals and then reportedly offering access to the Lavizan site in Iran, the Iranian Government are employing delaying tactics by doing the absolute minimum to give the impression that they are interested in compromise. That has been their track record over the past five or six years. What is the Minister's assessment of the Russian proposal and Iran's commitment to exploring it?

Finally and crucially, the Foreign Secretary said—this has been touched on by a number of colleagues—that military action against Iran is not an option. The Prime Minister said that all options are on the table. What is the Government's real position on the calls from some quarters to contemplate military action against Iran? I hasten to say that I am not advocating the use of military action, but I do not believe that in any international dispute, either now or in the past, when faced with an intransigent Government, the international community or a nation state can exclude the use of military action. That must always ultimately be in the background and available under not only the UN charter but international law. The Iranian Government should be only too well aware that ultimately that is an option. No one in this Chamber, and certainly not the Government, wants that option to be exercised, but the Prime Minister, the Foreign Secretary and the Defence Secretary need to come up with a form of words to encompass that. If we do not persuade the Iranians that we in the international community are serious, they will develop nuclear weapons and sooner rather than later one country in the middle east will actively intervene to prevent them. The consequence of that is too horrendous to contemplate.

10.45 am

The Minister for Europe (Mr. Douglas Alexander): I congratulate the hon. Member for South-West Hertfordshire (Mr. Gauke) on securing the debate. I have, as my hon. Friend the Member for Thurrock (Andrew Mackinlay) urged me to do, listened carefully to the contributions from hon. Members on both Back Benches, which included a number of powerful speeches, and from the Front-Bench spokespeople for the principal Opposition parties who offered considered and measured contributions to this important debate.

In his characteristically mild, supportive and gentle way, my hon. Friend the Member for Thurrock asked on what basis I, as the Minister for Europe, was appearing before the Chamber this morning. Perhaps I might clarify that the Minister for the Middle East is meeting Ministers from the region who are in London attending the Afghan conference, and the Foreign Secretary is meeting the Iranian Foreign Minister this very morning, so I speak on behalf of my Foreign Office colleagues.

There have been a number of powerful and measured contributions from both sides. However, perhaps not for the first time in recent days, Labour is not as well represented as the Opposition. That was a source of concern until I heard the contribution from my hon. Friend the Member for Thurrock, which made me revise my view on whether more contributions from the Labour Back Benches would be entirely helpful to the Government.

I acknowledge at the outset, as did the hon. Member for South-West Hertfordshire, that the debate is exceptionally timely. Before I explain the significance of that, I must echo the tributes that have been paid, and the sentiments that have been expressed by hon. Members on both sides of the House, to the families of the service personnel who lost their lives in Iraq in recent days.

The debate is timely because tomorrow the International Atomic Energy Agency's board of governors will meet in special session in Vienna. For the board's 35 members, there will be just one agenda item: Iran's challenge to the international non-proliferation system and how to respond to it.

I have a certain sympathy with the contribution of the hon. Member for Taunton (Mr. Browne), who acknowledged that there is a fairly broad consensus among the parties on the nature of the problem facing us. However, with the greatest of respect to hon. Members, I struggled to find clarity in their contributions of the details of the prescription, as distinct from the description, in the face of the problem. I shall try to set out for the record the Government's position and how we will take matters forward.

Let me explain why the Government, with France and Germany, as part of the EU3 process and supported by the European Union, believe that the time has come to involve the UN Security Council, to which a number of hon. Members referred. Two and a half years ago, Iran

was forced to admit to the IAEA that it was building secret installations to enrich uranium and to produce plutonium which could be used to produce material for nuclear weapons. Iran was and still is building missiles that could carry nuclear warheads. Subsequent investigations showed that, in the IAEA's words,

"Iran's policy of concealment has resulted in many breaches of its obligation".

A series of IAEA reports identified serious grounds for concern that Iran's nuclear programme might not be, as Iranian leaders claim, solely for peaceful purposes. Then, and now, our aim has been to persuade Iran by building broad international support—that relates to the point made by the hon. Member for Mid-Norfolk (Mr. Simpson) about Russia and China—and working through multilateral bodies in order to take steps to guarantee that its nuclear programme will not be used for military ends. Under the IAEA's statute, Iran should have been reported to the Security Council two years ago. The UK, with France and Germany, decided to look for a way forward, through negotiation. The IAEA board agreed to delay involving the Security Council to give that initiative a chance.

At the heart of our initiative was a proposal that Iran should suspend all enrichment-related and reprocessing activities that could be used to produce fissile material for a nuclear weapon while we discussed mutually acceptable long-term arrangements. The IAEA board adopted successive resolutions asking Iran to suspend those activities. In November 2004, Iran finally agreed to move ahead on that basis. The Paris agreement set out the framework for talks and offered the prospect of not just a long-term solution to the nuclear issue, but a stronger relationship between Europe and Iran, including co-operation on political and security issues and in economic and scientific fields. We have pursued the process in good faith, but Iran has rejected all constructive attempts to find a solution.

Last August, Iran unilaterally restarted uranium conversion at its plant in Isfahan, in violation of the Paris agreement and contrary to IAEA board resolutions. The same month, without serious consideration, it rejected our detailed proposals for long-term arrangements. Those were the most far-reaching ideas for relations between Iran and Europe that have been presented since the 1979 Iranian revolution and they offered the possibility of an improved relationship based on co-operation.

The IAEA board confirmed the legal basis for involving the Security Council under articles XII.C and III.B.4 of the IAEA's statute. However, at the request of our partners, we agreed to propose that the board again delay involving the Security Council, to enable more time for diplomacy. In December, European and Iranian officials met to explore whether we could find a basis for resuming talks. We made it clear that it would be essential for Iran not to resume further the suspended activities. With our support, Russia also sought a way forward by proposing that, as part of a final agreement, Iran might have a financial-only stake in an enrichment joint venture based in Russia. Such an agreement would have helped to assure Iran that it could rely on a supply of fuel for its nuclear reactors without acquiring technologies that could be used to produce fissile material for a nuclear weapon. The Russians also made it clear that Iran would need to continue suspension of all enrichment-related activities if such ideas were to be discussed further. We were prepared to endorse that idea, as long as no enrichment took place inside Iran. We understand that the Russians presented it in those terms as well.

Since then, the Iranian position has been contradictory and deliberately confusing. At its request, European political directors agreed to meet one of its negotiators, Javad Vaidi, in Brussels on 30 January—this past Monday—but Vaidi indicated no room for flexibility.

Iran's resumption of uranium enrichment-related activity three weeks ago was a clear rejection of European and Russian efforts to get back to talks. Its actions have shown no respect for IAEA resolutions or for the commitments that it made to us and to Russia. Iran has portrayed its activities as harmless research, but they involve the development of technologies that would enable it to produce fissile material for a nuclear weapon. What Iran claims is a small step is, in fact, fundamental.

Therefore, the backdrop to tomorrow's IAEA board meeting involves not just Iran's 18-year history of concealment, to which several hon. Members referred, and its failure to take steps that would give us confidence about its nuclear intentions, but also its policy towards Israel and Iraq, its attitude towards terrorism and its human rights record. I echo some of the sentiments that have been expressed. We have all been appalled by the comments of President Ahmadinejad, his denial of the holocaust and his calls for the destruction of the state of Israel, which my right hon. Friend the Foreign Secretary, who has not received universal support in this debate, described as sickening, horrific hostility to the Israeli people. In Damascus just 10 days ago, President Ahmadinejad met leaders of Islamic Jihad while its bombs were killing and injuring civilians in Israel.

The consequences of Iran acquiring nuclear weapons are unthinkable. Central Asia and the middle east—two of the world's most volatile areas—would be destabilised. Other states might seek to enhance their own capabilities, prompting a regional arms race. The non-proliferation treaty—the very bedrock of international efforts to prevent the spread of nuclear weapons—would be badly damaged, as would the goal of creating a zone free of weapons of mass destruction in the middle east, a cause to which we are committed. Iran's latest actions are a challenge to the multilateral non-proliferation system and a rejection of the diplomatic track. We must respond firmly.

On Monday, Foreign Ministers from the UK, France and Germany, together with their counterparts from the United States, Russia and China, agreed that in Vienna tomorrow we should work with the IAEA board, which should

"report to the Security Council its decision on the steps required from Iran, and ... report to the Security Council all IAEA reports and resolutions".

I welcome that decision. There is strong emerging consensus that it is time for the Security Council to become involved.

Several hon. Members asked whether it had been appropriate to follow the diplomatic track. The efforts have not been in vain, as we are closer to securing genuine international consensus than we have been at

[Mr. Douglas Alexander]

any point in the preceding two years. For some of the reasons that have been outlined, it is vital that we secure such agreement. The Iranian regime fears genuine international consensus. What would be more to its advantage is a position from which it would be able to divide and seek to exploit the international community, thereby guaranteeing the continued potential for developing nuclear weapons.

Mr. Ellwood: There is an irony in what happened with Iraq—IAEA representatives made it clear that they did not believe that there was a threat, yet we still ended up going to war—and in today's situation with Iran, which IAEA representatives have not been allowed to visit and which definitely involves a threat. I am concerned that, as a result of what was learned from Iraq, the Government and the international community may be more wary of dealing with the situation in Iran. They may go too softly and appease the country. Our approach must be more robust.

Mr. Alexander: I listened carefully to that point and would argue respectfully that reporting to the Security Council is a necessary step, given where we are now. In that sense, notwithstanding some of the direct queries made by hon. Members, I would not wish to prejudge the outcome of the report to the Security Council. Further steps can be taken thereafter, but it is important at this stage to support the IAEA's efforts, and to sustain and uphold the importance of the IAEA board in dealing with the issue. We have reached the point at which it is necessary for a report to go to the Security Council.

The agreement of the six countries to which I referred—and, indeed, many others—will send a powerful signal of the consensus that is emerging in the international community. The debate echoed the fact that international concern about Iranian activities has grown during the past two years of diplomatic discussion, and I fully accept that. The process led by European countries has done much to increase awareness of the problem and to build international consensus that Iran must take steps to build confidence. Regrettably, Iran's actions preclude the diplomatic solution wanted by the international community. It is now necessary to involve the Security Council to increase the political pressure on Iran to respect the wishes of the IAEA board.

Mr. Eric Martlew (in the Chair): I call Mr. Amess.

10.57 am

Mr. David Amess (Southend, West) (Con): You have taken me by surprise, Mr. Martlew.

I congratulate my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) on the splendid debate. I concur with all the speeches, but I take a different opinion on many things that the Minister said. A lot of hon. Members are defence experts and could put the case more eloquently than I can. Unlike some people who purport to be Churchillian figures, I am one of the few Members of the House who have consistently raised the subject. If only we had been listened to much earlier.

The Minister completely ignored the point about the People's Mojaheddin Organisation of Iran and what was said about the disgraceful thing that will happen shortly. The Minister owes the House the courtesy of addressing that. My hon. Friend the Member for Northampton, South (Mr. Binley) and I feel so strongly about how the gentleman who calls himself the President of Iran is conducting himself that a few weeks ago we addressed a crowd of 30,000 people outside the United Nations headquarters in New York.

Mr. Alexander: I would not wish the House to believe that I intended any discourtesy by that omission, which the hon. Gentleman rightly identified. With the forbearance of hon. Members, I shall write to him about the PMOI.

Mr. Amess: That would be very useful. Many hon. Members and I are in favour of jaw-jaw rather than war-war, but we are angry because there has been too much seduction of the present regime. I listened carefully to the state of union address last night—what a sad figure I am, I stayed up for it—

Mr. Eric Martlew (in the Chair): Order.

East Timor (Indonesian Invasion)

11 am

Mr. Don Foster (Bath) (LD): I am delighted to have this opportunity to debate the important issue of the deaths of those called the Balibo Five in East Timor in 1975.

In 2002, East Timor celebrated its official independence as Timor-Leste. This followed two and a half years of United Nations administration and a 24-year illegal occupation by Indonesia, in which, according to a recent report, up to 180,000 people died. Today, I want to concentrate on just five of those deaths: the deaths on 16 October 1975 of five journalists, now known as the Balibo Five. They were a New Zealander, two Australians and the two Britons, Brian Peters and Malcolm Rennie.

When Britons die abroad we anticipate our Government doing all they can to help the relatives. We expect the Government to seek as much information as possible and to share it with the relatives. Sadly, in this case, the opposite happened. From 1975 until 1995, there was almost complete inaction. The Government were involved in a disgraceful cover-up. Thirty years on, information is still being withheld from the relatives of Brian Peters and Malcolm Rennie, and from the relatives of the other three journalists. Hence, this debate concerns the release of documents relating to the Indonesian invasion of East Timor in 1975.

With the help of many former and present Members of both Houses, the relatives have sought to prise open the store of documents about events surrounding the deaths of the Balibo Five. Success to date has been limited. This debate is designed to persuade the Government to make more information available, especially in time for the inquest of Brian Peters, due to take place this year in Sydney.

What do we know? Following a civil war from July to September 1975, East Timor was in the control of a left-wing movement, Fretilin. Thousands had died and there remained instability and unrest. Into this situation flew Brian Peters and Malcolm Rennie. They were working for the late Kerry Packer's Channel Nine network and arrived in the East Timorese border town of Balibo on 13 October 1975. There they met the other three journalists who were working for the rival Channel Seven network. Three days later all five were dead. How and why they died is what the relatives want to know.

As we get closer to answering these questions it is increasingly clear that the reluctance of our Government to find out more—or to reveal more—about the deaths is because to do so would reveal even more than we now know about Britain's sorry role in Indonesia's war on East Timor. We are finding out more about that sorry role because, under intense pressure, both our Government and the Australian Government have released various documents. A selection of the released British official documents—compiled by my constituent Hugh Dowson—now appears on the website of the national security archive of George Washington university.

From those and other documents we now know, for example, that the Australian Government were told in advance by Indonesia that it intended to invade East Timor. A briefing to the Australian Government on 13 October 1975 finally gave them the invasion date of 15 October and the invasion route, which went through Balibo. It took 25 years before even that information was officially shared with the relatives of the Balibo Five.

While we do not yet know the precise nature of our own Government's understanding of what was about to happen, we know that they knew enough to anticipate an attack. In effect, the British and the Australians gave a green light to Indonesia. Indeed, it was later to be said by our ambassador to Indonesia that the Balibo Five

"were in the war zone of their own choice".

When the British selection was published last November, it prompted *The Times* to run a story with the headline "Government lied to cover up war crimes in 1975 invasion of island". The Asia editor, Richard Lloyd Parry, began his article in equally stark terms:

"The British government knowingly lied about Indonesian atrocities in East Timor, including the killing of British journalists in 1975, according to newly released diplomatic documents."

I should, however, point out that most of the documents were not newly released. Most were made available in 2002 and just the analysis was new, but that does not alter the starkness of the point made. The article continued:

"In a startling insight into foreign complicity in Indonesia's invasion of the former Portuguese colony, the documents show that Britain used its position as chair of the United Nations Security Council to 'keep the heat out of the Timor business' in the UN."

Despite frequently telling the relatives of the dead men that the full facts of their deaths were unknown, British documents released in recent years indicate a rather different story. The documents show that our ambassador to Indonesia at the time, John Ford—now Sir John—sought to persuade the Australians not to press the Indonesian Government for information about the deaths. He wrote:

"We have suggested to the Australians that, since we, in fact, know what happened to the newsmen it is pointless to go on demanding information from the Indonesians which they cannot, or are unwilling to provide."

This is in stark contrast to what relatives and parliamentarians have been told over the years. This was shown, for example, in the answer to a parliamentary question of 7 March 1994, which stated:

"We pressed the Indonesians for information at the time."—[*Official Report*, 7 March 1994; Vol. 239, c. 20W.]

The documents also show that while the full invasion of East Timor by the Indonesians did not begin until 7 December 1975, incursions involving Indonesian troops did begin, as the Australian Government were warned, in October. In a confidential memo dated 15 March 1976 to the Foreign and Commonwealth Office, the ambassador describes how attempts were made to destabilise the Fretilin movement by providing support, training and resources to the anti-Fretilin forces. The memo continues:

"Increasingly, Indonesian troops were used clandestinely to stiffen the Timorese guerrillas or replace them under the anti-Fretilin banner. In one of these actions on 15–16 October five journalists from Australia (two of them British by birth) were killed at Balibo near the border when reporting on the fighting from the Fretilin side."

[Mr. Don Foster]

Thus, while the full-scale invasion was to come later, Indonesian troops were in action in East Timor at the time of the deaths.

I would argue, therefore, that the answer to a parliamentary question on 14 March 1994, which claimed that

"The deaths occurred over seven weeks before the Indonesian invasion"—[*Official Report*, 14 March 1994; Vol. 239, c. 473W.]

may be technically accurate, but it certainly evades giving a true reflection of what actually happened. This is especially so when we now know that the action, which was codenamed Operasi Flamboyant, involved a mixed force of 3,600 Kopassanda—Indonesian commandos—and anti-Fretilin Timorese. We also know that the second report on the deaths, published on 16 February 1999 by Australia's Minister of Foreign Affairs, Tom Sherman, said that the attack on Balibo came at the start of a general offensive by Indonesian military forces to annex East Timor.

Given this cavalier approach to the truth both at the time and since, it is no surprise to read that when the Indonesian invasion resumed and the capital, Dili, was seized in December 1975, our ambassador to Indonesia sent a Christmas eve message to the FCO, saying:

"Once the Indonesian forces had established themselves in Dili they went on a rampage of looting and killing . . . . if asked to comment on any stories of atrocities I suggest we say that we have no information".

So, the situation is clear. There was a cover-up of the invasion and of the atrocities that took place during it, including the deaths of the Balibo Five. As Richard Lloyd Parry's piece in *The Times* put it:

"In the Cold War atmosphere of 1975, after the US defeat in Vietnam, Indonesia's status as a pro-Western, anti-communist leader was far more important to Britain than justice for tiny and obscure East Timor".

But the relatives want justice and to know what happened. They have been given various accounts of what might have happened, including that the five journalists were killed in crossfire during the civil war or, more recently, that they were accidentally killed during the invasion, or precursor to an invasion, by Indonesia. Indeed, although Indonesia's Government have yet to admit that their troops were involved, Indonesia's special forces have admitted that they killed the newsmen. We even know the names of some of those involved in the attack, including Yunus Yosfiah and Dading Kalbuadi.

However, many believe that this was no accidental killing, but murder to prevent evidence of Indonesia's covert war on East Timor from being broadcast to the outside world. We, and the relatives, still do not know which is the correct version. More needs to be done to help them find out and to find out whether more could have been done to warn the Balibo Five of what was about to happen. However, to be fair, more recently more has been done. In 1998, for example, the then new Indonesian President was asked by our Government to look again at the deaths of the Balibo Five. He agreed to do so, but others more powerful than him blocked that investigation.

Since then, many British and other official documents have been released. Bodies other than our Government have sought to make progress. The UN itself tried to carry out an investigation. The Indonesians refused to co-operate. What that investigation revealed is in the UN police files, a point to which I shall return in a moment. Most recently, East Timor's reception, truth and reconciliation commission has, among many thousands of other issues, considered the deaths of the Balibo Five. Its final report is expected to be made public later this year and may shed further light.

However, this debate was intended to see whether our Government could do more. The Minister and his officials will, by now, have studied in detail the analysis on the national security archive website of documents released by his Department. Will he either now, or in writing in the near future, respond to that analysis? Will he acknowledge that for most of the past 30 years relatives of the deceased, hon. Members representing the interests of the relatives, and both Houses of Parliament have been misled? In a face-to-face meeting with the Minister's immediate predecessor, relatives of British citizens Malcolm Rennie and Brian Peters asked for help in ensuring that the evidence collected by the UN police is not contaminated. The letter of June 2005 from the Minister for Trade to those relatives failed to allay their concerns about this urgent matter. Will the Minister now undertake to address those concerns?

Given the forthcoming inquest in Australia into the death of Brian Peters, will the Minister guarantee to provide full co-operation to the coroner? In particular, will he agree to release the documents referred to in my letter to the Secretary of State of 15 November 2005? Once the final report of the reception, truth and reconciliation commission has been published, will the Minister establish high-level discussions with the Indonesian, Australian, New Zealand and East Timorese Governments? The purpose of such discussions would be to identify and put in place the further action needed to provide comprehensive information about the deaths of the Balibo Five and to bring to justice any persons identified as potential wrongdoers.

I acknowledge that back in 1975 the UK Government were extremely anxious to keep what was happening in East Timor out of the news. The memo of 15 March 1976 from our ambassador to the Foreign and Commonwealth Office states

"that East Timor was an area in which Britain was no longer directly involved and that Britain's interests indicated a low profile".

It continues:

"Dr Kissinger did likewise. This policy has so far paid off handsomely. The lack of involvement has largely kept Timor out of the British and US headlines and away from becoming a major public issue".

Our Government, along with others, sought to hush up what was happening in East Timor and even to give political support to Indonesia. In the UN General Assembly vote of 12 December 1975, which

"deplored the Indonesian military intervention in Portuguese Timor",

Britain abstained. We did what had been recommended, which was to

"keep our heads down and avoid siding against the Indonesian government".

Many suggest that the reason for that approach was because Indonesia was a major international arms buyer, but, whatever the reason, our Government have

some responsibility for the deaths of thousands of people. They certainly have a responsibility to come clean on all that they know about the deaths of the Balibo Five and to help the relatives find answers and obtain justice.

11.15 am

The Minister for Europe (Mr. Douglas Alexander): I welcome the opportunity to discuss the points raised in today's debate. The death of the five journalists in Balibo in East Timor on 16 October 1975, and the suggestion, made subsequently, that they were deliberately killed, has naturally led to great distress for their relatives. I would like at the outset to address the suggestion that there has been any cover-up by the Foreign and Commonwealth Office or that it knows, or has withheld, any information that would shed further light on how the journalists died.

A telegram from the Foreign Office to our embassy in Jakarta dated 16 October 1975 reports that Indonesia intended soon to intervene covertly in strength in support of anti-Fretilin elements in East Timor's civil war. A second telegram from our embassy in Jakarta on 24 October records that Indonesia's stepped-up clandestine operations in East Timor appeared to be succeeding. It is clear from these telegrams that the Foreign Office was aware only of covert interventions by Indonesia prior to Indonesia's invasion on 7 December 1975.

Papers released early in 2002, and available at the national archive since September 2002, show that our embassy in Jakarta reported the deaths of the five journalists on 24 October 1975. The telegram from our embassy in Jakarta recorded that five journalists from Australia had been killed in an anti-Fretilin attack on Balibo and said that the Australian embassy had confirmed to us that two of those killed, Malcolm Rennie and Brian Peters, were "British born". The telegram recorded what the Foreign Office knew of their deaths. That included the fact that they had been with Fretilin forces when the house in which they were sheltering was hit and set on fire, that press pictures of the house had been published, and that we understood that they had been

"killed, almost certainly inadvertently, in the course of an attack by Indonesian/UDT forces".

It was believed then and in the immediately following years that the journalists had been killed in crossfire between opposing groups fighting in East Timor. None of our records shows that the Foreign Office was aware at the time of the presence in Balibo of the journalists, nor is there any record that it was aware that they were in East Timor—a country in which we had no resident representation—at all. Consular assistance was given by the Foreign Office at the time to the family members of the two British journalists.

Following a subsequent period of seven years during which no further action was taken or requested, the consular files were destroyed in accordance with our usual procedures. However, in 1994, a television documentary about East Timor, "Death of a Nation", reawakened interest in the deaths. The documentary reported claims that the journalists had been tortured and killed by Indonesian soldiers. Brian Peters' sister then contacted the Foreign Office and, in April 1995, in order to reassure her of the Foreign Office's transparency about this case, she was given a collection of unclassified documents detailing what we knew about her brother's death. In July 1996, it was agreed that she should be invited to the Foreign Office to read some further highly classified documents that she had asked for.

In May 2002, the Foreign Office agreed to the early release from its 1975 and 1976 files of all the documents relating to the events at Balibo on 16 October 1975. These have been available at the national archive since 17 October 2002. I am aware of the publication of a book recording an apparent admission by Indonesian special forces that they killed the five newsmen. That report suggests that they were not murdered, but were casualties of an attack on Balibo. I am also aware that there is an analysis of Foreign Office documents on the national security archive. I believe that it would be inappropriate for me to comment on that analysis and consider that the documents should be accepted at face value.

I do not accept that the relatives of the deceased have been misled, and certainly not deliberately. It is worth pointing out that it was exceptionally agreed to release many documents early to the family members and to the national archive precisely to make it clear that we have nothing to hide. It does seem that the reply to the parliamentary question in 1994 should have made it clear that the representations to the Indonesian authorities were made by the Australians on our behalf. The Foreign and Commonwealth Office had remained in close contact with the Australians, who were seeking information from the Indonesians about the five newsmen on behalf of themselves and the UK. All five newsmen were residents of Australia, working for two Australian networks. With hindsight, it might have been better if the Foreign Office had pursued its own inquiries, but in 1975 it was judged reasonable, and it made sense, to allow the Australians to make those representations on their own and our behalf.

In June 2005, the Foreign Office wrote to the family members in the United Kingdom. The letter included the information that we obtained about the future security of information collected by the UN police in East Timor prior to 2001, and then held by the serious crimes unit in East Timor. Our inquiries and our letter made it clear that the information would remain confidential and that only the prosecutor-general in East Timor, and prosecutors handling a legal case, are expected to have full access.

We also made clear to the UN in East Timor and to the Government of East Timor the importance that we attach to the security and confidentiality of that information. If the families are still concerned about that, I shall be happy to ensure that those points are restated to those responsible in East Timor, and to seek an assurance that the security and confidentiality of the documents will be assured.

I understand that the New South Wales coroner has set aside three weeks in July for an inquest into the death of Brian Peters. We have not been asked to provide any assistance, but we will be happy to consider any request to do so. I believe, however, that the limited light that FCO documents can shed on events is contained in documents already released to the national archive.

[Mr. Douglas Alexander]

The report of the commission for reception, truth and reconciliation has not yet been made public, although copies have been given to Kofi Annan, the Secretary-General of the United Nations, and to Parliament in East Timor. When we have seen the report, we will of course consider carefully what it says. Indonesia continues to maintain that the journalists were killed in crossfire during an attack on Balibo. In light of that, we consider it unlikely that high-level discussions along the lines suggested by the hon. Member for Bath (Mr. Foster) will achieve anything.

The reports of two Australian investigations—the Sherman reports in 1996 and 1999—provided comprehensive information on what was then known about the events at Balibo in 1975. The second report concluded that the journalists were killed by an attacking force of Indonesian troops and anti-Fretilin East Timorese, but under the control of Indonesian officers, and in circumstances of continuing fighting between attackers and defenders, or at least before the attackers had secured their objective.

In his conclusion to the second report, Mr. Sherman says that he has

"never reached the stage of concluding that the Balibo 5 were murdered".

I very much hope that the coroner's inquest in New South Wales will be able to reach a clear conclusion about what happened on 16 October 1975, and bring some certainty for the grieving family members.

Finally, I understand that a thorough search has been made for all the documents requested by the hon. Gentleman in his letter of 15 November 2005 to the Secretary of State, and that the hon. Gentleman will receive copies of them very soon.

11.23 am

Sitting suspended until half-past Two o'clock.

Urbanisation (Developing Countries)

2.30 pm

Ms Sally Keeble (Northampton, North) (Lab): I am pleased to have secured the debate. It is not often that Westminster Hall n[illegible] parliamentary history, but we are now about to h[illegible] first debate on the subject in Parliament, so I ar[illegible]ly pleased that the Secretary of State is replying t[illegible]n appropriate time to hold the debate, too, becau[illegible]stimated that by next year more than half the peo[illegible]ne world will live in towns and cities.

I shall explain the origins of the debate. Last year, the executive director of UN-Habitat gave an inspiring address on urbanisation to the all-party group on Africa, which is chaired by my hon. Friend the Member for City of York (Hugh Bayley). From that, it became clear that urbanisation had slipped down the political agenda, so this debate partly redresses the balance and presses the needs of the world's 1 billion slum dwellers. Previously, 75 per cent. of the world's dollar-a-day poor lived in rural areas, which is perhaps why so much development assistance has focused on rural communities.

The picture is now changing. We are seeing urbanisation not only of people, but of poverty. If we are to understand better, overcome and stop the enormous sprawl of slums in the megacities of the future, we need to understand better the nature and dynamics of urban poverty in developing countries. There is a lot to celebrate in cities. Throughout history, they have been a source of inspiration, dynamism and creativity. They have been the cradles of great civilisations and the engines of economic growth. They have also been the scene of abysmal squalor and human suffering.

I am sure that the majority of hon. Members in the Chamber will have walked around such slums and seen the open sewers, the so-called flying toilets, the putrid drinking water, hovels stacked together and so many desperately ill, semi-starved people—yet among them incredibly resourceful and resilient people using every trick, crime and act of ingenuity that they can find to fight their way out of poverty.

David Taylor (North-West Leicestershire) (Lab/Co-op): There is something of a "Groundhog Day" about the debate in that, only days ago, a similar complement of people were discussing international development. I congratulate my hon. Friend on securing the debate. Is she aware of the publication yesterday of the United Nations international strategy for disaster reduction? It observes that the bad news for urbanisation in developing countries is that people often crowd around the environmentally unsatisfactory areas close to big cities, and that will worsen the risk and the impact of future natural disasters. Is that something to which she hopes to refer?

Ms Keeble: I am grateful to my hon. Friend for raising that. I was not aware of the report nor was I about to deal with that point. However, since it is on the record, I am sure that others will refer to it. I hope that my right hon. Friend the Secretary of State will deal with it in his response.

Many people in those slums are the product of exactly the same economic forces that shaped our cities, our rural to urban migration and our economic growth. However, there are some profound differences between urbanisation today and the processes that shaped our country. First, the scale of the population shifts that are taking place today outstrip anything that we have seen in the past. Secondly, urbanisation is fastest in the developing countries in the south. Thirdly—this is perhaps linked to the previous two facts—the process of urbanisation is greatest in countries that are the least equipped to deal with it by virtue of the weakness of their economies and the fragility of the systems of governance. The result is that, of the massive growth of the world's cities, the biggest growth will be in the number of slum dwellers—people who live in urban settlements without water, sanitation, security of tenure and permanent shelter, and with chronic overcrowding.

I shall give a few figures. By next year, more than half the world's population will live in urban areas. By 2030, about 60 per cent. of the world's population will live in towns and cities. That means that the urban population will have increased from 2.9 billion to 4.9 billion and that the majority will live in the megacities, most of which will be in the developing world. The proportion of people living in slums has increased disproportionately. Already one in six of the world's people live in slums, which is a third of all urban dwellers. On current trends, that figure will have gone up to 41 per cent. by 2030. Almost half the people in the world who live in towns and cities will be living in slums unless things change.

Some of the figures on urban growth in Asia are astonishing. In China, by the end of the period 2000–10, 160 million extra people will be living in cities—the equivalent of nearly three times the population of this country. However, Africa will be the scene of the biggest changes and challenges. It is the fastest urbanising continent in the world. Cities there are growing at twice the rate of those in Latin America and Asia.

Cities such as Nairobi and Kenya are doubling in size every 10 to 15 years. Lagos will be the third largest city in the world by 2010, with 20.2 million people. The equivalent of about a third of the population of this country will be cramped into one city with inadequate services. Sub-Saharan Africa also has the world's largest proportion of urban residents living in slums. Almost three quarters of all urban residents in Africa—about 187 million people—live in slums. To put it another way, one in five of the world's urban slum dwellers is an African.

To try to stop the process of urbanisation would be futile. In some countries, its pace may be slow because of particular cultural, political or economic features, but efforts to prevent urbanisation in the past have been doomed to failure. With the urbanisation of the population comes the urbanisation of poverty. Some of the indicators are startling. The slums are the most dangerous places in the world to live, especially for children. For example, in Nairobi mortality among the under-fives is 0.78 per cent. in non-slum areas and 11.3 per cent. in the slums. HIV prevalence in Kenya's urban areas is more than double that of its rural areas. Our poverty-focused aid has to take account of that seismic shift.

Already the developing world, especially African Governments, is acting on the challenge. The Cities Alliance brings together cities in the developing world with their international partners, the World Bank and UN-Habitat, to improve the lives of slum dwellers. The African Ministers conference on housing and urban development—an initiative by the New Partnership for Africa's Development, the African Union and UN-Habitat—has its second meeting this April.

The international community has made its commitments, too. The millennium development goals include a target to improve the lives of 100 million slum dwellers by 2020. The Commission for Africa recognises the scale of the problem and made particular recommendations on finance for slum upgrading, clean water and infrastructure.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Lady on securing the debate and on her excellent contribution. When the Houses of Parliament were built, London was the biggest city in the world. Now, in 2006, many cities around the world are far bigger.

May I make a plea about utilities? This country has particular expertise in the delivery of water, electricity and gas systems. Would it be possible for the Government to make further efforts to encourage British utility companies to be involved in the provision of infrastructure in some of the poorest cities around the world?

Ms Keeble: The hon. Gentleman, my neighbour from Kettering, is right that the provision of utilities in slum areas is a major challenge. Access to clean drinking water, one of the targets for the millennium development goals, is essential, particularly for child health. I am sure that my right hon. Friend the Secretary of State will refer to that when he winds up.

The hon. Gentleman is absolutely right that one of the problems that has to be tackled now and in future, as we try to prevent the sprawl of slum areas, is the provision of infrastructure services for people as they move into the cities. He is right to highlight that as a major issue for urbanisation.

In addition to the Cities Alliance is the African Ministers conference on housing and urban development. That initiative was introduced by NEPAD and UN-Habitat and is due to hold its second meeting in April. The international community has also made commitments, and the MDGs include the goal of improving the lives of 100 million slum dwellers by 2020. The Commission for Africa also recognised the scale of the problem and made recommendations on finance for slum upgrading and on water and infrastructure. The significance of the problem was reinforced at last year's world summit, which underlined the fact that the future of slums would influence the achievement of all the MDGs.

However, the international community's actions and commitments so far will not deliver on the goals that it has set. It is perhaps partly the size of the task that is daunting. There is the sheer number of people involved, and it is expected that there will be 1 billion extra slum dwellers. There is also the complexity of the services that are needed. As the hon. Gentleman said, there is the

[Ms Keeble]

issue of utilities, water supplies and infrastructure. There is also the sheer cost of it all, particularly given the very statist view of housing in this country.

I therefore have three requests to put to my right hon. Friend the Secretary of State as regards meeting the needs of the world's slum dwellers and achieving the MDGs. First, the UK Government must give priority to promoting slum dwellers' security of tenure and better urban governance. Without security of tenure, it will be impossible to achieve the rest of our goals. The residents' lack of security is a real barrier to upgrading slums, and slum dwellers can be swept away easily to satisfy a political elite's predilections, to make way for road building or as part of the ethnic cleansing of a capital city. UN-Habitat's excellent study of forced evictions lists a number of such removals, but I shall mention just two. First, there are the clearances in Khartoum, which my right hon. Friend the Secretary of State saw for himself. Southerners were moved to make way for, I think, road building—at least, that was the excuse; in fact, the move was thought to be political because it involved southerners. Secondly, there are the forced removals in Zimbabwe, which I saw on my recent visit there. It caught not only some of the poorest and most vulnerable people, including HIV orphans, their carers and many more, but half of the Zimbabwean UN staff working in Harare, as well as some of the locally engaged staff from the British embassy in Harare.

Secondly, I ask that my right hon. Friend the Secretary of State prioritise the development of financial instruments for slum upgrading. If the hon. Member for Kettering (Mr. Hollobone) makes a contribution, I am sure that he will talk about infrastructure and utilities, but I specifically ask for priority to be given to the development of financial instruments for slum upgrading, because this country has particular expertise in financial modelling and services. Prioritising financial instruments in that way would also underline the fact that slum upgrading is an economic project. Slum dwellers pay quite high rents. However awful the housing, and however destitute the people in those shacks in Kibera, they all speak of how much rent they pay and how much they owe in rent arrears. Shacks are good investments in the conventional sense, and it is calculated that a landlord in Nairobi will recoup his investment in a shack within nine months, given the rent that he can charge on it.

Thirdly, I urge my right hon. Friend to support the UN-Habitat proposal for a slum upgrade facility of $250 million a year for five years. Without it, there is little chance of meeting the MDG. The facility would provide a combination of short-term loans for housing schemes for poor people, loan mechanisms for grassroots schemes and funds for technical help in designing and setting up projects for slum upgrading.

Above all, however, what is required, and what the debate is intended to achieve, is a high priority for urbanisation on the international development agenda. The world summit rightly recognised that we cannot achieve the MDG if we simply react to the terrible and growing poverty of the burgeoning number of slum dwellers. The international community also needs to run ahead of the problem and to prevent slum development, not by stopping urbanisation, but by planning for it and providing the governance, infrastructure and financial capacity to cater for the 1 billion more people who will be living in towns and cities. Last year's world summit specifically recognised that.

I hope that my right hon. Friend the Secretary of State will set out his response to the three particular requests that I have made and, above all, that he will make clear the UK Government's commitment to meeting the challenge of the world's 1 billion slum dwellers.

2.45 pm

Hugh Bayley (City of York) (Lab): I congratulate my hon. Friend the Member for Northampton, North (Ms Keeble) on securing this debate on an important topic. I was not aware that it is the first time that Parliament has ever debated it. It is to her credit that she followed up the meeting of the all-party group on Africa, which the executive director of UN-Habitat, Anna Tibaijuka came to address, by ensuring that we had a debate in this House to discuss the important issues that she raised.

Like my hon. Friend, I have seen, in squatter settlements, shanty towns and refugee camps in Africa, Asia and Latin America, poverty and squalor that is so intense that it takes one's breath away. There is poverty that robs people of their humanity. I am talking about children who do not have clothes because their parents have HIV/AIDS and have sold everything to buy food; people who do not have food or shelter; children without schools; sick people without health care; people without hope; and people who were driven from the countryside by violence, warfare or famine to the city because they hoped for a better life.

Like my hon. Friend, I have also seen how, in appalling conditions in cities in developing countries, community self-help groups and donor-funded development assistance projects can raise one's spirits and make one realise that there are those with the human capacity to rise above incredible adversity and make a difference to their lives and those of others around them. I think of KENWA, a Kenyan women's organisation based in the slums of Nairobi. It has brought together women who are infected with HIV to give each other support and, if one of them dies, to give support to their orphaned children.

Some 10 years ago, I met a Catholic priest in Khartoum who took me to see one of the displaced people's camps in the desert outside the city. It had housed people from the west—from Darfur—and people from the south of Sudan who were fleeing from the long-running civil war. At the settlement hundreds of homes had been bulldozed, as had churches, simply because the Khartoum state Government wanted to drive those people away, back into the countryside, but those people would not be driven back into the countryside—they had fled war and were looking for sanctuary, so they ended up sleeping rough in and around Khartoum until they found some other squatter settlement in which to build a rudimentary shelter. This man went out with sticks and polythene sheets to try to provide shelter for those people from the 130° heat in the desert.

I have seen Muslim women in villages in Uttar Pradesh, India, who went door to door to encourage other Muslim women to vaccinate their children against

polio. Uttar Pradesh is one of the few parts of the world in which polio is still prevalent and claims lives. It is largely Muslim children who become infected, because a rumour has gone around that vaccination is a Hindu plot to make them infertile. That is utter nonsense. The most powerful message was carried by a Muslim woman who took her immunised child with her. If she is successful in that endeavour, which is funded by our Department for International Development, polio might be eradicated from India before long.

I have seen teachers of girls in displaced people's camps for Afghan refugees—people who fled from the violence of the Taliban. They found in the camps both refuge and education for their girl children, which was not available in Afghanistan under the Taliban regime. There are enormous problems, but also thousands of people capable of overcoming them. The onus is on us in the rich world to provide help, support and funding to enable those people to do their work.

David Taylor: In a debate last week, I pointed out that although it is important that relief, aid and advice come from international governmental organisations, companies and charities, smaller contributions from the country concerned or from other countries have a role as well. That was pointed out to me by the Building and Social Housing Foundation, which is based in Coalville in my constituency. The foundation researches such issues and is particularly worried about the plight of people who are in informal housing and facing eviction in Africa. We can help. It does not take a grand-scale organisation to contribute to the alleviation of suffering.

Hugh Bayley: I could not agree more. Such problems in urban areas need to be solved from the bottom up. Of course, they need help, support and funding from the top down; small organisations will not fund themselves. With support from DFID and from multilateral agencies, local grass-roots initiatives and small-scale projects—including twinning projects between organisations in the UK and those in developing countries, about which I shall say more later—can make a real and much-needed difference.

My hon. Friend the Member for Northampton, North spoke about the 2003 UN-Habitat report, "The Challenge of Slums," which reported that, of people living in urban areas, 72 per cent. in Africa, 58 per cent. on the Indian subcontinent and 32 per cent. in Latin America and the Caribbean live in slum conditions. If we go back through our own country's social history, we see that there were similar conditions here not so long ago. In 1901, Seebohm Rowntree wrote a book called "Poverty: A Study of Town Life," which was the first ever door-to-door survey or census of poverty in one city—the city of York, my constituency. The survey revealed that at the turn of the last century, a quarter of people in the city of York were living in poverty. Charles Booth did similar studies in London, of course.

David Taylor: My hon. Friend mentions Charles Booth and his seminal work on poverty in London. It is no surprise that Charles Booth was a north-west Leicestershire person, who was equally generous with his time, ideas and resources to the people of Thringstone, in my constituency, where his memory and successes are venerated to the present day.

Hugh Bayley: We have a lot to learn from the history of this and other European countries. Those lessons must and can be applied by leaders of urban communities in the developing world.

The scale of the problem is enormous. Some 924 million people, roughly a third of the global urban population, live in slums. The number of people migrating from the countryside to towns, or being born in towns, means that the world's urban population is growing by 180,000 people each day. Roughly speaking that is the same as the population of the city of York and its surrounding suburbs and villages. That is the scale of the problem with which the world must grapple: can we build cities, homes, infrastructures, schools and health clinics around the world at the rate of a York a day? I believe that we can. We managed to overcome urban squalor in this country in a century, and I think that it is possible to do the same globally. That is the challenge that we face.

It is important for us not to fall into the trap, as do some people who write about the problem of urbanisation, of setting towns against the countryside in a competition for scarce resources. In the countryside and in towns it is the same phenomenon that leads to human desperation: poverty. Poverty in the countryside is what drives people to the towns to seek a better life, and poverty in urban slums holds people back from finding that better life. For instance, the poor rickshaw puller in Dhaka in Bangladesh has probably come from the countryside and a poor existence as an agricultural day labourer. So it is not possible to solve the problems of the countryside at the expense of the towns, or vice versa.

As my hon. Friend the Member for Northampton, North, said, the process of urbanisation is irreversible. Bulldozing settlements—as the Sudanese Government have done around Khartoum, the Mugabe regime in Zimbabwe and the Kenyan Government in Nairobi, and as has happened in Lagos—does not relieve the pressure on scarce resources in urban areas. Those people remain, and they still need education, health care and shelter.

If we look back at the history of our own country it can be seen that local government has played an enormously important part in overcoming the problems of urban squalor. There is a growing recognition of the importance of local government in overcoming those problems in developing countries. After the Gleneagles G8 summit, the Prime Minister said that for the G8 deal

> "to translate into poverty reduction across the continent it is important that Africa builds effective, accountable central and local governments".

The Prime Minister has also emphasised the importance of local government in achieving the millennium development goals, some of which are particularly the responsibilities of local government, such as goal 7, target 11, on slum upgrading. The report by the Commission for Africa, of which my right hon. Friend the Secretary of State was a member, stressed that devolving power and taking decisions locally brings politicians and decision makers closer to those who use

[Hugh Bayley]

their services. That can also enable excluded groups, such as the disabled, women and, more generally, the poor to participate in the process of government.

The Commission for Africa report, however, also rightly stressed that municipalities in most developing countries are hampered by a lack of trained personnel and resources. All too often, therefore, the services that they provide are patchy and inadequate. Donor countries such as ours and the Governments of African countries need to invest in capacity building in local government, in training local government officers and in making policy development, revenue collection and revenue spending more transparent and accountable locally. The Ghanaian Government, for instance, receive budget support through Government-to-Government aid from the UK and have a common fund that devotes a fixed percentage of national revenue to local authorities.

At a grass-roots level, my city has a twinning link with Fanteakwa district in Ghana. I once visited Begoro, the main town of Fanteakwa district, met the chief executive of the council and saw some of the services that it provides in the district. They are good, well run services. There are schools and a technical college; he showed me a library that they were building. When I returned I talked to York and North Yorkshire library services and to the university college of York St. John to see whether we could obtain some suitable books—sending any old books would not be useful—for their library and ship them out. We collected books from academic and public libraries in North Yorkshire and e-mailed a list of titles to Begoro. They chose those that they thought suitable and appropriate and we shipped the books out to them. As my hon. Friend the Member for North-West Leicestershire (David Taylor) pointed out, small-scale, local, town-to-town links can make a difference.

The Commonwealth local government forum, which receives £2 million of DFID funding and about twice that in support in kind from local authorities in the United Kingdom—usually in the form of staff seconded to work for short periods in developing countries—has built some effective partnerships under what its good practice scheme. Lisburn city council in Northern Ireland, for instance, has worked with Swellendam municipality in the western cape of South Africa to create an economic development strategy. Plymouth city council works with Shama Ahanta council in Ghana to devise and implement a sustainable tourism strategy. Newham council works with Thiruvananthapuram council in India—I apologise to my hon. Friend the Member for Middlesbrough, South and East Cleveland (Dr. Kumar) if my pronunciation is poor—to use geographic information systems mapping to target economic development projects more accurately on poor communities in the area.

Local government, if it is properly resourced, works. South Africa, after the move to enfranchise all citizens of all races, held its first local government elections in 1995. Since then, the number of homes in urban areas with electricity has increased from one third to three quarters. The number with clean water has increased from 62 per cent. to 85 per cent. Achieving connections in South Africa is the responsibility of local government.

In Uganda, the local government association has created a scheme called city community challenges, targeting resources on urban areas of need. In Jinja, where the Nile leaves Lake Victoria, a city community challenge built 700 low-cost homes, using local materials and local labour—unemployed people from the slum areas of the city who received training in the craft skills they needed to build homes. Those selected to move into the homes were people who were excluded generally from society, such as disabled people and households headed by women. They, too, were provided with training as well as a home so that they could build a secure economic future.

When Anna Tibaijuka from UN-Habitat came to speak to the all-party group in November last year, she mentioned her organisation's new report on financing urban shelter. Like my hon. Friend the Member for Northampton, North, I was struck by the following statistic: most slum dwellers rent shacks from private owners—I had assumed the shacks were self-built when people arrived in the city although in the majority of cases they are not—and the shack owners can get the cost back within nine months. How do they get their cost back so quickly? By charging exploitative rents.

Businesses generally want a higher rate of return in developing countries than in the developed world because they perceive that the business risks are higher, but no legitimate business or finance house expects a rate of return of more than 100 per cent. in a single year. That makes me think that it must be possible to invest in higher quality housing at lower rents and still be able to achieve a sensible rate of return of the kind that an investor might expect in a developing country—perhaps a 20 or 25 per cent. return. If the council became involved in partnership with the financier, it could contribute real value by granting title to the land to the people who lived in the housing, and because the rent would be lower more money would be available to pay the local authority, or a private provider, for services such as electricity and water. Therefore, I warmly support UN-Habitat's slum upgrading facility proposal, which my hon. Friend mentioned.

The second policy issue that we need to address in relation to the problems of urban areas in developing countries is crime. Most people in slums are decent, honest people, and they are far more likely to be victims of crime than criminals. However, there is sometimes a political correctness that leads to crime being overlooked. One of the UN-Habitat documents that I read on its website before this debate is entitled "Today's Slums: Myths versus Reality". It states:

> "Slums are often associated with crime, but in some places this is more a fabrication of the media than a reality."

It is not a media fabrication if someone is a victim of crime—if someone is forced to be a drug mule for a drug baron in order to pay their debts or unpaid rent, or if someone is intimidated by a criminal gang as part of a protection racket or to secure their vote in an election.

In the United Kingdom, crime is worst on our most deprived estates, even though the vast majority of people who live in those areas are perfectly honest, and it should come as no surprise that things are much the same in developing countries. Crime is highest where living conditions are worst. The development community cannot shy away from crime because of a

form of political correctness; we must accept that law and order are vital for providing human security and an environment that allows economic development.

The Commonwealth Parliamentary Association UK branch visited Jamaica last September. I attended its report-back meeting, and learned that in poor, inner-city Kingston there are places called garrison constituencies; they are parliamentary constituencies that are affiliated year in and year out with one or other of the main political parties—both of them are involved in the same way. Poor people support the party in anticipation of benefits that might accrue to them: access to employment, getting their child into school, or other basic services. At one stage removed from the politicians are criminal gangs that use violence to maintain the status quo.

I spoke this morning to Andrew Tuggey, the secretary of the CPA UK branch. Before he came to work for the CPA branch in Parliament, he served as an Army officer in Northern Ireland. He drew a parallel between the situation in Kingston now, and the situation in Belfast in the early 1970s. Two things are vital to overcome those problems of politically related crime and violence in slums in developing countries. The first is effective security. The United Kingdom has seconded two assistant chief constables to the Jamaica police, and we also provide some training for the Jamaica defence force. The second thing is political reform. A new younger generation of politicians in Jamaica, in both parties, is pressing for change. Kingston city council's urban renewal policy, for instance, has stressed the need to build social housing in both green and yellow garrison constituencies, irrespective of political allegiance, and to allocate housing centrally, not through the constituencies.

There are policy lessons to be drawn. I have been helped in forming my thoughts by an article by Dr. Aldrie Henry-Lee of the university of the West Indies, which appeared in a journal called *Environment and Urbanisation* last October. First, politicians must be divested of the power to distribute scarce benefits, including, as happens in many developing countries, budgets for buying small projects and works in their constituency. If they are seen as people who dispense favours or services from funds that they personally control, a form of clientism is bound to develop.

Secondly, politicians must have nothing to do with criminal or violent gangs, or the leaders of those gangs, even if the latter appear to be a leadership divorced from the gangs themselves. Thirdly, politicians must identify any members of their party who associate with criminals, and deprive them of office, if they hold it, in the party or publicly. Fourthly, they must make sure that their security forces and municipal authorities give no protection to gang members. Finally, and importantly, as in this country, the police must provide protection to those who supply them with information about wrongdoing and act as witnesses when cases come to court.

Perhaps what is happening in Kingston sounds a little like Chicago or Sicily: it is. The solution to the problem is the same. There is a need to clear out the corrupt politicians and introduce a new, clean politics.

The week before last DFID published its consultation document seeking input to the White Paper that it intends to publish in the summer. I hope that today's debate will be seen as part of that consultation process, and that the White Paper will closely examine the importance of good governance and political reform—the Department has already made it clear that it will tackle that issue—as well as developing the capacity of local government to deal with the severe urban problems. Without stronger local government in developing countries they will not rise to the challenge of creating decent conditions in which people can live and prosper in the growing cities of the developing world.

3.14 pm

John Barrett (Edinburgh, West) (LD): I congratulate the hon. Member for Northampton, North (Ms Keeble) on securing the debate. As the hon. Member for City of York (Hugh Bayley) mentioned, it is key that the issue be discussed and absorbed by the Department for International Development. One quality of urbanisation—the hon. Member for City of York mentioned this—is that it is irreversible. That is important now, but will become even more so in the years ahead.

Urbanisation and the urbanisation of poverty have been described as the second biggest challenge for the developed world, after the HIV/AIDS pandemic. Clearly, the process of urbanisation is one of the most significant changes taking place in developing nations. The world's urban population multiplied tenfold in the 20th century and now stands at about 3 billion. Properly managing that change is one of the key challenges facing the international community today.

Despite its importance, urbanisation is often misunderstood in international politics and we have yet to adapt to some of the challenges it poses. Africa now has a larger urban population than either north America or western Europe—I found that hard to believe about western Europe—yet it is often perceived as being overwhelmingly rural. Our aid efforts often seem to focus on farmers and rural challenges when the biggest challenges are perhaps in the more urban cities and townships. All too often donor agencies prioritise investment in rural areas, and it does not reach the majority of the poor.

It is clear that the locus of poverty has fundamentally shifted away from rural areas to cities and townships. There is no point in denying that that change has occurred. It has happened and is, as the hon. Member for City of York said, irreversible. How best to deal with the urbanisation of poverty is one of our biggest challenges.

Although rapid urban growth is often seen as a problem, it is worth remembering that it is normally the nations with the best economic performances that urbanise most rapidly. Also, there is a proven link between rapid urban change and a marked increase in standards of living. It is an often overlooked fact that some of the world's fastest-growing cities of the past 50 years have among the best standards of living in their respective nations, but that is not the picture that we see in many developing countries. Our own cities grew as our rural population declined, and that is a classic example of the shift from rural to urban. Edinburgh, for example, has grown steadily over decades and centuries while the population in the countryside has reduced dramatically.

[John Barrett]

Many commentators see the rapid growth of sub-Saharan cities over the past 50 years as a serious problem, if not a full-blown disaster, but that approach over-simplifies the situation. One reason for rapid urbanisation is the achievement of political independence and the end of discriminatory controls over people's lives. In Uganda, urban growth was slower than expected in the early post-independence period because violence and instability crippled the country's economy. However, once stability was restored, the economy expanded and urbanisation was more rapid. More obviously, in post-apartheid South Africa, it is because of the legacy of apartheid that that country remains relatively non-urbanised, although there is a move to urban centres. Much of the explanation for that is the strict control imposed on the African population's right to live in urban areas. Those examples should be a warning against viewing urbanisation as necessarily a bad thing. Often it is the result of positive changes in a society.

Urbanisation brings with it a whole range of problems if it is not managed effectively. Cities and urban centres can and should be hubs of creativity and economic growth, but rapid urbanisation in the developed world has left 1 billion people living in slums and squatter settlements; estimates suggest that that number will double by 2030. Almost no large city has had its initial urban expansion guided by a rational plan, but it is unrealistic to expect that.

In cities in this country and other high-income nations, it is taken for granted that systems of governance exist to facilitate and monitor urban expansion. Planning controls, building standards, sewerage, drainage, schools and hospitals are more or less taken for granted. We all accept that the staff of urban governments should be answerable to elected representatives, but it is important to remember that the well worn paths of local governance are a relatively recent occurrence that we cannot take for granted. They simply do not exist in many cities and urban centres around the world.

In many poor and developing countries, city governments are corrupt and unrepresentative with the result that decisions are afforded little legitimacy by the local population. The accountability of local authorities to their citizens is a fundamental tenet of good governance, but the widespread prevalence of patron-client relationships has further undermined and corrupted democracy and accountability. Corruption takes resources from those least able to afford the loss, and they work their way through to the richer. It undermines credibility and deepens urban poverty. As a result, investment in the basic infrastructure lags far behind what is desperately needed.

As I mentioned last Thursday in the debate on international development, the Select Committee on International Development visited a clinic in Nairobi where, for want of the local authority connecting the water and electricity supplies for eight years, the doctors and nurses in that clinic had to remain in an outdated building. It is vital that the local authorities in such cities play their part. It is common for half or more of the population of cities in the developing world to be without access to water taps in their homes or yards, and for more than three quarters to have inadequate provision for sanitation.

When the hon. Member for Northampton, North mentioned flying toilets, I was reminded of my visit to Kibera, the slum on the outskirts of Nairobi. I come from a city—Edinburgh—with a history of such things; in days gone by, people emptied sewage out of the high storeys of buildings with a cry of "gardez l'eau". It is a disgrace that in today's world the waste from toilets is still flying through the air. In that same slum, we also visited a shack, and were amazed by the quality of life. The children were immaculately turned out to go to school. With so few basic facilities—no water supply, no sewerage—families were able to pick themselves up and did the best that they could.

Sadly, that was by no means an isolated example. Most cities in Africa have sewerage connections for less than 10 per cent. of their populations, and many have no sewerage system at all. The harsh reality is that hundreds of millions of urban dwellers in Africa, Asia and Latin America have to rely on water sources that are unsafe, unreliable and difficult or impossible to access. As a result, it is common for one in every four children in poorly managed cities to die before their fifth birthdays. Many of those deaths can be directly attributed to chronic lack of infrastructure and services. In this country, we do not question the fact that our bins are emptied and, in some cases, our material for recycling is collected; street lamps line our roads; and our water runs hot and is clean enough to drink. We have become so used to the web of institutions that provide these services that we sometimes forget their fundamental importance.

We have all seen satellite images of the world at night, showing a stunning map of brilliantly lit cities. Only across Africa do many cities remain dark at night. In the absence of appropriate or effective governance structures, too few planning controls are in place. Those that exist are often bypassed as a result of corruption, or for other reasons. As a consequence of ineffective land use planning, cities expand chaotically, causing problems along the way. Many cities have no city-wide plan because the built-up area falls into different local jurisdictions and no governance structure exists to enable co-ordination.

The hon. Member for City of York mentioned the high rate of return on shacks in city slums. In New Delhi, there are massive slums—some officially recognised and some not—and what struck me was the fact that the return on a fast-food restaurant in one of the wealthiest parts of London is only one third of the return that a slum landlord can achieve in such a city. That is an outrage, and unless it changes, people will, for economic reasons, drive on with the continuation of slum dwellings.

Ms Keeble: Does the hon. Gentleman agree that the fact that slum properties can generate money makes it possible to look at the financial mechanisms that can be used for slum upgrading, and to provide improved housing and greater security of tenure for slum dwellers?

John Barrett: That is a valid point; clearly there are money and businesses in the slums and there are dynamic entrepreneurs. If that money could circulate in

the same area, there could be a vast improvement. Without a doubt, those who receive those high rents do not live in the slums. Money is pouring out of the pockets of slum dwellers into the pockets of those living Californian lifestyles just around the corner.

As many of the people in the Chamber have seen first hand, many walled residential developments that are protected by security firms are only two blocks down the road from squatter communities. Such communities are sometimes unrecognised by the Government and lack the most basic infrastructure and services. Indeed, it is now common in some parts of the world for between a quarter and a half of a city's population to live in a squatter settlement without official approval or recognition.

Such stories paint a bleak picture, and other hon. Members have pointed to the immense problems that we face. The scale of the challenge is indeed daunting: cities have become places to fear, where crime and disease are rife. Nairobi was mentioned earlier and it is sometimes called "Nairobbery". Even on the recent Select Committee visit, a colleague was unfortunate enough to be robbed and mugged.

However, the situation might not be all doom and gloom. There is no automatic link between rapid urban growth and urban problems. In his impressive body of work on the issue, David Satterthwaite of the International Institute for Environment and Development says that cities provide many potential advantages when it comes to tackling the problems that hon. Members have mentioned. The goals of ensuring universal provision of infrastructure and services, keeping down waste levels and de-linking a high quality of life from high levels of resource consumption are all more achievable in an urban setting. Far from being a cause of the current problems, cities can provide part of the long-term solution if they are governed in the right way. It is often easier to provide water supplies, drains, schools and health facilities to a static population of reasonable size in an urban area than to a smaller, mobile, rural population.

There are many examples of expanding cities in low-income countries that have managed to avoid many of the problems about which we have heard. Curbita and Porto Allegre in Brazil, for example, have grown rapidly in recent years, but they have a high quality of living and innovative environmental policies. One reason for that is the improvement in local government planning, which involves all groups in the city. Many cities in poorer countries have created local Agenda 21s in response to the guidelines in Agenda 21—the action plan on sustainable development that most world Governments endorsed at the UN Earth summit in 1992. Unlike conventional city plans developed by consultants or town planning officers, these local plans involve all groups in the city in an attempt to gain a consensus on the priorities that need to be addressed. They have helped many cities to develop viable long-term planning that involves all key stakeholders and responds better to local needs and problems. That is community politics at its best.

The other most obvious development that is needed to address the problems facing many urban centres is sustained investment in infrastructure and services in the poorest areas. Poverty, corruption and other social problems often mean that a major backlog of investment must be met before any real improvements can be seen. That is already happening in many cities, where major upgrading programmes have been set up.

Obviously, it is impossible to generalise about what is needed in different cities in different countries, but the importance of good governance is a constant thread running through these issues. Investment and the adoption of local agendas have often been effectively supported via stronger and more accountable local democracy. For example, the introduction of city mayors and councillors has helped many city governments to be more accountable and more responsible to their citizens. When cities and smaller local authorities have power devolved to them and are empowered with sufficient resources and autonomy, they are more likely to meet their responsibilities.

I want to give the Secretary of State ample time to comment, so I shall keep my concluding remarks brief. Obviously, the spectre of global poverty will hang heavy over any such discussion; indeed, the sheer scale of the problem makes it hard to see a solution. However, far from being a cause of poverty, urbanisation is one potential vehicle out of it. Rather than fretting about the pace of urbanisation, it is far better that we try to ensure that cities have effective, democratic local governments to allow them to meet the challenges that urbanisation poses. The problem is not the reality of urbanisation, but the lack of many basics of life, including infrastructure. As has been mentioned, to deal with the ill effects there must be sustained investment in water supplies, sewerage services, hospitals and schools. That will require a vast increase in investment, better planning controls, more decentralisation of power and responsibility, and increased efforts to tackle corruption.

The problem of poverty in developing countries will not be solved overnight. However, urbanisation, if properly managed, may give us one tool to provide real improvements in the medium and long term. I look forward to hearing the views of the Secretary of State and his Department on this issue.

3.30 pm

Mr. Andrew Mitchell (Sutton Coldfield) (Con): I congratulate the hon. Member for Northampton, North (Ms Keeble) on securing a debate that she described as historic; it has been enormously interesting and at times illuminating. At the beginning of her speech, she set out the issues that she wanted to cover today, and she has set the scene extremely well.

In a speech that showed great expertise on this issue and a profound understanding of the history of his city, the hon. Member for City of York (Hugh Bayley) made many interesting points to which the Secretary of State will no doubt want to respond. I want to echo three of the hon. Gentleman's points. First, we should never underestimate the effect of conflict in enshrining poverty in the areas affected by this issue. It goes without saying that if people are being forcibly dispossessed or shot at, no amount of aid or trade will lift them out of poverty. Last week I returned from a visit to Rwanda, and I am particularly conscious that in the past neither international institutions nor Governments recognised adequately the importance of conflict prevention, which must be at the centre of the work of DFID, as I know it is under this Secretary of State.

[Mr. Andrew Mitchell]

The second point made by the hon. Member for City of York was about the consultation process on the White Paper published last week. I want to echo his comments on the importance of that process, which ranges widely across the many interesting aspects of this subject. I strongly agree with his third point, which was about good governance in areas of the world where Britain is focusing its aid efforts. He will acknowledge that many of the foundations of the Government's current policies on good governance were laid by Chris Patten when he occupied a ministerial position, and indeed by Lynda Chalker. The good governance provisions that inform our policies in this area are immensely important for achieving the outcomes that we so fervently desire.

One thing that strikes me about this debate and indeed the whole subject—this follows on from what the hon. Member for Edinburgh, West (John Barrett) said—is the extent to which all the political parties have pretty much converged on the same territory. We all agree on the importance of different policy aspects. There is very little between the aspirations of the two major political parties of this country. There are certainly issues on which the Opposition think that the Government can do more and issues on the international agenda on which we are as restless as the Government about the speed of progress. However, on many international development issues, there is no longer a Labour, Conservative or Liberal Democrat agenda—there is a British one. The Government derive great strength from that in pursuing important tasks in international forums as well as in their bilateral involvement in poor countries around the world.

The secret minutes of an internal Labour party meeting happened to land on my desk, and they say that the Secretary of State suggested that the Conservatives were hanging on the coat-tails of the Labour Government on some of these issues, although I am sure that the comment was not delivered in quite as churlish a way as I represent it. In a number of important international development areas, the unity between Front Benchers and unity of purpose across the House of Commons are a great strength.

On the interesting comments made by the hon. Member for Northampton, North, the developing world is an increasingly urban world, as she said. In coming years, the rural population of developing countries is projected to remain stable at about 3 billion, but the urban populations are expected to expand from some 2 billion today to about 4 billion by 2025. How does that affect development? Urbanisation in itself is no bad thing. Indeed, it offers a number of advantages, as higher population densities make it possible to provide a range of services such as education, infrastructure and health services in an efficient and cost-effective manner.

Cities are often vibrant centres of innovation, culture and politics, but in too many places across the developing world the opportunities afforded by urbanisation are not being realised. Many national and local governments fail to provide the essential services that poor people need, leading to urban squalor and decay, weak economic growth and high unemployment. That foments discontent and radicalism, particularly among urban youth. As the hon. Member for City of York set out, the most vivid manifestation of the downside of urbanisation is the massive slums in many cities in the developing world. Anyone who has travelled in a major city in the developing world will be familiar with the crowded and unsanitary conditions in which millions of people are forced to live. The worst thing about those slums is often the dramatic lack of basic services, such as in health and education. For me, the journey from the airport in Mumbai to the centre of that great city is a strong example.

Any response to the challenge of urbanisation must have at its heart measures to tackle infectious diseases, particularly HIV/AIDS; in general, infectious diseases spread more rapidly in urban areas. Providing clean water and sanitation is one of the most efficient and cost-effective ways of saving lives and reducing mortality, particularly infant mortality.

Around the world, 1.1 billion people lack access to clean water. Many of them live in towns and cities, and in many cases, the urban poor actually pay more per unit for water than the urban rich. What is to be done? The primary responsibility, as ever, lies with Governments in developing countries, but there are things that Britain can do: we can use our money and influence to support the extension of access to Government water services, and we can champion innovative approaches that harness the dynamism and capital of the private sector to expand access to water in urban areas.

DFID has sometimes been criticised for failing to reflect the importance of clean water and sanitation in its spending priorities. Will the Secretary of State explain what plans he has to increase the proportion of aid that DFID spends on this vital sector? In an interesting speech in February 2004, he posed an important question:

> "If relatively few developing countries see water and sanitation as a priority for inclusion in their Poverty Reduction Strategy Papers, what then? Our commitment to the MDGs"—

the millennium development goals—

> "and to country ownership point in two different directions."

It would be interesting to hear how he plans to handle that tension in future.

We should consider carefully how the private sector can help in delivering essential services such as water. It may well be damaging to keep water supply as a monopoly of the state in countries where the state is manifestly failing to deliver adequate services to its citizens. If there is proper supervision, regulatory bodies and contract enforcement, well managed privatisation has the potential to help expand access to clean water and to save lives. I should be grateful to hear the Secretary of State's assessment of the merits of greater private sector participation in service delivery in developing countries.

An important way to empower the urban poor is to strengthen and formalise property rights. The poorest suffer most when property rights are weak. Weak legal systems combined with dysfunctional political arrangements offer the urban poor no protection from arbitrary state force.

The worst example, to which the hon. Member for City of York alluded, comes from Zimbabwe, where Robert Mugabe's latest repression has destroyed the

homes of between 200,000 and 1 million people under the pretext of slum clearance. The campaign is called "Operation Clean Up Filth" or "Operation Drive Out Rubbish". Children have been killed as houses were demolished around them. Some people have been forced to burn down their own homes. Weak property rights are also damaging in less dramatic ways.

Hugh Bayley: What the hon. Gentleman says about Zimbabwe is right, and he is right to speak out against it. May I invite him to speak out as loudly and passionately about the very similar slum clearances in Lagos, Nairobi and Khartoum? The danger of always focusing only on Zimbabwe is that we allow Mugabe the excuse that we speak out on Zimbabwe because we are angry about white property rights being taken away and that we do not speak out with the same passion when the Government of the Sudan, for instance, bulldozes camps around Khartoum.

Mr. Mitchell: The hon. Gentleman is right that we must condemn the slum clearance schemes in other countries—I entirely endorse what he said. The reason why I have not done so is partly the time left for debate and partly that he did so very effectively in his speech. When I talk of Zimbabwe, I am talking not about the dispossessing of white farmers and about their property rights, but about the 200,000 to 1 million Zimbabweans who have been treated in this way.

Weak property rights are also damaging in less dramatic ways. A lack of formal property rights means that poor people cannot use their assets to create wealth, to trade assets outside local circles where people know and trust one another, or to use their assets as collateral for a loan to start a new business and to invest for their future. Without formal property rights, the basic machinery of wealth creation comes grinding to a halt, and people stay trapped in poverty.

I was interested that the Secretary of State recognised in his speech to launch the White Paper consultation the importance of property rights in generating a climate in which capitalism can flourish, foreign investors can have confidence and economic growth can take hold. I would be most grateful to hear what plans he has to strengthen the Department's work in this vital area and his thoughts on the specific role that property rights can play in improving the lives of poor people in urban areas.

In conclusion, urbanisation in the developing world is a source of both opportunity and new challenges. It impacts on a wide and divergent range of policy areas and issues: provision of basic health and education services; water and sanitation; property rights; the response to infectious diseases, in particular HIV/AIDS; and migration policy, and how to deal with refugees in emergency situations.

The Department for International Development is doing good work in addressing those challenges, but its efforts can be enhanced. I look forward to hearing how the Secretary of State plans to improve our response to these important issues.

3.43 pm

The Secretary of State for International Development (Hilary Benn): I join hon. Members in congratulating my hon. Friend the Member for Northampton, North (Ms Keeble) on having done us all a great service by securing this debate. She has a keen interest in urban matters, which dates back many years. It was evident during her time as a Minister in DFID and I am glad that it continues today. Her interest is shown not least in her having secured what we now learn, having come through those doors, is an historic debate on poverty and urban development.

May I say to the hon. Member for Sutton Coldfield (Mr. Mitchell) that I welcome the fact that there is apparently now quite a large degree of consensus? Had the Conservative party any coat-tails that the rest of us could have hung on to as far as development policy was concerned, we would perhaps have been pleased to do so. Since he provokes me just mildly, I must say that I enormously welcome the fact that the party that managed to cut our development spending as a percentage of our national wealth in half in 18 years has come to recognise that that was a fundamental mistake.

I unreservedly welcome the fact that we are now able to debate the challenge of development in the spirit that we do. It demonstrates how development politics has moved from the margins, where it was in some people's minds, to bang in the centre of the big political questions of our age, because it is about the future of our planet. If we do not sort these problems out, we are all in big trouble, as the hon. Gentleman said.

The movement of people to cities is as old as humankind. We have all agreed, during the debate, that that is an irreversible process and it is no good wishing that it could be different, because human beings will do as they will. The debate has brought out clearly the variety of reasons that lead people to move, including to find employment and flee conflict, as the hon. Gentleman said.

Cities such as Kathmandu, Addis Ababa and Luanda have grown for many reasons. People have moved there because they might be marginally safer when the countries were going through conflict. Women have fled domestic violence. People have tried to escape the stigma and poverty of their caste. People have always come to cities to acquire a new identity. My hon. Friend the Member for City of York (Hugh Bayley) talked about people not having enough food to eat.

In the past 20 years, the number of people living in Mumbai has grown by 100 per cent., but the number of squatters has increased by more than 1,000 per cent. That illustrates the scale of the problem.

In our country during the 1970s, we thought that there was a bias towards urban areas and that we needed to concentrate on reducing poverty in rural areas, but we now recognise that we need to consider the problem in a much more rounded way. Indeed, there is a lively debate to be had about where urban areas stop and rural areas begin, particularly as technology makes it possible, in some countries, for people to live and work in ways that were not possible in the past.

I want briefly to deal with four issues: how to understand better what is happening and what we are grappling with, economic growth, governance, especially local government, and finance. We have heard some of the statistics mentioned forcefully. The truth is that most—almost all—of the population growth in developing countries in the next generation will be in towns and cities. The total urban population in Africa,

[Hilary Benn]

Asia and Latin America will double to 4 billion by 2035. Africa is the fastest-urbanising continent in the world. Nearly 40 per cent. of Africans currently live in cities.

It is particularly striking that in 1960 Johannesburg was the only city in sub-Saharan Africa with a population of more than 1 million, but by 2010 there will be 33 cities in Africa with populations of over 1 million. That tells us all we need to know about the pace of change. One of our tasks is to understand better what is happening and to monitor the trends, because good information is vital if the Governments of developing countries are to make decent decisions about that fundamental change.

Target 11 of the MDGs requires us to make a significant improvement in the lives of at least 100 million slum dwellers by 2020. Some countries are making progress and others are off-track and we need to understand why. Having reliable data on slums—the face of urban poverty—is vital. That is why we are working in partnership with UN-Habitat. I take this opportunity to pay tribute to Anna Tibaijuka and UN-Habitat for the work that they are doing and for flying the flag of this debate. UN-Habitat is responsible, as well as the World Bank, for global monitoring to ensure that we get decent data that will assist us.

A number of hon. Members have said that cities are the powerhouses of economies. Urbanisation has been central to the sustained economic growth in Asia that has enabled a number of countries in that part of the world to lift many of their citizens out of poverty.

Shanghai has just over 1 per cent. of China's population and contributes 12.5 per cent. of its GDP. I went for the first time last year and spent most of the time with my jaw on the floor. It is an astonishing place. To see the pace of change that is occurring there tells us just how important that city's contribution is to China's economy.

That is happening not only in Asia. Nairobi comprises 12 per cent. of the population of Kenya. It contributes 30 per cent. of the GDP. That tells us in part about the great wave of migration within countries. We talk much about migration between countries, but that is dwarfed by the movement within countries as people leave the places where they have lived for towns to seek work and a better life. As the debate has demonstrated clearly, such growth comes at a price. Very poor people crowd into spaces that no one else will take. They are around open sewers, perched on the side of embankments along railway lines and live in the intense squalor to which my hon. Friend the Member for City of York referred.

Land is the central issue. The poor rarely have tenure on the land that they occupy. It is not always clear who owns the land. We have heard about landlords who make a healthy return on renting their land, but what if there is no clarity about who holds the land? If people are unsure about their future on the land, there is less incentive to invest in improvements. Slum dwellers often have no right to services. In Dhaka in Bangladesh, it is formal policy not to provide them with services. Slum dwelling brings stresses and strains. Mental ill health is a problem. Crime is another problem. Sub-Saharan Africa has the highest proportion of urban population living in slums.

There is spectacular wealth living alongside intense poverty, and that can bring violence. Indeed, the Commission for Africa said:

"Africa's cities are becoming the powder-keg of political instability and discontent".

We ignore that at our peril. I could not agree more with my hon. Friend the Member for City of York when he talked about crime and ensuring that people are not abandoned because they are poor. Security is indeed the precondition for progress while communities try to deal with the enormous problems that such areas face.

As my hon. Friend the Member for Northampton, North and the hon. Member for Edinburgh, West (John Barrett) said, slum dwellings are also places of inspiring resourcefulness. People make a living. They manage to turn their children out in the way that has been described, despite the shacks in which they live. It is possible to make changes. On my recent visit to Bangladesh, I saw a project that we had helped to fund. For about 25 years, a group of people had been living on the embankment going down to the river and by which the sewage was flowing not very fast. That project has provided clean water and sanitation facilities for members of the community, which played an important part in making that happen. According to their ability to pay, people contribute towards the cost. They keep a list and the community decides who can afford to pay what. The project was a striking example of what can be done. I asked the women, because it was they who led the work, about the impact on diarrhoeal diseases. Drinking dirty water gives children diarrhoeal diseases, which is why 6,000 children die in the developing world each day. They do not have clean water to drink. The women said that they had noticed a reduction.

That is an illustration of what can be done to change people's lives for the better. However, above all, jobs are needed. Barriers that prevent people from migrating to towns to work must be removed. People must have the opportunity to set up their own businesses, which goes back to the title to land and property rights, a topic to which I shall return. It is necessary for people to be able to move around the town. Much of the economic life of cities depends on the contribution that is made by the people who live in the slums. They might be working in domestic service or contributing to the manufacture of goods that are exported.

As several hon. Members have said, the process reminds us of what we have been through. It is exactly what happened to us at the start of the 19th century. The conditions were just as appalling. Let us draw on some of those lessons and the social reformers who reported on the condition of human kind, and motivated change through the political process in the 19th century, such as the great pioneer of health, John Snow, who finally proved that cholera was associated with dirty water by taking off the handle from the famous pump in Broad street. There were pioneers in local government who got together to decide what to do about the conditions—the problem included, of course, the great stink outside, which encouraged Parliament to take a greater interest. Joseph Bazalgette was responsible for building the sewers and the water supply system that probably did more than anything else in this country to increase life expectancy.

That brings me to my next point, which is about Governments. Many countries are thinking more about how to devolve power to local level. We should welcome

that unreservedly. The truth is that people know best what they need locally. What is striking about the issue of water—I want directly to deal with the point that the hon. Member for Sutton Coldfield made—is how often, in many conversations that I have had in towns, villages and urban areas in developing countries, clean water has emerged as people's priority for improving their lives. Yet that priority does not seem, in many developing countries, to be reflected when national priorities are set.

That is why, in my speech on world water day, to which the hon. Gentleman referred, I committed us to double our spending on water in Africa. I shall be reflecting on how things have gone—we have been working in slightly different ways in the past year in implementing that commitment—in a speech that I shall give later this month.

The private sector has a contribution to make. My view on that score is fairly simple. I am profoundly uninterested in an ideological debate about whether the approach should be this or that. I am interested—and so I think are all hon. Members—in what will work to bring more clean water to the largest number of people. When developing countries and their communities have worked out how to do that, let us have more of it, and faster. That is the task that we face.

Property rights are extremely important, but acquiring rights is the first stage. People have to be able to exercise them. I recollect from my first visit to Bangladesh that the landless poor there had rights—but when they tried to exercise them, the police used to come and beat them over the head. It was only through wonderful civil society organisations and their work to help them, which we funded, that those poor people were able to exercise the rights that the law accorded to them. However, the hon. Gentleman makes an important point.

Power without money at local level will not do any good. There is a lack of capacity, and building capacity is fundamental to progress. I pay tribute to all the people in local government in the United Kingdom, and in particular the UK Local Government Alliance for International Development, who are working to build links. My hon. Friend the Member for Northampton, North referred to some of those. I recollect that in one case—that of Daventry and Iganga town—the link came about through environmental health officers. There was a rubbish problem, and progress was made in dealing with that.

Those two towns learned from each other. We make a big mistake if we think that we have all the answers. We do not. In Dhaka in Bangladesh plastic bags have been banned, and the cacophony of two-stroke noise that assaulted me the first time I went was missing on my return in November because all the three-wheelers have been converted to using liquefied natural gas.

Ms Keeble: Clearly the debate must continue. I wonder whether my right hon. Friend will take the matter up in the White Paper. Will he ensure that the urbanisation agenda is given a higher priority?

Hilary Benn: I certainly will, because that is one of the issues that we must deal with. I want to come directly to my hon. Friend's question about slum upgrading. We are funding work on that, and I saw an example—the concreting of alleyways—on my visit to India last year. We are supporting the slum upgrading facility to which she referred. We currently give it just under $11 million. It is a pilot run by UN-Habitat. There are pilot projects in Ghana, Tanzania and Sri Lanka. We need to see how that goes to support others.

It is possible to make progress. Thailand, Mongolia and Uruguay have taken real steps in reducing the number of people living in slums. The biggest challenge, if good governance and local government are secured, is the cash to make things happen. The way in which we finance the work, and developing countries raise the necessary resources to finance the improvements in their towns and cities that the people who live in them, above all, want, is our big challenge for the coming months and years.

RAF Stafford

4 pm

Mr. David Kidney (Stafford) (Lab): It is a pleasure to start this debate and to see my right hon. Friend the Minister of State, Ministry of Defence in his place to answer it. He and I have discussed RAF Stafford quite a lot in recent years, so I doubt whether anything that I say today will come as a surprise to him.

Let me start with the background. At RAF Stafford, uniformed personnel and civilians provide—very effectively—a range of support services, all of which are time critical and some of which are dangerous. I am thinking of the tactical supply wing, which supplies fuel to front-line helicopters in times of conflict.

4.1 pm

Sitting suspended for a Division in the House.

4.15 pm

On resuming—

Mr. Kidney: Uses of RAF Stafford have until now included a number of the air combat service support units—everything from motorised transport to catering—defence storage and distribution, tactical supply wing, engineering wing, mountain rescue, Ministry of Defence police and fire contingents, and cadet training, including Army cadet training since the Territorial Army centre in Stafford was sold under the strategic defence review. Recently, another Government Department, the Department for Environment, Food and Rural Affairs, has announced that it will locate a new decontamination service serving the whole of the UK at RAF Stafford.

RAF Stafford enjoys the full support of its local community. The base has existed for 60 years. In 2004, the community celebrated the 50th anniversary of having granted RAF Stafford the freedom of the borough. If RAF Stafford was unpopular locally, my constituents would not be so worried about losing some or all of the base's activities. In fact, it is very popular. In 2004, I started a petition to allow residents to express their support for RAF Stafford, and 5,000 people signed in three weeks. I presented that petition to Parliament. In time for this debate, I have another petition that I hope to give to the Minister. It was collected by local trade unionists. They simply stood in the market square in Stafford on three Saturdays in January, and they tell me that more than 2,000 local residents signed their petition in support of keeping the storage and distribution centre at RAF Stafford open.

RAF Stafford also takes a full part in civic occasions. That includes Remembrance day parades and battle of Britain civic services, which are always well supported by civil society as well as the military community. As many of the jobs at RAF Stafford are civilian, many local people work there. Many of the uniformed personnel also own houses locally, and when they retire from RAF Stafford, many of them settle locally.

The MOD continually reviews the way that services are configured, rightly seeking to ensure that we retain the best operational capability and value for money. However, I say to my right hon. Friend the Minister that the complete closure of the Stafford base would cause disastrous damage to our local economy. In round figures, about 900 civil servants work at RAF Stafford, along with 500 uniformed personnel engaged in logistic support—although they soon leave us—and 250 more uniformed personnel in tactical supply wing. It is not, of course, a main operating base; it does not have a runway.

I do not want to dwell for long on the decision to move the air combat service support unit's logistics military personnel—there are about 450 of them—from Stafford to Wittering. That decision will be put into effect in March. As the Minister knows, he took that decision against my wishes, but I can at least say that there is a strategic rationale for moving the support units closer to the front-line forces that they would be expected to deploy with in the event of future rapid deployments. It also assists in training for operations between deployments if they are located near to each other. However, when the decision to move them was taken, there were forecasts of large financial savings, but I think that he could now confirm that those savings have not materialised. Perhaps that provides a salutary lesson for the Minister, as he has similarly been told that the Army's plans now for the Defence Storage and Distribution Agency will save money.

The tri-service working is now very apparent at RAF Stafford in respect of storage and distribution. Whenever I visit, I see air, Army and naval stores and equipment there. It was very different before 1997, when there were separate stores and distribution arrangements for each service. As the RAF rationalised its storage and distribution arrangements, RAF Stafford eventually became the only remaining RAF base for those activities. You know very well about that, Mr. Martlew, because when the RAF had got down to the last two possible bases, one was Stafford and one was in your constituency at Carlisle. Stafford became the last one. Then along came tri-service working, and rationalisation has now started again. Today, the storage and distribution services at RAF Stafford form part of the Defence Storage and Distribution Agency, which in turn is part of the Defence Logistics Organisation. Stafford is run jointly with similar activities at the Army base MOD Donnington. All the storage and distribution workers at Stafford are civil servants.

On 21 July 2005, the Ministry of Defence announced its decision to close the operations at Stafford by December 2007, so ending the last RAF-specific contribution to the agency. The centre for such operations in future will be the Army base at Bicester. My local churches forum described this as an unfortunate decision. I found it curious, given that Stafford carries out 80 per cent. of the current operations of the agency, has achieved the best efficiency performance in the agency and has the only high-activity storage and distribution centre in the whole of the agency. Indeed, the business plan for taking most of the work to Bicester involves building a brand-new high-activity centre to replace the existing efficient one at Stafford, which presumably will stand empty after the transfer has taken place. There are echoes of the duff advice that the Minister was given over the savings to be had by a move of the air combat services support units to Wittering.

I am pleased that the review of DSDA as a whole resulted in a decision to keep the storage and distribution operations in-house and to grant enhanced agency status. However, as a consequence of the decision on job losses at Stafford and, in reality, because of several other decisions involving civilian MOD job losses around the country in recent months, the trade unions are campaigning for a change of direction. In the case of RAF Stafford specifically, they are asking for a review of the decision to end storage and distribution operations at Stafford, and are presenting a case for continuing to make productive use of the high-activity storage and distribution centre, which is supported by an engineering enclave.

On the proposal to retain the high-activity centre, I simply point out that the midlands is an acknowledged leader in logistics in the United Kingdom—understandably, given its location in the centre of the country. As the Minister saw when he visited RAF Stafford—it really was as long ago as September 2004, although it seems like yesterday—equipment comes into Stafford from all over the country all the time, and goes out to other MOD locations all over the UK on a daily basis. When I visit the Argos and Exel logistics operation at Acton Gate in my constituency, which is a comparable operation in the private sector, I am reassured that the midlands offers the same high standards in logistics in both the public and the private sectors.

On the future for some 300 engineering workers at RAF Stafford, the Minister may know that twice in two years announcements have been made that have left them completely in the dark about their future. It would be a positive end to a worrying roller-coaster ride if they could be reassured about their future and, more generally, about the situation at RAF Stafford. One employee asked me to remind the powers that be, as he calls them, how loyal and supportive employees at Stafford have been to their colleagues in the MOD and Her Majesty's Government. He stated:

"Operation TELIC saw us not only meet all our operational requirements but also take on board several efficiency initiatives which were undertaken willingly and with great success—we proved ourselves to be the best and still are and we are very proud to be so."

That reminder about Operation Telic caused me to review the National Audit Office report for Operation Telic. I am sure that the Minister will confirm the finding that the well publicised supplies shortages that arose at that time related only to in-theatre operations. In fact, the NAO report on page 17 states:

"Operation TELIC required a massive logistic effort to be made by personnel and organisations from across the Department and the three Services."

On page 3 it states:

"The logistic effort for the Operation was huge and key to success."

The result was that twice the material was delivered to the theatre of operations in half the time, as compared with the previous 1990–91 Gulf war. When I visited during the period of maximum effort, I met workers who were turning in to work seven days a week to make the operation a success.

Local people have responded as constructively as they can to the announcements by the Ministry of Defence, especially the one about ending storage and distribution operations at Stafford. I recently joined other concerned interests in Stafford such as the local councils and the regional development agency, Advantage West Midlands, to form a taskforce to co-ordinate the local response. It is not a matter of my asking the Minister what he can do to help us. We are doing what we can to help ourselves locally.

The Minister knows about that because he kindly met a delegation from the taskforce that I brought to see him on 8 September 2005 and I was grateful for his co-operative responses. One of his decisions as a result of that meeting was to allow access to the civilian work force of Stafford by Jobcentre Plus and that has been helpful. It is proving extremely useful in building up support for those who will lose their jobs by way of training, advice and help with searching for jobs. The Minister also agreed that a representative of Defence Estates could support the taskforce and we have since met representatives of the Ministry of Defence as a result of that decision.

The Minister knows that we have a loyal and long-serving work force at RAF Stafford. Many of those who will lose their jobs have worked there for a long time and are over 50. They are learning that they will be disadvantaged in the redundancy package allowed to them because they are over 50.

I note from my correspondence with the Minister that the rules of the scheme are clear, but is there no help that could be given to workers aged over 50 who are facing sizeable financial losses? There is also a rule that help with retraining is not available more than three months ahead of redundancy. It would be helpful if the Minister could override that rule and say that workers at RAF Stafford who are threatened with the loss of their jobs next year could have help with retraining this year.

The other uniformed personnel remaining at RAF Stafford are the tactical supply wing, which is a vital part of every dangerous mission, as I have explained. They are virtually first to the front line and supply the fuel that keeps helicopters flying. They have had a base in Northern Ireland for more than 30 years. The head of that service is Joint Helicopter Command. They will stay at RAF Stafford for the foreseeable future, but it would be helpful if the Minister could tell me something about their presence in the longer term.

The question obviously arises as to whether there is a future for a military base at Stafford after these announcements. To be clear, Stafford people support our armed forces and want a presence in the county town. They support me strongly in seeking to persuade the Minister to agree to build up RAF Stafford with alternative military uses if current uses have to change. They also want continued opportunities for civilian jobs at the base.

Opportunities are coming up to enable Stafford to be used for alternative military purposes. The Defence Medical Education and Training Service has been successfully built up again after the terrible hollowing out that occurred before 1997. There is a new hospital development at Birmingham, Selly Oak. I know that the service has been looking outside Birmingham but within its proximity for less costly accommodation for its headquarters and non-hospital activities. Stafford has been considered as one of a number of locations that might be suitable and I have been told that as many as

[Mr. Kidney]

1,000 jobs are involved. I have provided the Ministry of Defence and the Defence Medical Education and Training Agency with a portfolio of evidence of the excellent clinical networks that are available at Stafford. There is a university on the doorstep with a school of health providing nursing training. There is an acute hospital trust that is willing to share training and laboratory work with the agency's headquarters. There is a mental hospital trust that is willing to form joint protocols on post-traumatic stress disorder investigations. There is a technology park next door to RAF Stafford with medical technology businesses that are at the forefront of development of medical technologies such as Sterilox Technologies International Ltd. Our ambulance service trust in Staffordshire is willing to do joint training with military personnel to assist them when they become civilians and need civilian qualifications later. Truthfully, I believe that the Defence Medical Education and Training Agency would benefit enormously from being plugged into those networks in Stafford.

A new 22 Signal Regiment is being formed and the Army would be very welcome at Stafford. I understand that around 700 military personnel will be involved in that regiment. Given the highly technological nature of today's communications systems, there is, again, a glorious fit at Stafford with the neighbouring technology park, where several graduate IT and communications businesses were started. The university has an international reputation for computing sciences and a growing department for media technology studies. In the longer term beyond those opportunities, there is talk of the Army developing garrison town settlements and Stafford might fit well with that development. Its edge-of-town location, good communications with the rest of the country and supportive civilian population make it a good choice, in my book. Local media reported positively on the Gurkhas visit to Stafford. I do not know if the Minister knows anything about that.

Such emphatically military uses will not provide anywhere near the number of civilian jobs that RAF Stafford supports in its defence, storage and distribution operations. That is why I ask the Minister to look at the trade unions' case for saving some of the storage and distribution, and engineering jobs at Stafford.

The taskforce that I helped to set up makes a great case for buying from the Ministry of Defence a portion of the camp's land that immediately adjoins the successful technology park. We believe that we can quickly raise the money to pay the full asking price for that land, and we know that businesses are interested in having premises there for light industrial and further technological uses. Can we therefore not go through a tortuous MOD process that leaves off taking a decision about sales until every other decision has been taken? Businesses are taking their business decisions now, and we need to know whether we can offer them land at that valuable location. It even makes sense that the MOD should have the capital receipt from the sale and plough it back into making the remainder of the site more amenable for the other users who are under consideration so that everyone wins.

I do not usually quote my local daily newspaper, the *Express and Star*, because it is not usually that supportive, but last week in an editorial it said:

"We must hope that the Government will listen and respond positively to the case being put for the threat to Stafford jobs to be lifted. If the Government is not prepared to give a stay of execution to the civilian jobs it is imperative that alternative military use is found for the base."

That is a fair summary of the situation.

The military activities carried out at RAF Stafford are all vital to the efficient and effective operation of the UK's armed forces, and the public of Stafford support the military presence in the county town and want it to continue. The announced losses of military and civilian personnel at RAF Stafford will harm our local economy unless we act decisively in response to the changing situation. We are doing all that we can for ourselves, but we need the MOD's co-operation. Retaining storage distribution and engineering capabilities at Stafford would help Stafford and be in the MOD's best interests. We would welcome the Defence Medical Education and Training Agency to Stafford and the clinical networks there would create two-way benefits for military and NHS clinical staff.

We would welcome the establishment of a new 22 Signal Regiment at Stafford, and it would fit with our existing specialism in computing, IT and media technologies. An Army base at Stafford would be well received by local people and existing facilities at RAF Stafford could be adapted to meet the Army's needs. Our enterprising taskforce asks the MOD to allow us to buy a portion of land to enable us to provide alternative civilian jobs for those civilians who are due to lose their jobs at RAF Stafford next year. Clearly there is an agenda that we could all sign up to which would mean some success for everybody, but a lot depends on the response from the MOD. Perhaps that can start with the Minister's response to this debate.

4.33 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): I congratulate my hon. Friend the Member for Stafford (Mr. Kidney) on securing the debate and thank him for providing me with the opportunity to speak on this important issue. I pay tribute to his tireless efforts in support of his constituents' interests at RAF Stafford. Once again, he has set out his case cogently and well.

The changes that have taken place at Stafford and in the wider region are part of a much broader process of change in the MOD. We are determined to modernise and improve the delivery of support services and to make the best use of available resources to ensure that every penny counts for the front line. As part of our response to the Gershon review, the MOD is committed to making 2.5 per cent. efficiencies annually between the financial years 2005–06 and 2007–08. That equates to £2.83 billion of efficiencies by April 2008. The savings from those efficiencies will all be reinvested in providing better delivery at the front line of defence.

As part of the defence change programme, the Department has also committed to reducing the number of civilian posts by more than 11,000 and the number of military posts in administration and support by more than 5,000. Again, the savings will all be reinvested in the front line. If we do not make those savings, the front line will go without.

I am aware of the impact on MOD staff employed in the west midlands of the various recent announcements related to the defence change programme, which covered areas such as training, logistics, repair and maintenance and the supply chain. I am also conscious of the continuing uncertainty about the long-term usage not only of the MOD estate at Stafford but of other sites in the region, and I understand the impact of that uncertainty on the local community. I regret that I am not in a position to remove it today.

As my hon. Friend is aware, a number of separate strands of work are being undertaken in the Department that bear on future employment opportunities in the region. He alluded to them, and I shall comment on them later. Hon. Members may rest assured that when I am in a position to make announcements to the House, I shall do so at the first possible instance.

Today, the Stafford site has two principal defence users, the RAF and the Defence Storage and Distribution Agency, which is part of the Defence Logistics Organisation. RAF functions at Stafford comprise the 85 expeditionary logistics wing, which provides logistics support to deployed operations, and the tactical supply wing, which supports the joint helicopter fleet and is under the command of the Joint Helicopter Command headquarters. Also, an engineering services function recently transferred from the RAF to DSDA, and the RAF museum reserve collection is situated on one of the outlying sites under lease from the MOD.

Two current initiatives will affect future employment at Stafford. The first stems from our announcement in July 2004 concerning the creation of the air combat service support unit logistics hub at Wittering. I appreciate my hon. Friend's recognition of the rationale behind that decision, and I recognise his unhappiness that it went against Stafford.

The build-up of the logistics hub at RAF Wittering is proceeding as planned, and includes the relocation of the 85 expeditionary logistics wing from Stafford. That move will result in a reduction of 59 civilian posts and the transfer of about 440 RAF posts. With the transfer of the 85 EL wing, direct RAF interest in the Stafford site will cease. The technical supply wing, which employs 210 RAF personnel, will remain, pending a decision on the future basing requirements of the support helicopter force.

My hon. Friend referred to another part of the process of change, and spoke about the duff information that I was given. What happened was this: we were looking at RAF Scampton as a preferred base for the communications hub. When we revisited Scampton for site analysis, we discovered that such a move would have considerable cost implications. We then looked around the rest of the estate, and considered Stafford while doing so. However, because of insufficient domestic accommodation, that move would have been costly to the MOD. As a result, we have announced that RAF Leeming will become the centre. I do not accept that the information was duff. It was the best information at the time, and it was carefully analysed and revisited. If RAF Stafford had come out favourably, of course we would have made that decision accordingly.

Mr. Kidney: I do not want to go over old wounds, but it is important to consider when looking forward that my right hon. Friend was assured that accommodation at Wittering would be fine for the personnel transferring. Once the decision was taken, it was decided that it was not fine. The Ministry of Defence has paid premium prices for the construction of new accommodation for the people moving from Stafford to Wittering, and that was not taken into account in the original calculations. That is the kind of thing that I am asking him to beware of the second time around.

Mr. Ingram: I am not sure that I agree with that analysis, but I shall write to my hon. Friend on the matter. We are always wary of the analyses, and we always ensure that they are properly scrutinised using a range of methods. That is why some of the things that we do change direction. As we do the site analysis, we discover infrastructure issues. For example, the water and sewerage might be very old. Any old site will have old infrastructure, and as we explore it we discover other elements. If the information is not accurate, it must be revisited and examined and hopefully the correct decision will be taken.

The second stream of work that has an impact on employment at the site is the future of the defence supply chain initiative. It was launched in 2002 with the aim of improving the management of the defence supply chain. In July of last year, my right hon. Friend the Secretary of State for Defence announced to the House the selection of an in-house option known as "Do Different," on the basis that it would provide the best balance between improved logistic support to operations and better value for money for taxpayers. Under the FDSCI three defence storage and distribution centres are due to close by 2009. The first of those will be at Stafford in 2007.

An important aspect is that we are talking about an in-house preferred bid against private-sector competitors. We have been criticised in the past—wholly wrongly, as far as I am concerned—for believing that private is good and public bad. The present case is a good example of where the reverse is clearly the case.

The closures to which I refer are in no way a reflection of the invaluable contribution that employees at the DSDCs have made—some over decades of employment at the MOD, as my hon. Friend said. Given the consequences for staff, the decision under the FDSCI was difficult. However, our experience on operations has shown that it is imperative for us to improve support to the front line. That is not a criticism of the work done at the sites, as my hon. Friend pointed out in reference to the National Audit Office report, but we must improve the means by which we deliver, right through from the factory at the beginning of the supply chain to the front line.

Such a change will produce a modern and effective defence supply chain, focused on meeting the demands of today's armed forces. Our calculation suggests that full implementation of the change will make savings of more than £50 million a year by 2010, and of more than £400 million over the next 10 years. Those are very sizeable savings.

The new supply chain organisation will require some 2,000 fewer posts. Of those reductions, almost all will be civilian jobs and approximately 530 will be at the Stafford DSDC. Natural wastage will account for some

[Mr. Ingram]

of the total reduction and there may be opportunities for some staff to transfer elsewhere within the MOD, but we expect about 280 redundancies. The future of engineering services, which employs slightly more than 230 civilian personnel and 33 servicemen, falls outwith the scope of the FDSCI and is the subject of a separate study.

We are committed to providing appropriate support to the staff at RAF Stafford and elsewhere who are affected by these decisions, and we have engaged fully with the trade unions. Arrangements for MOD welfare and outplacement services will be extended to provide staff, their spouses and dependants at all affected sites with access to professional advice and assistance where possible. The service is designed to help with financial advice, preparation for employment in the private sector, and relocation. I have taken note of my hon. Friend's points about pensions and possible training in advance of some of the dates in question. Again, I will write to him on that point. If we can help, we will do so, but clearly we are sometimes inhibited by existing regulations.

There may be some opportunity for staff working at Stafford to transfer to Donnington, or to other Government Departments, and so a staff preference exercise will be undertaken. As my hon. Friend knows, my officials are already working closely with Jobcentre Plus to manage the draw-down of numbers and, where possible, to identify alternative employment opportunities for staff affected.

I commend my hon. Friend's positive engagement with Stafford borough council in establishing the taskforce that aims to secure the Stafford site as a long-term future source of local employment. I emphasise, however, that there are no plans to dispose of the Stafford estate. Defence Estates remains engaged with the taskforce and continues to explore possible alternative uses for the site. I know that the process seems long and drawn-out, but if we have valuable estate, we would be wrong to dispose of such assets until we know precisely what the future requirements of the site will be. Although it looks as if a planning blight is being put on the site, we are trying to do what is right for defence.

The total number of staff who will remain on the Stafford site post-2007, not including those at the RAF museum facility or contractors, will be approximately 210 service personnel and two civil servants, all of whom are part of the tactical supply wing. Those figures do not, of course, take into account any number associated with future basing options that are the subject of ongoing studies, such as that considering the future of engineering services—

Mr. Eric Martlew (in the Chair): Order.

Public Administration Review (Northern Ireland)

4.45 pm

Mr. Peter Robinson (Belfast, East) (DUP): I am delighted to have the opportunity to raise the review of public administration in Northern Ireland. Whatever anybody might think about the proposals brought forward by the Government before Christmas, there can be no denying the impact that the RPA will have on the administration of Northern Ireland, not only over the next few years but in the foreseeable future. It is therefore vital that we get it right, and I hope that this brief debate will be an opportunity to raise a few of the many vital issues presented by the RPA.

In the absence of devolution, there are few occasions when we can get time to debate such matters at Westminster. Given the huge impact that the RPA will have on Northern Ireland, it is welcome that some time has been given to debate the matter in advance of the various pieces of legislation that the Government will no doubt bring forward. I have to say, however, that the Government ought to have set time aside, either in the House or in the Grand Committee, rather than an individual having to use this useful yet limited mechanism to have such important matters discussed.

The process has seemed at times to be never-ending, and so it may seem a little strange for me to ask the Government to take a little more time over the decision. However, given the long-term impact that the review will have, it is important that the Government get it right. The process was first announced by the Ulster Unionist party Department of the Environment Minister in the Executive and at an Ulster Unionist party conference. It was later adopted by the Assembly Executive. I say that not to associate the UUP with the details of the outcome but simply to record where the process commenced and was shaped. The Government must take ownership of the details of the outcome. In defence of the Ulster Unionist party, because nobody is here to defend it, I will point out that the Government have sometimes employed the argument that because the Assembly began the process it is responsible for the outcome. That, I think, is difficult to reconcile with logic.

We all hope, I believe, that devolution can return to Northern Ireland as soon as circumstances allow. It would be a pity if, because the Government did not take time to listen to the views of those who have been democratically elected in Northern Ireland, substantial time and effort were wasted in proposals that might be scrapped by an incoming Assembly. Making plans without any certainty about whether there will be a return to devolution has not been easy. We all recognise that. However, the review will clearly have an impact on the nature of local government in the Province. What is needed in the absence of an Assembly is clearly more extensive and meaningful than what would be required were devolution in place.

One has to accept that when proposals are brought forward that are likely to effect a huge section of the public sector in Northern Ireland, vested interests will inevitably be at stake. Difficult decisions have to be taken and the Government undoubtedly have to take them. People understand that such a fundamental

exercise cannot take place without an element of pain. Having said that, I believe that the Secretary of State is making some massive mistakes with some of the proposals that he announced before Christmas. In some areas, the Government are moving in the right direction and the proposed measures seem to be sensible. However, the decisions that they have reached in others are mistaken.

The number of new local councils has been the most controversial of all the proposals in the RPA. I do not believe that many people would argue that we need 26 councils to perform the functions of local government in Northern Ireland, but the reduction to seven is, for almost all of us, a step too far. For a range of reasons, it does not make sense, the underlying one being that that would lack political support in Northern Ireland. Plans with far-reaching consequences which might take years to implement, and will shape the future of local government for a generation, need to command broad political support in Northern Ireland. It is clear that the proposal for seven councils has limited support from those who sought a mandate from the electorate last May. In fact, four—perhaps four and a half—of the five largest political parties in Northern Ireland are opposed to it.

If the Government are keen to see devolution return, why do they want to proceed in a manner that they know to be in direct conflict with what the Assembly would do if it were making that decision itself today, and with what it might do in future? That does not make sense.

This is not simply a DUP concern, but one that is shared by the Alliance party and the Ulster Unionist party and has been voiced by the Social Democratic and Labour party. Indeed, when a leading member of Sinn Fein takes his life in his hands and speaks out against the official republican line, it is clear just how strong feelings are on the matter. The Government used to welcome political consensus in Northern Ireland; now they seem to want to work against it. One of their rather lame explanations for proceeding in defiance of the political views in Northern Ireland was that they were doing so because of the results of the consultation process. That is a novel approach. The Minister will know what the consultation process said about the Government's post-primary education recommendations that relate to her Department, but I have heard no talk from her about that dictating what her policy should be.

More importantly, the consultees who form the majority of those who made submissions represent a small fraction of the community, while those whom the Government regard as forming the lesser part of the consultation have a mandate from the overwhelming majority of the community in Northern Ireland. Moreover, it would be wrong for the Government, as they have done from time to time, to characterise the views of parties in Northern Ireland as being based simply on self-interest.

One of the Government's central justifications for reducing the number of councils to seven is that it will create efficiency. How many dire crimes have been committed for that purpose? That was not an aspiration that the Government had when they designed the Belfast agreement, nor is it consistent with other elements of the RPA. When the RPA was being set up during devolution, my colleagues and I argued that its scope was too narrow, and that it needed to encompass the Northern Ireland Government Departments as well as local government and other public bodies.

Why is local government being singled out while the Government close their eyes to the huge political bureaucracy that has surrounded the Belfast agreement: 108 Assembly members, 11 Government Departments, a host of north-south bodies and an equality agenda that bleeds millions of pounds out of public and private sector hands every year? Despite what is being suggested now, I doubt that, by the time the whole process is over, any meaningful savings will have been achieved by moving to seven councils rather than 15 or even 11. Indeed, some council chiefs have already been advised to set money aside to pay for the RPA. Why? We were told that it was going to save money, so why do we need to store up funds to pay for it? The reality is that seven councils will lead effectively to the balkanisation of Northern Ireland and to two large blocks. The approach is not sensible and it will lead to impossible decisions having to be taken about how those councils will be governed and how they will function.

Mrs. Iris Robinson (Strangford) (DUP): Is my hon. Friend aware that despite the proposal in the RPA to cluster Ards with North Down, Castlereagh and Down district council, the latter is currently proposing to go ahead with a multi-million pound new civic centre? The unnecessary spending spree will cost all ratepayers money. Will he join me in appealing to Down district council to ditch the proposal, because there is no way, on the periphery of this new envisaged council area, that it would be central to where we should be meeting when the proposal kicks in?

Mr. Robinson: I agree with my hon. Friend, and I will discuss that matter separately from that of balkanisation, which is an important issue that she has raised. The Minister and the Government will have to deal with the fallout that will undoubtedly occur because of things being done not only by Down district council but by others.

On balkanisation, as a result of the division into seven that has been suggested, we will end up with a situation where Unionists will be dominant in the north and east while republicans will dominate in the south and west. Alternatively, we will have governance arrangements that will make the simplest decisions virtually impossible to take. Having seven mini-assemblies across Northern Ireland is not likely to prove the most sensible way to take decisions.

Proposals for seven councils will also destroy any meaningful sense of local identity and will inevitably make local representation more remote from those whom the representatives serve. In effect, we will have not local but sub-regional government. Many of the areas being lumped together to establish the new councils will have virtually nothing in common.

There could be no better illustration of that than the head scratching that is currently going on in an attempt to come up with names for the seven super-councils. For instance, what do Lurgan and Portadown have in common with the far side of Newry? I would suggest that the answer is not a lot. The geographical area envisaged for the most westerly new council is huge. Will

[Mr. Robinson]

councillors be expected to travel from the centre of the Province to the furthest tip of Fermanagh on council business or from the outskirts of Belfast to the north coast?

A move to 15 or even 11 councils would make it possible to achieve many of the same efficiencies as a move to seven, while retaining a local connection. The Government claim to have reached their position in favour of seven in part, at least, on the basis of independent research and analysis, but I do not believe that these factors, when they are examined closely, outweigh other considerations in making the decision.

I will touch on the issue that my hon. Friend raised, which is not about the nature of the proposals themselves but relates to their consequences, no matter whether we are talking about seven, 11 or 15 councils. The Government must step in with firm regulations about capital spending between now and the transfer to the new super-councils. There is already evidence of major spending by a number of councils in an attempt to dictate where future facilities will be placed by committing expenditure now, knowing full well that it will not be them alone who will have to pay for it, but their neighbours who will be clustered along with them.

My hon. Friend raises the issue of Down district council. Its offices may well need to be improved, but the multi-million-pound development proposed is clearly the kind of development that one would expect for whichever council was to enjoy hosting the new super-council. Down is on the periphery of the area cluster, but perhaps the councillors of Down know the Government's thinking, and know that they are going to change their mind about the seven councils that they have already proposed. The Minister can be certain that if the Government do not stop that practice it will grow, and significant sums will be spent in the coming years in an attempt to spend now and get someone else to pay for it later.

Dr. William McCrea (South Antrim) (DUP): Does my hon. Friend agree that it is about time that we told the Administration that any decision they make now will not tie any future Assembly that comes into existence? If an Assembly looks into the matter and believes that the decision is undemocratic and not right, that decision should be changed.

Mr. Robinson: I hope that my hon. Friend and I have got that message across to the Minister. Given the amount of upset that such a reorganisation causes, it is sufficient if it happens once in a generation; that is better than twice. That is why it is essential that the Government carry the political parties of Northern Ireland along with them, rather than going head-on in defiance of the advice offered.

In the context of overall public finance, local government spends a very small percentage of public money in Northern Ireland, yet it has come in for particular attention. So far, the Government have had very little to say about quangos. It will be interesting to hear whether the Government's proposals on them are as radical as their proposals on local government. Over the past 30 years, the lack of democratic accountability of those bodies has been disgraceful. It is absurd that those hand-picked by the Government to sit on one of those bodies should have more power than democratically elected politicians.

In Northern Ireland, over the past three or four decades the route to power and to effecting change has not been to get involved in democratic politics and to run for office; it has been to join a paramilitary organisation or sign up for a quango. One need only look at the list of those who have been on more than one quango to see what an industry it has become. Whatever else the Government do, the issue of democratising quangos must be addressed. Where there continues to be a need for quango-type arrangements, it is important that democratically elected politicians make up a majority of those on the bodies.

Much has been said about the potential for savings; little, however, has been said about the costs of setting up and operating the new structures. For instance, the five education and library boards will be reduced to one, but a raft of new bodies will be created. Furthermore, the bodies representing the Province's multitude of education providers are to remain, but with little discernible role. Health boards and trusts are coalescing, but a new tier of local commissioning is to be created. What will be the total for the setting-up and running of those seven primary care organisations?

In light of the Government's eagerness to create efficiencies and save money, one of the most absurd decisions coming from the RPA is that relating to the roads function. I come to this issue as a former Minister for Regional Development, with, I hope, some of the knowledge that that brings. As a Minister, I had the opportunity to meet, and on occasion visit, key individuals on road and transport matters in countries across the world—from Europe, from the USA and from as far afield as Australia and New Zealand.

The unanimous view expressed to me—I heard it from every individual that I talked to about the problems that they faced in relation to roads—was that we should be counting our blessings that we had a unified road service. Many of the difficulties that others faced arose from the fact that responsibility for roads in their jurisdiction had been splintered. The proposal in the RPA has all the hallmarks of doing something for the sake of doing it. In this debate, there is not the opportunity to discuss those matters at length, but I ask the Government to look into the issue again. I believe that the Government are giving the responsibility to local government just to be seen to be giving it more powers. It is not a sensible basis on which to proceed. Those in local government will not thank the Government for it when, if I can use the pun, they are further down the road. The proposal to give roads functions to local government will not create efficiencies, nor will it deliver a better service. The decision flies in the face of virtually every other recommendation in the RPA.

One matter that the Government have not yet decided in relation to the process is planning appeals in Northern Ireland. One of the proposals during the consultation process was that, with planning matters being returned to local government, the Department would take over the appellate function from the Planning Appeals Commission in a manner that is broadly in line with England. I need not tell the Minister

the difficulties that are faced in relation to planning and some of the decisions that are taken, but the one element of the process that attracts the highest level of respect is the Planning Appeals Commission. There is a suspicion that, because it has been too independent and done its job too well over the years, the Government are taking this opportunity to get appeals back to the Department. That is a mistake. Will the Minister take account of the views that were expressed during the consultation by those who have knowledge of that facet of planning?

Despite the initial announcement on the RPA, I believe that there is still time for the Government to think again about a number of the recommendations coming out of it. It must be clear to the Minister that by working with, rather than against, the political parties in Northern Ireland, it is much more likely that the Government will create arrangements that last another generation, rather than simply until devolution returns. I urge the Government to think again before embarking on a path that will ultimately be reversed, if it is ever fully implemented.

5.6 pm

The Parliamentary Under-Secretary of State for Northern Ireland (Angela E. Smith): I congratulate the hon. Member for Belfast, East (Mr. Robinson) on securing the debate. I know of his concerns and his interest in the review of public administration. I understand what he said about this being a brief debate—I am afraid that the reply will be even briefer, given the time available, but I will do my best to do justice to the issues that he has raised.

Initially, I will make some general comments. The decisions on the outcome of the RPA were announced by the Secretary of State in November. As the hon. Gentleman recognises, the programme of reform is challenging in health, education and, particularly, local government. He is quite right to say that local government is an area of particular controversy. It is worth reminding ourselves why we embark on these changes in the first place. As he quite rightly pointed out, the process was started in June 2002, during devolution, just prior to the Assembly being suspended. It was initiated by the Northern Ireland Executive and it had overwhelming support from the Assembly and its Committees.

All of us regret that, following that, devolution was suspended. It has fallen to direct rule Ministers to take the process forward and I do not think that any of us anticipated that we would be taking it forward to this stage. However, at every stage, the Northern Ireland political parties have been involved in the process, and until the Assembly is up and running that will continue to be the case. Most of the hon. Members here today have met me on issues relating to education. I recall meetings on the RPA with all political parties, in which views were taken forward and comments on education were listened to and taken into account before final announcements were made.

The devolved Administration, like the current Administration, recognised that Northern Ireland is hugely over-administered. There is unanimous agreement that government needs to be smaller in order to be effective. The review is also intended to ensure that taxpayers' money is not spent on bureaucracy and administration, but is redirected to front-line services for the public in order to get maximum value for money. Our view—I think that it was the view of the Assembly, as well—is that public services have to be responsive and accountable to the public, who pay for them.

During the debate in the Assembly in June 2002, when the terms of reference for the RPA were secured, a colleague of the hon. Gentleman, Councillor Edwin Poots, MLA, made some comments that bear repetition. He said that

"as public representatives we serve the public. It is our duty to ensure that the administration exists to serve the public, rather than us . . . The review provides a unique opportunity to do that, and we must ensure that its outcome is a better, more efficient system that saves money on administration and delivers better core services."

We would all sign up to that and we are firmly of the view that the decisions announced in November will deliver it.

The decisions announced by my right hon. Friend the Secretary of State and other Ministers who have been involved with this are a huge step in improving the development and delivery of public services. To that end, we have been true to the views expressed by the Assembly in 2002.

The decisions radically streamline the whole Administration, whether we are talking about health, education, local government or public services. Those savings are not savings made just for the sake of it; they are made in administration to ensure that we have resources for front-line services. The hon. Gentleman said that it is important that we get it right, and I entirely endorse those comments.

The review process has been highly transparent throughout, with very participative consultation involving key stakeholders, organisations, elected representatives and the wider public. There were two consultation periods, the latest of which was a six-month period. The review team had more than 80 different consultation engagements and meetings, which covered 300 different groups and approximately 1,000 individuals. There was also an extensive research programme, including academic papers and independent research on a wide range of relevant issues, surveys, focus groups and study visits. All that information is published on the review website.

Ministers did not take decisions in a vacuum; they considered all the evidence presented, including that from all political parties. I challenge the hon. Gentleman: he said "whether" there would be a return to devolution. There will be a return to devolution and those issues will be taken up by local Ministers.

The decisions were strongly evidence-based, particularly in relation to the seven-council model. I understand the concerns raised about that, but I am a little concerned sometimes that the debate is about the number of councils. During the meetings I had with the Northern Ireland Local Government Association when I was the Minister responsible for the environment, the question concerned the efficient, effective and economical delivery of local services. We have to consider the functions that we expect local government to deliver, prior to considering the number of councils.

What are the functions, how can we best deliver those in the interests of public services and what number of councils can best deliver this model? All evidence

[Angela E. Smith]

pointed to the optimum number of councils being seven. No hard evidence presented counteracted that notion when Ministers made the decision. It is clear that councils need to operate on a much larger scale to maximise the benefits. The hon. Gentleman recognised that; I do not think that he was trying to defend a 26-council model. If we are to maximise the benefits by transferring functions to local government, we need to ensure that there are large enough councils to do that. It is not just a question of efficiencies, it is about increasing the role of local councils and councillors and extending their functions.

There was broad support from across Northern Ireland for the seven-council model. Of the 113 responses to the further consultation document that indicated a preference for the number of councils, 62 per cent. supported seven and 18 per cent.—almost exclusively made up of those in the political establishment—supported 15.

Mark Durkan (Foyle) (SDLP): The Minister referred to the responses. Some of us met some of the organisations mentioned, not least those in the community and voluntary sector quoted by the Government as supporting the seven-council model. Those organisations openly admit that they did not consult any local bodies on whether there should be seven councils in principle, or on any of the proposed councils. The hard evidence against the seven-council model will come when boundary hearings are held on the proposed, incongruous, local councils.

Angela E. Smith: If someone responds to a Government consultation and gives a point of view, we do not tend to go back them and ask them how they reached that point of view. If an organisation responds to Government consultation, we accept the response at face value. We would be criticised if we did not do so.

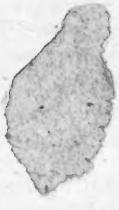
The evidence that was considered dealt with research into the distribution of the property wealth base; population, social and economic issues and local identity figured very strongly as well. Consideration was given to equality, social need, the population spread and where people live and work. We took account of the views expressed to us by individuals and groups. We felt that the challenge was to ensure that local councils and local councillors engaged meaningfully with the public, so that the public felt engaged.

One of the criticisms made has been of the roles and responsibilities of local government. I am disappointed that no hon. Members here today have said what a good idea it is, or how important it is, that local democracy has been enhanced by strengthening the functions of local government.

The process will require meaningful engagement between councillors and local communities to ensure that local voices are listened to. I understand the points of the hon. Members for Strangford (Mrs. Robinson) and for Belfast, East about balkanisation, and how they feel that the proposals will repartition Northern Ireland. I do not accept the argument. People in Northern Ireland live where they live; council boundaries are not going to affect where people live. At present, the majority of people who live in council areas in the west of Northern Ireland tend to vote for nationalist parties and in the east they tend to vote Unionist. Whatever the configuration of local councils, those divisions will remain. That position remains. If there were to be 11 or 15 councils, I do not see how that will make any difference at all to the issue raised by the hon. Member for Strangford.

Mr. Eric Martlew (in the Chair): Order.

It being fifteen minutes past Five o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.



Westminster Hall

Thursday 2 February 2006

[MR. DAVID AMESS *in the Chair*]

Further and Higher Education (Employer Engagement)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Heppell.]*

2.30 pm

The Minister for Higher Education and Lifelong Learning (Bill Rammell): I am pleased to have the opportunity to lead this important debate. It used to be the view on the left and the right of the political divide that further education, and especially higher education, stood in grand isolation from what might be described as the grubby utilitarian economic needs of the nation. That view has significantly changed. It is now recognised that if we want a more productive and prosperous economy the further and higher education sectors have a crucial and significant role in developing our skills base and educational attainment, linking directly to the needs of business and engaging in local, regional and national economic development across the country.

The picture nationally shows that the UK has a strong economy, but in key respects we lag behind our competitors in Europe and the rest of the world. Raising skills levels in the work force is therefore vital to our country's well-being. It is vital for our economy to raise productivity and competitiveness to world-class levels, which will give young people the best life chances and enable them to make the most of their potential in education, work and training. For adults already in the work force—more than 50 per cent. of the 2020 work force are over 25 now—we need to create sustainable employability, give them the opportunity to progress in their working lives, and through upskilling and reskilling develop and sustain better public and private services. If we want personalisation and customer care to be at the level that all in society require, better education and training will be needed.

A modern, successful economy with high-performing, productive workplaces must have an education and training system that can develop top-quality learning, driven by the needs and ambitions of employers and individuals. Research has shown that we will need a rapidly increasing number of young people to gain higher skills for the new jobs that will be created in the global marketplace of the future. However, in order to compete in the international marketplace, we must help people in work to update their skills. To take just two examples, India and China are no longer low-skilled, low added-value economies but compete directly with us in high-skilled, high added-value businesses.

I led the higher education delegation to India last summer and I was palpably struck by the absolute commitment and determination of the education providers, the universities, the training providers and the people in that country. That is a significant challenge to this country and our economy. Unless we rise to that challenge, we will be blown away by the global competition. It is not a given that Britain will remain the fourth largest economy in the 21st century. We have to strive to achieve that.

Annette Brooke (Mid-Dorset and North Poole) (LD): I was interested in what the Minister said about the Indian experience. Will he comment on the type of jobs that people in India get when they have graduated? It would be worrying if their newly acquired skills could not be used to the fullest extent.

Bill Rammell: There is evidence that Indian graduates, whether they are educated in India or in this country, have access to high-quality jobs. In technology, business and commerce in India, there is a follow-through to the available opportunities. I do not criticise that development but it is a challenge for us, which is why we need to respond and to ensure that every person in this country has the opportunity to develop their skills. At present the Government help more than 6 million people to improve their skills every year. Raising the proportion of workers trained in industry can bring a 4 per cent. increase in added value per worker and a 1.6 per cent. increase in wages. This is very much a win-win situation. Because we regard skills as so important, we commissioned Lord Sandy Leitch to undertake an analysis of our skills profile as we move towards 2020.

Mr. Philip Hollobone (Kettering) (Con): May I mention the Tresham institute, which has campuses in my constituency and the neighbouring constituency of my hon. Friend the Member for Wellingborough (Mr. Bone), and which does marvellous work in further and higher education and has established tremendous links with local employers to improve the skills of the local young work base?

Bill Rammell: I am aware of the work that the institute undertakes. The hon. Gentleman has mentioned it before. I pay tribute to that work.

Mr. Peter Bone (Wellingborough) (Con): One of the first visits that I made as a Member of Parliament was to Tresham institute in my constituency. It made the point that the Government are directing it to take money from adult learning and into young people's learning. As a result it has had to cut adult classes. Can the Minister comment on that?

Bill Rammell: I am happy to. The picture is much more complicated. First, there is no way in which the Government can be described as underfunding the further education sector. Over the past eight years, we have increased funding to that sector by about 48 per cent. in real terms. I do not wish to make a crude party political point, but I will. The level of financing for further education colleges in the five years prior to 1997 was cut by 14 per cent. in real terms. Therefore, there has been a step change in funding.

Money has to be spent on the right priorities. Those priorities were established through the Government's two skills White Papers, which received cross-party support and established consensus that they were the right priorities. Sixteen to 19-year-olds are a priority,

[Bill Rammell]

but so are adult basic skills and the roll-out of the national employer training programme, on which I will comment later. I think that those are the right priorities. If we argue that, within a budget that is still increasing, more needs to be spent on those areas, it means that other areas, which one might crudely describe as adult leisure and recreation, will not receive as much funding.

I say not that those courses should cease but that the individuals should be asked to pay a little more for them. Under the financial regime that we brought in, the average cost of an adult education class will rise over the next two years from approximately £1.42 an hour to £1.94 an hour. Alongside that there will be significant protection for people on means-tested benefits. That is the right strategy. As I go up and down the country talking to providers, I find that people understand the strategic direction in which we are moving, but we need constantly to explain and rationalise what we are doing.

Mr. John Hayes (South Holland and The Deepings) (Con): The Minister cannot be allowed to get away with that. He knows that the skills for life programme, which is designed to bring adult learners back into the process and to re-engage them, is unfortunately heavily skewed towards younger people. That may be due to paucity of provision in state education. I do not know. But certainly it is not providing the opportunity to the degree that is necessary to bring people back into the process of learning and training, so that they can be reskilled for the needs of the workplace. Demographic change means that fewer young people are coming through, so that will become more and more of an embarrassment to the Minister. What specific measures will be put in place to encourage people, perhaps 30, 40 or 50-year-olds, to reskill and to re-engage? They are hard-to-get groups and he is not getting them at the moment. I rushed here from a meeting with the chief executive of the Learning and Skills Council and that is what he told me.

Bill Rammell: It is clear that, if what one might describe as stepping-stone provision—the courses that get someone into the education and training system and lead to a level 2 qualification, which is the equivalent of 5 GCSEs—is properly mapped against the national framework, it receives funding.

As to the group to which the hon. Gentleman refers, one of the most radical and justifiable initiatives that we are undertaking is the national roll-out, from 1 April, of the national employer training programme, or train2gain. It is incredibly radical and positive. For the first time in this country, adults in the workplace are being told that if they do not have their full level 2 qualification, the state, through a broker, will step in and provide the training either in a college or through another training provider. That is the right thing to do.

I want to throw back the Opposition's criticisms to them. We are increasing funding to the further education sector by far more than was achieved under the Conservative Government. If the hon. Gentleman does not think that we are handling the matter correctly, where would he make cuts? Where in the increased budget does he propose that we should make cuts to fund the provision that he wants in particular areas? Unless he is prepared to answer that question honestly and openly, his approach will lack credibility.

Mr. Hayes: The Minister is far too intelligent to resort to such a primitive line of attack. He knows that we are discussing a partnership between employers, the Government and all kinds of elements in the process to engage people in education and training. In expressing the curious idea that it is just a matter of spending, he is making a cheap dig. I think—he has acknowledged this in comments that I have read—that all kinds of other things are involved. They include expectation; the way learning is perceived; making sure that there is sufficient flexibility in the system to make learning possible, by working with employers on where learning and training take place; and making the bridge between schools and FE and the world of work easier to cross. All kinds of things matter in that context, and not all of them are about money, as he knows. Some may be, but he needs to elevate the discussion on the subject, just as he has, I am sure, elevated his thinking.

Bill Rammell: Forgive me. I do not know about being primitive, but if the hon. Gentleman asks me to spend more Government money, which was the clear thrust of what he said earlier, he should not be surprised if I ask him where that is to come from. Unless he can answer that question, we will not credibly tackle the issues.

Mr. John Horam (Orpington) (Con): Will the Minister give way?

Bill Rammell: Yes, for the last time, and then I shall make some progress.

Mr. Horam: The Minister has been very good about giving way. He mentioned the training broker programme, which is an excellent scheme. It has been widely welcomed, and I too welcome it. However, the evidence from Orpington college in my constituency, which has an excellent record in the relevant matters, is that it is not working as well as it could. One reason for that is not money—my hon. Friend the Member for South Holland and The Deepings (Mr. Hayes) is right on that point—but the profile that the programme has. It is not being publicised as well to employers, in particular, as it might be. I should like the Minister to deal with that, because it is important. The arrangements could work a lot better than they do.

Bill Rammell: I accept the hon. Gentleman's integrity in raising that matter. The programme is developing and is not being rolled out nationally until the coming financial year. We deliberately started with a pilot programme to learn from the pilots as things move on. I particularly take his point about awareness in business. One has only to breathe about school issues and one immediately commands attention and media coverage, but if one wants to talk about work-based training, which is in many ways equally important, and can fundamentally affect the development of the economy, it is extraordinarily difficult to get newspapers, television and radio interested. We are working on that, but I should welcome his support in pursuing progress.

As I was saying, we regard skills as very important, which is why we commissioned Lord Sandy Leitch to undertake an analysis of our skills profile as we move towards 2020. Our position has improved over the past decade, and that is likely to continue, but despite those improvements, we still have a poor basic skill level and an unacceptably high number of adults without at least a level 2 qualification. That is the crucial platform on which we are trying to build so that we can progress to the higher skill levels that business and the economy need. To improve our performance, we must tackle the demand for and supply of learning. We must ensure that employers are increasingly actively involved in shaping training and learning so that they respond better to employers' needs.

The challenge involved in that is great. About 80 per cent. of the 2015 work force is already in the world of work, so there must be a significant drive to improve their skill levels. The Government are making significant strides in that respect. Through our five-year strategy for children and learners, we are setting the framework for developing an education and learning system that is among the best in the world. Our vision is also about putting employers centre stage in improving the skills of the nation, as we set out in our two White Papers on skills. Our skills strategy is about supporting businesses to improve their bottom-line profitability and success. The train2gain scheme, to which I referred earlier, is a key element of that.

We therefore have a programme of transformation to build skills for the future. It involves transformation throughout the system, and I want to explain in some detail what I mean by that. First, we are transforming the way in which employers shape the learning system through the skills for business network. That network is now complete, and 25 sector skills councils, representing employers from 85 per cent. of the working population, have been tasked with producing the crucial sector skills agreements. Those agreements are not just pieces of paper; indeed, if they are to work, they cannot just be pieces of paper. Rather, they must be a living and changing analysis of skills demands and learning needs, and must reflect what employers want and what learning providers should deliver. Sector skills councils projects are now influencing further and higher education.

Secondly, we are rightly transforming the schools experience of young people from the age of 14 by means of the specialised diplomas, which should and can provide young people with a real choice when deciding whether to pursue the academic or the vocational route. That is an important initiative, which allows us to tap in to those young people, who can be switched off from the academic route. If we can engage them in decent vocational education and training, they can be enthused and become committed to achieving to the right levels of qualification. If it suits them, they can ultimately progress down that route to higher education.

In that respect, we are also transforming our higher education system. We are introducing variable fees and a modern system of student support, and I should also mention foundation degrees, our focus on gateways to the professions and the sector skills projects. In a modern, knowledge-driven economy, knowledge transfer is about transferring good ideas, research results and skills between universities, other research organisations, businesses and the wider community to enable us to develop the innovative new products and services that we need. That has been one of our goals. We recently announced the third phase of the higher education innovation fund, under which £238 million is being made available, and that figure has risen in each consecutive round. As I witnessed at Sheffield Hallam university the week before last, there is a host of examples of where the necessary changes are being made, with teaching and research in the university sector being applied to business situations and to developing products that can be used in a meaningful way.

One thing that I have picked up by talking to higher education providers throughout the country is that that process is working well. However, higher education institutions need to develop their skills and the profile of their personnel, so that they not only do the excellent knowledge-transfer work, but develop the entrepreneurial skills necessary to exploit that potential commercially. Many higher education providers are looking at that at the moment.

Higher education has a great deal to offer employers. By accepting the need to think afresh, the sector has rightly opened itself up to the potential benefits that partnerships with business can bring.There has been a transformation in thinking on the issue within our universities. More than 89 per cent. of higher education institutions now have a single inquiry point for businesses, and higher education institutions already engage with employers to a significant extent—for example, in providing continuous professional development. However, I should add that the higher education sector could expand that. The sector currently receives about £130 million of business in continuous professional development, but the market for that amounts to about £4.5 billion, so the sector could undertake significant further development.

Foundation degrees are a crucial element in our efforts, and they are beginning to be a significant success. They are higher education level qualifications that are designed alongside the employer, with their needs very much in mind. Already 50,000 students will be undertaking foundation degrees by the end of the year. Our aim is to have 100,000 such students by the end of the decade, which is achievable.

We are also transforming the further education sector. That is the right thing to do. FE colleges and skills providers are important for achieving our objectives, and we want to support them to maximise their impact. The recent Foster review of further education has been significant. In my experience of talking to people from colleges throughout the country, the review has commanded widespread support. Its focus is on the vocational, more specialised mission in further education colleges. That is the right way forward, and the Government aim to respond shortly to the issues that the review raises.

We want the further education sector to work closely with employers to identify their training needs, to develop business solutions tailored to their skills needs, and to involve them directly in the design and delivery of learning provision. That type of engagement has real benefits for everyone concerned. Employers get the services they want; colleges keep up to date with

[Bill Rammell]

local business and vocational needs, thus providing a valuable additional source of income; and, crucially, learners get the training and skills that their employers will require of them when they enter the workplace.

Mr. Hayes: I appreciate the Minister's comments on the Foster report. He is right about the essential link between education and employment. However, does he appreciate the size of the mountain that we have to climb? Sir Andrew Foster comments that

"the relationship between employers and FE colleges is patchy and needs to be significantly improved."

We all want that to happen, but will it happen, and what time scale do the Government have in mind for making serious improvements in that relationship?

Bill Rammell: The hon. Gentleman anticipates the next couple of things I was going to say. It is crucial that we identify how we are going to respond to Foster, and over what time scale.

From all my experience—I have made a virtue of going out and about in the past nine months to talk to as many colleges as possible—I know that an enormous amount of good work is being done. However—this cuts to the quick of the hon. Gentleman's intervention—Ofsted's 2004 report on colleges and employer engagement identified that only about half the colleges surveyed undertook significant work with employers. While the Learning and Skills Council national employer skills survey of 2004 found that 95 per cent. of employers surveyed that used their local colleges were happy with those services, only 15 per cent. of employers surveyed make use of their colleges when seeking solutions to their training needs. That is not a situation that any of us can be comfortable with. I do not think that FE colleges are comfortable with it. We need to do more.

The LSC's agenda for change, which is already in place, recognises the need for change and promises to work with colleges to create colleges that are valued by employers as their partner of choice for developing the skills they need. The train2gain initiative to which I referred earlier and which is being rolled out nationally from this year, will help further. Driven by the funding lever, colleges that want to balance their books and continue to expand will have to prioritise that vocational mission and that engagement with employers at the local level.

Mr. David Drew (Stroud) (Lab/Co-op): I apologise for missing the first few minutes of my hon. Friend's speech. Will he have a word with his colleagues in the Department for Work and Pensions? Difficulties with some of the work-related courses have led to a massive shutdown of provision by the college and work providers in Gloucestershire, my part of the world. The DWP seems to have been finessing a lot of its provision by reducing it and not coming completely clean about what it wants. That has delayed things and is causing a great deal of problems. Will he take that up with the DWP? It is causing alarm and will damage the very things that he is talking about.

Bill Rammell: I take my hon. Friend's point. I assure him categorically that I am in regular conversation with my colleagues at the DWP. It is crucial that we work together on that agenda. At the end of the day, somebody seeking access to a training place does not give a tinker's cuss whether the Department for Work and Pensions, the Department for Education and Skills or Uncle Tom Cobleigh and all happen to be funding them. My colleagues in the DWP share the view that joined-up government is needed on such issues, and we shall prioritise that.

I return to train2gain. It is a significant element of what we are undertaking. We in the Department are beginning to think about whether in the longer run—I hasten to add that the resources are not available yet—we ought to build a higher education dimension into that programme. If we say, properly and radically, that the state has a responsibility to intervene at level 2, and if we want to increase participation levels in the higher education sector to what we know we need, we need to ask whether there is a way to build a higher education element into that process. We should consider that.

Overall, the transformation is beginning to yield benefits and create opportunities for the future. We are creating through education and training the foundation for personally fulfilling and economically productive working lives, and providing young people with the skills they need to enter and to progress in work. We are re-engineering qualifications to provide a foundation for progression, to better meet the skills needs of employers and, crucially, to develop individuals' employability. Employers are being involved in course design, content assessment, teaching and learning styles through apprenticeships—a key element of our employer engagement programme—specialised diplomas, and the review of qualification frameworks such as unitisation, modularisation, credit accumulation and new methods of accreditation.

Mr. Drew: On apprenticeships specifically, I have evidence of employers that are committed to modern apprenticeships but seem to take on too many apprentices. One company had 20 apprentices out of a work force of 50. It was able to do so by losing some of the apprentices during their apprenticeships. That meant that people signed on at college were unable to pursue their college courses because they had lost their apprenticeships. That is not acceptable. I have no reason to believe that they were poor apprentices, although they may have had arguments with their employers. It is a negation of encouraging young people through the process if they feel that they are being sacrificed in favour of someone better. It is time that we looked into the matter and did something about it. Does the Minister accept that it is a problem?

Bill Rammell: My hon. Friend is right. Improving apprenticeship completion rates is a key priority for us. We have improved; we have reached a level of about 40 per cent. However, if we compare that with evidence of practice elsewhere in the European Union, we see that we have a lot further to go. We must prioritise that.

Recently, I hosted an event in my constituency promoting apprenticeships. One of the companies actively engaged on the issue gave a presentation in which

the managing director described how he tells his line managers, "Take these people on and, after six months, make a judgment about whether or not they can succeed. If you get them through the apprenticeship and then say that they cannot carry on to full employment, you, the line manager, have a problem." That is the right way for companies to engage on the issue. They should not seek a short-term, quick fix, but see apprentices as a route whereby people are brought in, and companies mould their own people and develop their potential for the benefit of the organisation.

We are strengthening the role of employers in sector skills councils by encouraging them to transform the interface between employers and education and training, through informing demand at national, regional and local levels, and creating a truly demand-led system at every level. That is the right way forward. Of course, we must ensure the effective delivery of all that we have in hand. That will require a strong, combined effort by all who are part of the skills alliance partnership—both skills demand and supply will be involved—at national, regional and local levels.

We need a vision that takes us beyond our immediate delivery objectives. The high level of work force skills capability that we will need to compete effectively in world markets in 2020 and beyond will require a fundamental step change in our attitudes to skills. If we look at the best examples of what is already being achieved by partners, we can see what could form the foundation of that vision. The benefits will accrue for everyone—employers, individuals and society—which means that everyone has a stake in making that transformation.

There is an important role for Government: to create the infrastructure and environment and to tackle the areas of market failure. Employers and individuals will also have to play their part by participating and contributing to the costs. The oft-quoted figure is that employers spend about £23 billion a year on training. Speaking bluntly, that needs to be increased. That was made clear in our skills strategy White Paper and it has been confirmed in the Leitch review.

We are shifting on the issue. For donkey's years, we have heard employers say that the education and training system does not fulfil their demands. We are now moving to change that situation. We are putting the needs of employers centre stage, and, to put it crudely, it is put up or shut up time for employers. They must engage in the process and help us to make things a reality. I strongly sense that the vast majority of them want to do that.

I am not neglecting the role of the Government for a minute. They continue to invest on a massive scale in supporting employers to achieve the best results. In 2005–06, the Learning and Skills Council spent £7.6 billion, excluding school sixth forms. Employers should accept shared responsibility for developing the skills of their work force, commensurate with the benefits that they receive for funding the higher level skills and qualifications that bring more substantial financial rewards—increased productivity and profitability for employers, and increased wages for individuals.

We will need to rebalance the contributions between employers, individuals and the state. It is therefore important to set clear priorities for public spending. Even though we have increased public funding significantly from the levels that we inherited from the previous Government, it will still be finite and needs to be prioritised. That is the right thing to do. In that real sense, we need a cultural change about who pays and who makes a contribution. The international comparisons about what the individual and the business contribute towards education and training show that the UK lags significantly far behind. We need a transformation in such areas.

On the role of higher education institutions in local and regional economic development, universities are now major players in their local economies. I recently visited Leeds university, which has an annual budget of £170 million, 30,000 students and several thousand employees. The idea that an organisation such as that is not a major player in the local economy is nonsense. It is welcome that universities increasingly see their role as that of key players in the local economy—Leeds university certainly does. That should develop and go further. Higher education institutions are, and should be, involved in regional skills partnerships and regional development agencies in developing the city agenda. The days of a university sitting in, but apart from, the local community are going and will very much be long gone.

There is also a key role for further education colleges. In my experience, FE colleges are already strongly embedded in local economic community decision making. The principal of Harlow college chairs the local strategic partnership. The FE college is much engaged in the local community in a series of decisions, including economic regeneration.

The experience of my college in Harlow is far from unique. It is becoming the practice and model throughout the country. Overall, we are seeing a change in further and higher education institutions. They are becoming more involved in business, economic development and community planning. I believe fundamentally that that is a force for good. It is a development that the Government strongly support.

3.5 pm

Mr. Boris Johnson (Henley) (Con): I congratulate the Minister on securing this important debate and on the great verve with which he set out his case for greater emphasis to be placed on training and improving our skills base. He made his case passionately. No one in the House could disagree with him. I agree with 95 per cent. of what he had to say. However, when will he live up to the Government's promise about further education colleges and make sure that students at Henley college are funded on the same basis as students elsewhere in Oxfordshire and receive the same capitation support? I hope that he will return to the matter when he sums up.

I admire greatly the urgency with which the Minister put forward his argument. I want to alert him to a detail in the Conservative party's arrangements. Such is the importance that we attach to higher and further education that we have divided the business of responding to his great brief. I intend to cover only higher education. My learned colleague, my hon. Friend the Member for South Holland and The Deepings (Mr. Hayes), will deal with further education. I hope that he will catch your eye, Mr. Amess, in due course and get some of the balls back over the net on the further education front.

[Mr. Boris Johnson]

I want to deal with the relationship between the employer and higher education. It is an important subject and, in a collegiate sort of way, I want to tease out the Minister's thinking and find out how far I can encourage him to agree with me about certain matters, and see whether he agrees with me as much as I agree with him. About 150 years ago, Cardinal Newman produced a definition of a university and, as the Minister will doubtless recall, he said:

"It is a seat of wisdom, a light of the world, a minister of the faith, an Alma Mater of the rising generation".

He added:

"It is a place where inquiry is pushed forward, and discoveries verified and perfected, and rashness rendered innocuous, and error exposed, by the collision of mind with mind, and knowledge with knowledge".

Cardinal Newman also said that a university is

"the place to which a thousand schools make contributions; in which the intellect may safely range and speculate, sure to find its equal in some antagonist activity",

and that universities are

"great centres of pilgrimage and throng",

in which the student makes use of

"the ancient method, of oral instruction, of present communication between man and man",

and so on. I find Cardinal Newman's vision of a university still quite inspiring, although it is completely out of date.

The story of British higher education institutions in the past 50 years has been one of fantastic success. As the Minister rightly said, it is also a story of expansion. When my parents met at university in the 1960s, not long before I was born, only 4 per cent. of relevant cohorts were at university. There are now 43 per cent. That means that our assumptions of what a university must be have changed, and the taxpayer is now paying the overwhelming share of the costs. There are about 2.3 million students at British universities. I am sure we consider that to be a fantastic investment for the United Kingdom. Higher education generates £4 billion in export earnings alone and is wonderful for students and their future prospects. However, we must ensure that it maximises the rewards for society as a whole. That is an entirely reasonable thing for this or any other Government to do.

It would be wrong to be too crudely utilitarian. At Question Time a couple of weeks ago, I made my first attempt to find common ground with the Minister. Does he share my preferred definition of academic freedom, which is the one enunciated by the great American Supreme Court justice, Felix Frankfurter, in 1957? I shall repeat it—I am sure that the Minister knows it, but there may be hon. Members present who do not. *[Interruption.]* The hon. Member for Eltham (Clive Efford) says something from a sedentary position, which I am afraid I missed, but I shall repeat Felix Frankfurter's definition of academic freedom for his benefit, if for no one else's. He defined it as an institution's freedom

"to determine for itself on academic grounds who may teach, what may be taught, how it should be taught and who may be admitted for study."

Speaking for myself, "Ich bin ein Frankfurter", as I have had occasion to say recently. Does the Minister also subscribe to that definition? He can say so now if he chooses to, but if he prefers to reserve his position on whether he is a Frankfurter, I will happily wait and see. I think that it is a very good definition of academic freedom.

We all understand that there are many courses and disciplines that have no obvious vocational importance, but whose study may none the less be of huge benefit to the economy. At the same time, it is obviously the function of government to encourage and facilitate maximum co-operation between employers and institutions of higher and further education. There are some phenomenal success stories in that department, where synergy is taking place between employers and institutions of higher education with or without Government interference.

We all know—if not, I will tell hon. Members—what happened in the 1980s when Kumar Bhattacharyya, now Lord Bhattacharyya, arrived at Warwick university. Engineering companies were haemorrhaging jobs in the area and the future looked bleak. There was an innovative vice-chancellor hoping to make his mark, and he made Bhattacharyya professor of manufacturing systems and let him get on with it. Some 25 years later the international manufacturing centre occupied six buildings on campus, having long outgrown the department that spawned it. It is the headquarters of the Warwick Manufacturing Group, formed as a club of largely midlands-based companies that put money into the university in return for research facilities and a stream of well trained graduates. The annual revenue of the operation is well over £80 million, and more than 5,000 postgraduates are educated every year through its worldwide network of operations. I read last week that the Warwick Manufacturing Group has opened a new school in Singapore in co-operation with the Singapore institute of management.

The same phenomenon can increasingly be seen across not just the leading 19 universities but other higher education institutions. Anybody who goes to Loughborough university knows of the dense interconnection between that institution and the JCB plant nearby. The Minister will know what is going on in York, where there are incubators where people can set up cutting-edge technology and science ventures. If they go bust, too bad—they come and go. I could go on to give countless examples of ways in which universities have been at the forefront of innovation, commercial success and the devising of drugs and patents. Atracurium is an example that springs to my mind; it was devised by scientists at Strathclyde university and is now used in half of all heart operations worldwide as a muscle relaxant.

From the point of view of big business, one can see the attraction of such co-operation with universities. Their corporate laboratories are increasingly uneconomic and are closing down, and they cannot afford to have specialists in every field. We have come a long way since the days of the Bell laboratories, when AT&T had a huge monopoly and could recruit Nobel scientists in

this, that and the other, and simply ask them to get on with it. No single pharmaceutical company could now afford to conduct work on all the aspects of the human genome.

We are moving away from research being carried out by great commercial interests in the privacy of their own laboratories towards what is known, in the buzz words, as open innovation. That is a wonderful development. Anybody who knows anything about innovation says that it is not a linear process; it benefits hugely from accident and serendipity, the chance running together of experts from more than one field. It might be that in the common room, or whatever turns out to be the incubator, somebody who knows about computer sciences meets somebody who knows about biology, who meets a third who has a business application in his head—that is how innovations are generated. That is why the Cambridge area now receives one eighth of the venture capital coming into western Europe, although it has only 0.1 per cent. of the population.

The Minister was absolutely on the money when he described universities as being of huge economic importance to the areas that they are in. Nottingham has 46,000 students. It used to be known as a place where bicycles, motor bikes and heaven knows what were made; now it is a place where 46,000 students contribute hugely to the economy. Such centres are the intellectual resources for entire areas and for the businesses around them.

How should we support such connections? What should Government do to encourage such synergy? What sort of principles should we apply to the question? I should like to see how far we can agree. There is no use in pretending that all universities are equally good at everything.

Bill Rammell *indicated assent.*

Mr. Johnson: I see the Minister nodding, and that is a great relief to me. Sometimes, we labour under that pretence, and that leads to madness. I can see the arguments, and I am sure that everybody here can too, for spreading research funding around and for ensuring that everybody has the potential to benefit. The argument about serendipity is that one never knows what will sprout if one chucks seeds about—there is probably a biblical text about it and my hon. Friend the Member for South Holland and The Deepings will probably furnish me with it in due course.

We should also have regard to utility—the Government must be conscious of the need to maximise return to the taxpayer. That is why the top 15 Russell group universities receive some 60 per cent. of research funding and—I think that this is correct—the top four receive 29 per cent. of the total research budget. That is an invidious figure, but I am not convinced that it is the wrong way to do things.

Mr. Hayes: I am reluctant to interrupt my hon. Friend's eloquent flow, but it is important to get the scriptural point right. I cannot quote chapter and verse, but he will be mindful of the scriptural advice not to cast our seed on stony ground. He is making a powerful case in that respect. Does he feel that the specialism that he advocates for universities might be extended to further education? There is a sense from the Foster report that FE is doing a lot of things, but it is doing fewer than it ought to well. Perhaps he should add greater specialism in FE to his list of ambitions.

Mr. Johnson: I am grateful to my hon. Friend for supplying me with the parable. The story that I had in mind was that of the sower who went forth to sow and some of what he sowed fell on stony ground and some yielded an hundredfold. It might be that that principle could be applied to FE if we are to try to produce the best return on investment. I leave it to the Minister to reply to my hon. Friend's excellent suggestion.

We cannot treat all universities equally, but in an ideal world, every university would at least have the potential to deploy its intellectual resources to the benefit of business, industry and the university, although we should not expect that to happen everywhere. We should not demand spin-offs as the price of our support. The Opposition support the higher education investment fund and believe in the principle that cash should go to universities with a track record of commercial co-operation. We should encourage the maximum co-operation between employers and the higher education sector because we face a real question about student finance, which the Minister mentioned. Everybody must think with the utmost seriousness about what we ask of our students in the next few years and the extra burdens that will unquestionably be placed on them. It is our duty to think of the most creative possible solutions.

I want to try a small idea out on the Minister. Students can be sponsored by the Army or the police when they go through higher education or get loans for their studies from them. Does he think that business and industry might be prepared to sponsor students and help with their top-up fees and the cost of their education? I am sure that this is not an original idea, but it might become an increasingly urgent issue as the higher education financing reforms come into play and students start to face considerable debt problems.

I think that everyone in the House recognises that it is good to have graduates in the physical sciences and mathematics. The Minister spoke eloquently about the problem of improving our skills base, but he did not narrow that down to the particular problems. We face a serious shortage of people who specialise in the physical sciences and mathematics. At least, everything that I read leads me to that conclusion; British business and industry certainly seem to complain about that. It strikes me that the top-up fee regime may contain the kernel of a solution to that problem in that British firms that are eager to recruit top-class graduates in the sciences and mathematics may think it worth while to support them. As an arts graduate, I hope that they would also think it worth while to sponsor arts undergraduates.

I am grateful to the Minister for his comments, and I hope that my hon. Friend the Member for South Holland and The Deepings will be able to tease a little more out of him on some of his points about further education. The greater the links between business, British employers and higher education, the better it is for employers, students and universities. I doubt whether any of us would accept that universities and institutions of higher educations are businesses or that they should be transformed into businesses or run solely

[Mr. Johnson]

for the purpose of adding to the bottom line of UK plc, but I think that we all accept that they should be run in a business-like way. We will get the most from our higher education institutions if we recognise that they are all different and that the pursuit of equality in all departments is chimerical and that excellence must come first.

3.24 pm

Annette Brooke (Mid-Dorset and North Poole) (LD): I, too, start by agreeing with most of what the Minister said. I hope that we will have a stimulating debate, and I am relieved that more people have attended, because initially as I was listening to the Minister and thinking, "I do not disagree with much of that," I also thought that interest would not last long.

However, I hope the Minister is prepared to accept that there are questions to be asked. That does not mean that we are rubbishing what the Government are doing, but surely it is right to be critical about how well particular schemes are working, or about the size of the problem. I hope he takes my comments in that way. The skills are essential to our economy and society. The link between national productivity and international competitiveness is obvious, but we also need to focus on the broader benefits that are contributing to the quality of our lives as individuals, in our communities and in society as a whole.

As the Minister indicated, the scope of the problem of our skills deficit is enormous. The Government are having to make up for lack of investment in the past in this incredibly important area. We seem to have been speaking about this matter for long enough, but it seems that it is only in the past few years, with the various strategies, that there has been a real attempt to get to grips with it. The 2004 national employers skills survey shows that one in five establishments reported skills gaps in their work force and some 1.5 million workers—7 per cent. of the work force—were described by employers as not being fully proficient.

There has been progress. The 2001 survey showed that 23 per cent. of employers reported a skills gap and 9 per cent. of the work force was described as not fully proficient. An estimated 3.5 million people go to work each day without being able to read very well. The CBI has calculated the effect of poor basic skills on the UK economy at some £10 billion per year. When talking about the large sums of money that need investing, we must have regard to the cost of not investing in this important sphere.

As Leitch reports, more than one third of adults in the UK still do not have a basic school-leaving qualification, which is double the proportion in Canada and in Germany. Some 5 million people have no qualifications at all. The Government have set ambitious targets for 2020, but worryingly it seems that Leitch's conclusion will be that even if they are met, we will still be far short of having a world-class skilled work force. The challenge ahead is getting bigger.

We have made enormous strides in expanding higher education and I congratulate the Government on that, although we are still lagging other countries. However, it is worrying—I am picking up on what the hon. Member for Henley (Mr. Johnson) said—that a report last year by Manpower estimated that just over half of graduates felt that they were entering the work force with the necessary skills, while only 37 per cent. of employers were satisfied that the new graduates had the right skills for the job. They are likely to acquire those skills on the job, but even so, that is a worrying gap.

I am afraid that I am going to refer to some uncorrected evidence from the Public Accounts Committee last week—I believe I have to tell the House that—from an interesting sitting in which the Committee questioned the National Audit Office report on employers' perspectives on improving skills for employment. Mr. Bell quoted the Leitch report, talking about the

"tripartite responsibility on skills development".

That is a good phrase, although I would have included the words "plus one", as I will explain. Mr. Bell continued:

"The individual has a responsibility to contribute to"

the skills development. He went on:

"The Government have a responsibility if they want to create a healthy and competitive economy and business also has responsibility. It would be good to encourage employers not just to say 'What are the Government going to do for me?' but to say, 'How can you contribute alongside employees and Government to become more competitive?'"

The title of our debate is a bit narrow, because we have to think about the interaction between the individual, the Government and business, as well as a fourth strand, which I would add in—the providers of the skills training, whether we are talking about further or higher education or public or private provision. There is a lot involved in the issue.

The skills agenda is covered by two Departments. There is also an enormous number of Government bodies involved in the delivery of skills. That is the plus side, for those who like local delivery. However, the enormous number of bodies leads to some questions: is there effective focus on improving skills? Is money being spent to best effect? Are businesses getting the improvements they demand?

The CBI often expresses the view that the education system should ensure that people leave school with the proper skills. Obviously, we need to address that issue, but as Leitch points out, we must also harness and develop the skills of those who have already left school and who will make up an important component of the 2020 work force. Those are two big issues.

I think I am allowed to say this: it is a pity that the Government have not fully adopted the Tomlinson proposals for schools. Parity of esteem between vocational and academic studies starting at age 14 is vital. Our education system needs a fundamental overhaul, although that should be phased in. There is good news, however, as companies such as JCB and Rolls-Royce are involved in the design and delivery of foundation degrees, and other companies are involved in the development of the new vocational diplomas. So there is a lot of good news, but could we do better if we really took the Tomlinson proposals on board and were brave enough to implement his recommendations?

The National Audit Office report makes it clear that improving skills for employment and ensuring that employers get what they want require the co-operation

and involvement of those employers. I shall touch on some points made by that very good report. Employers are a diverse group—that has not been picked up so far in the debate. Small businesses provide a high proportion of our total employment, and it is obviously harder for a small business—with less than, say, five or 50 employees—to provide training in the first place. There is also an enormous variation in employer-supported training across the different sectors. So, there is no simple equation; we cannot pour the money in and expect employers to co-operate more. The approach should be more targeted.

As the National Audit Office pointed out:

"Recent research estimates that, on average, an eight per cent. increase in the proportion of trained workers can lead to a 0.6 per cent. increase in UK productivity."

I think that the Minister quoted similar figures. Given all the benefits and the effect throughout the economy, can we afford not to invest? Obviously, training is expensive, so what will make employers want to invest? They will want direct economic benefits and training that meets their needs. It is difficult to tackle the problem of the lack of level 2 qualifications, which some employers might be reluctant to invest in, and it is too easy to blame the schools system.

We need to make a breakthrough on the issue, which is why I support the strategy of focusing on young people and adults who do not have a level 2 qualification. I have said that to the Minister directly, although I do not like all the side effects of that strategy. There will be a market failure if employers do not have the incentive to invest in level 2 qualifications. I can see no other way around the problem than Government intervention in what is clearly a market failure.

A few problems, however, are thrown up by the free provision of basic skills and first level 2 qualifications. We have already heard about the impact on the other courses previously provided by colleges of further education. I am concerned that the focus on basic skills provision has cut provision of some other courses that might provide, or lead up to, basic skills in a more user-friendly way for people who have not participated in education for a long time, or who find it hard to participate. The colleges had a real point to make: the ones that are accredited for finance might not be the first stepping stone for some students or adults.

Also, much of the large amount of money that the Government allocated has been used up on high numbers of 16 to 19-year-olds, who, some say, might reasonably be expected to gain their qualifications at school. I do not think that that is a reason why money should not be invested, but while we are evaluating, we have to appreciate that there are two groups—those who have just left school and adults—and that it will take a lot of money to solve the issues.

There is also the matter of what we might see as dead-weight investment; the Government have conveniently provided an opt-out for some employers who might previously have invested the money themselves. I hope that most employers feel that their training money has been freed up, perhaps for investment in level 3. There is a more obvious direct economic benefit to a company from investing in level 3.

I hope that the Minister does not throw this question back at me, because I am generally not very keen on targets. As far as I know, the Government have not set a target for the number of adults achieving level 3 in vocational or academic subjects. It strikes me that that is a gap in the array of targets, and if a target is missing, that can lead to distortion in investment.

The Institute of Financial Services looked into the impact of the employer training pilots and did not reach incredibly optimistic conclusions, although I read the Minister's foreword on the subject. The IFS identifies only a small positive effect, and also highlights quality issues. I hope the Minister will respond on that point. Also, there is the roll-out of train2gain, but obviously there were big issues with the pilots. How will he tackle those?

On the employer training pilots, the principle of skills brokers is absolutely excellent, as is getting employers to talk to other employers. I want briefly to refer to my local college. I was employed there for quite a long time many years ago, so I am in regular contact. I asked the college for some input on its experience locally, and the principal provided me with the college's "working with employers" strategy for 2006–07. The first paragraph says:

"It is the intention of Bournemouth and Poole College to become the automatic first point of contact for employers in the sub-region, as the valued partners of choice for developing the skills of their workforce and supporting local economic development. Our clear message to employers is 'Your business is our business'."

It is a very good document, and there are some good examples in it.

I also considered the university of Bournemouth and spoke to a local leading employer, the chief executive of Hamworthy Engineering, who sits on the board of Bournemouth university and the regional development agency. All that networking and all those links are incredibly important. The university has good roots for continuous professional development.

I want to refer to a case study on Hamworthy Engineering's website, because it brings the "tripartite plus one" strategy to life:

"Mary is a degree-qualified engineer working in a medium sized engineering company in Dorset. She graduated some 10 years ago and has risen through the ranks from Junior Engineer to her latest promotion as Project Manager. Mary will manage a team of 10 people . . . and a budget of £750,000. She feels she is lacking skills and understanding in contractual law, and wants to boost her confidence by learning about management accounting. She also feels the need to update her technical knowledge in the specialised area of object oriented design. Mary works full-time so she has a limited amount of time . . . to devote to studying. Mary has embarked on her own, tailored professional development programme . . . Her employer will be sponsoring her study, as part of their staff development plan."

When Mary finishes, she will have

"achieved her personal and career aims, but also gained a postgraduate certificate in Professional Vocational Development".

That is excellent. I also have experience of incubator units, mentioned by the hon. Member for Henley, at the arts institute and at the university.

The Association of Colleges has made a few points to which I can particularly relate. It calls on the Government to adjust the pace of implementation, and I throw that at the Minister for consideration. It would like colleges to be allowed to be funded to offer qualifications in bite-size chunks tailored to local needs,

[Annette Brooke]

rather than only long, whole qualifications that local employers may not want to buy. I have some sympathy with that argument.

The association would like national prescription, which does not fit every regional locality, to be reduced to give more local flexibility. In particular, it wants colleges to offer individuals essential stepping-stones training from basic skills to level 2.

We have mentioned the Foster review, which identifies the fact that experience of employer and college relationships is patchy, although I hope that my own local college is a good example. We also have to be aware that only a small proportion of employers have contact with FE colleges. There are important relationships with private providers, which is important. The Foster report mentions specifically the centres of vocational excellence and the skills academies, which are good examples.

This issue is a real challenge. We should look not only at the employers' perspective, but at how all four strands interact. There is an issue about how to use the money in the most effective way, although I accept that we have started from a low base. It is very encouraging that the Government are seeking to close the gap between further education funding and schools funding for the same age group, but there is still more to be done in that respect.

In the state sector, streams of money still come from lots of different directions. Can we simplify that funding? Like all MPs, I know how off-putting it is to make complicated and bureaucratic applications or bids for public funds—it takes an awfully long time to deal with the forms. We ought to be proud of how our further education and higher education colleges are developing and taking on the challenges of meeting the skills agenda. However, they need a great deal of support and a little less hassle.

3.43 pm

Clive Efford (Eltham) (Lab): I shall speak mainly about my local further education college, but before that I want to pay tribute to my local university. The university of Greenwich hosted a business forum in partnership with me, the local chamber of commerce and the Greenwich Enterprise Board. We had discussions with a number of local businesses about the business opportunities in our area resulting from the regeneration of the Thames Gateway, the developments on the Greenwich peninsula, the investment in our local transport infrastructure—essential for Crossrail—and, of course, the Olympics. Furthermore, we have heard recently that the tour de France may pass through our borough.

There are a lot of opportunities for businesses and a lot of training needs, and the university of Greenwich was instrumental in bringing those people together. It is working extremely hard to be part of the local community and to play its part in supporting local businesses.

Last week, I visited my local community college—Greenwich community college—and spoke to the principal, with this debate in mind. I want to highlight some innovative things that the college is doing for my local community and for businesses there. The key change in further education is flexibility. For too long, we have had straight corridors of education that do not necessarily join up with the needs of businesses. Those are the forms of education that we provide and the routes that we have traditionally gone down, but when students leave college and seek a job, they find that their qualifications do not match up with business needs. That is why the Government's train2gain initiative is essential, as is the flexibility of FE colleges in recognising and meeting the training needs in their local community and marrying them up with the needs of local employers.

I will give an example of flexibility in meeting needs at community level. I have spoken about this before in the House, but it is an excellent example of the community and further education coming together. I chaired the neighbourhood renewal programme in the south of my constituency. One of the schools had a head who was very energetic and wanted to engage with the whole community, not just the primary school pupils. Her idea was to introduce an adult learning centre in the primary school. She managed to beg, borrow and steal some cash, but the neighbourhood renewal programme came along and provided the financial impetus to make the idea a reality.

I presented the prizes at the school at the end of the year. We went through the nursery year and all the years of the primary school, but then we got to the adults. In the same presentation, we gave prizes to mums, dads and grandparents who had taken part in basic skills training or family learning, or had worked for GCSEs, as a consequence of the community college becoming involved with the local primary school to provide those education opportunities for the whole community.

When I spoke to the parents afterwards, I asked what had got them involved. First, it was the mutual support from other parents in the school and, secondly, they saw their children moving on to secondary education as an opportunity for them to seek employment. One turned round and said to me, "You lay on the training and I will do it, because I am going to get a job when my child is more independent and in secondary school." Other parents wanted to improve the education of their children. By improving their own education, they were able to pass that on and assist their children. Some felt that there were gaps in their education that they had never filled, and they were going back and filling them.

In terms of raising aspiration on the whole estate, improving the opportunities for the children within the school and improving the economy—because people were making themselves more employable—I could not put a value on the relatively small sum that we put in to furnish the premises and buy the computers, but we need more of that flexibility in the further education system.

As I have already said, there are enormous opportunities in my area. The development of the Thames Gateway, the Olympics, the development of the peninsula, Crossrail and the docklands light railway coming to Woolwich mean that people will have greater opportunities to seek employment, and they will need the training opportunities to make the best of that situation.

My local FE college is also making a great effort to build links with local businesses. It provides training to 20 small businesses through the train2gain programme,

as well as to 20 medium-sized businesses and 17 large businesses in a variety of sectors, including care, catering, engineering and construction. It has even trained classroom assistants, which takes us back to the school that provided the adult learning centre. Some parents there have improved their qualifications to the point where they are training to become classroom assistants—putting back into the local community some of what has been invested in them.

The large companies that are being supported by my FE college have a range of training needs in customer services, team leading, heritage and visitor services, and business administration, but the key area where the college has been very innovative in its approach is sports and leisure. The millennium dome is now owned by Anschutz and, as we speak, a 36,000-seater stadium is being built within it, which will provide a venue for one of the major events of the 2012 Olympics. In the intervening period, major sporting events, pop concerts and a range of leisure activities will be held there. There is the potential for a casino to be built in the dome, and many hotels and leisure and recreational facilities will open up in the area.

Some years ago, my FE college positioned itself to provide training in that field. It got together with Charlton Athletic football club and opened the London Leisure college, which is based in the Charlton Athletic stadium. It provides training for the whole range of leisure, tourism and recreational activities, and has also entered into partnership with Greenwich Leisure Ltd.

I am very proud about that, because when I was a member of Greenwich council, without getting too political about it, a certain Government were determined to close down many local authority facilities. One way that we got round some of our financial difficulties with our leisure centres was to set up an arm's-length co-operative, which became Greenwich Leisure Ltd. and is now one of the biggest leisure concerns in the country, as well as one of the most successful co-operatives.

GLL works in close partnership with my FE college and employs 1,000 full-time and 2,500 casual staff. It runs 50 centres and is in 12 partnerships with local authorities and businesses. The FE college in my area is its main training provider. All the training opportunities are provided in close co-operation with Greenwich Leisure Ltd. Indeed, it has one of its own leisure facilities on the Charlton Athletic site. The college provides a wide range of training opportunities in the sports and leisure field with GLL.

Across London bridge, GLL provides a range of sporting, recreational and leisure facilities. It has been invited to run facilities for local authorities as well as going into partnership with businesses in the private sector. The London Leisure college provides accredited training and statutory qualifications, including first aid certificates, the Institute of Sport and Recreation Management supervisor's certificate and pool plant operator's certificate, the Institute of Qualified Lifeguards pool supervision certificate, central YMCA qualifications for fitness instructors and the Amateur Swimming Association swimming teacher's certificates levels 1 and 2. It trains approximately 750 people a year in those areas.

The first class leisure level 1 full-time programme, jointly delivered between Greenwich community college and GLL, delivers 60 17-year-old sessional staff through three partners per year, with another 20 planned to be added in 2006–07. The first class leisure level 2 programme delivers 42 qualified 18-year-old permanent employees per year, and a further 28 will be added in 2006–07. The intensive recreation assistant academy contributes 60 new 18-plus fully qualified recreational assistants per year, and a further 180 are planned in 2006.

London Leisure college is London's leading dual employer. It offers further education collaboration and also designs and delivers learning opportunities and qualifications to meet the needs of the learner and the industry alike. In collaboration with a number of London's leisure employers—the national governing bodies of sports and the SkillsActive sector skills council, and not just Greenwich Leisure Ltd.—it is submitting a bid to the Department for Education and Skills to become the London regional hub of a national skills academy for the sport and leisure industry.

The college is one of the leading lights in its field. It has demonstrated that by anticipating the regeneration of the peninsula and the Thames Gateway. Understanding what the profile of its end-users is likely to be in terms of that regeneration, it has positioned itself to provide the training opportunities for local people that will enable them to make the most of the huge change that has occurred. Winning the 2012 bid has only added to the success of that strategy, but—there is always a but—as other speakers have said, FE colleges nevertheless face one or two difficulties.

A great deal of money is going into further education, and the changes have been possible only because of that investment. If we look back a short time, we see a completely different picture of FE—the problems were different only a few years ago. Now, the income for the college is focused on students aged 16 to 19, to the detriment of older students, which places the college in some difficulty. I want to draw the issue to the attention of my hon. Friend the Minister, because it is causing concern in FE colleges.

The college's income for the year to 31 July 2006 is approximately £18.5 million, of which £13.8 million, or 75 per cent., comes from the Learning and Skills Council. Of that—I am sorry to bombard hon. Members with so many figures—£8.8 million, or 63 per cent., is for adult learners. For 2006–07, adult funding is forecast to be reduced by £300,000. In real terms, adjusting for inflation and salary increases, that is the equivalent of £550,000. A reduction of that magnitude equates to a loss of 167 full-time equivalent students. The focus on 16 to 19-year-olds is to be welcomed, but there is a knock-on impact.

We should consider the issues in the context of the overall improvements and increasing funding. Let me quote another statistic. There has been a transformation in the unemployment figures in the past nine years. The Office for National Statistics summary for December shows a huge reduction over that time for non-seasonally adjusted computerised claims by those aged over 25 years and unemployed for more than 18 months—83.8 per cent. for the UK as a whole and 81.3 per cent. for London. That has been a consistent factor in unemployment: London has

[Clive Efford]

resisted the Government's attempts to reduce the rate to that for the rest of the country. There is an underlying long-term unemployment problem in London, which must be considered in the context of a massive reduction. There is still a problem, however.

Further education colleges are a key tool in tackling long-term unemployment and providing opportunities for people to train and make themselves more attractive to potential employers. The impact of funding issues on older further education students can only make tackling the underlying trend more problematic. I urge the Minister to take that concern on board. We are right to focus on the opportunities that further education can provide for young people, but we also need to recognise its vital role in providing opportunities for people of all ages who are trying to get the qualifications they need.

If the Minister ever wanted to visit Greenwich community college or the facilities of London Leisure college at Charlton Athletic, he would learn a lot and see what can be achieved in real partnership between businesses, the local authority, training providers and the local community when people have a vision and an understanding of what the community needs.

Charlton Athletic football club has been incredibly far sighted in providing for the community, in its acknowledgement of the ideas put to it by local authorities and training providers, in how it sees its role at the heart of the community as facilitating the big change that is coming about and in the active role it is playing. The further education college is the real driver for what is happening. It set up the London Leisure College to make the most of the employment opportunities that will result from the expansion of the leisure and recreation industry in the area. If the Minister wants to see that at first hand, he will be very welcome.

4.3 pm

Mr. John Hayes (South Holland and The Deepings) (Con): What an immense pleasure it is, Mr. Amess, to contribute to a debate under your chairmanship, and how appropriate it is that a patriot like you should be sitting under a portrait of King Alfred. Whenever I think of King Alfred, I think of my constituency and the noble town of Crowland, the birthplace of Hereward the Wake, but that is a matter for another debate, another time.

I have three things to discuss in the debate: engagement, appropriateness and effectiveness. We have already heard a good deal about those, by allusion. I want to end my remarks by speaking about a dream—not "The Dream of Fair Women", like that of Henry Williamson, although like you, no doubt, Mr. Amess, I have had many dreams of fair women—but a dream about a future that is skilled, in which we can deliver the parity of esteem that Governments of all political persuasions have sought over decades and perhaps a generation, but certainly during my lifetime.

Engagement in education and training is a matter of profound concern, with which the Minister dealt at some length. My hon. Friend the Member for Henley (Mr. Johnson) also dealt with it. It is true that there is a high level of engagement in comparison with previous years and that 75 per cent. of 16 to 18-year-olds are in education or training. However, the Minister will be as concerned as I am about what are rather unfortunately described as NEETs—young people not in education, employment or training—and will, I hope, discuss them in his concluding remarks. The 10 per cent. figure masks those about whom we do not know—Connexions has no real record of them and is not certain where they are. To some degree, the figure also hides regional variations. In the north-east of England, for example, the number of those who are not engaged in education, employment or training rises to about 20 to 25 per cent. of the relevant young people. Engagement among young people is therefore vital.

I have already mentioned engaging groups that are hard to get at. In an intervention on the Minister, I mentioned my concerns about older potential learners—those who perhaps do not have basic skills. The report from the Public Accounts Committee on those who are innumerate and illiterate, which we received last week, was shocking. It showed that tens of millions of our citizens are innumerate or illiterate, and that is a significant problem in my constituency. However, in addition to those people who need to re-engage to gain basic skills, there are others who need to be reskilled to meet the demands of a rapidly changing economy. As I said in my intervention, all political parties and all hon. Members present will be aware of those difficulties. I think that the Minister will also be aware of them, and he might want to say something more about the issue.

Also on engagement, there is the matter of the completion of apprenticeships. The Minister said that apprenticeship numbers have risen, and they have. The Government are to be congratulated on that, but the problem of completions remains. It is, in part, a feature of the nature of the placements. In the retail sector, for example, completions are a bigger problem than in some of the more traditional skills areas, such as construction and engineering.

The problem might also be a feature of the practical issues involved in people getting to where they need to be. In an area such as Lincolnshire, in a glorious place such as South Holland and the Deepings, even the delight of living in the fens is mitigated to some degree by the difficulty of getting about. Travelling 10, 15 or even 20 miles to engage in education or training can be a fairly arduous business for a young person. That makes it quite difficult to maintain engagement, particularly over a long time, and I am told by the experts in the field that that can affect completions on education courses and apprenticeships. I am not really surprised by that.

There is also a difficulty—I sense that this is an aside, Mr. Amess, but it is relevant—in terms of vocational education for younger people. The Minister will know that, in the 14-plus group the business of engagement between colleges and schools in rural areas of the kind I am thinking about is sometimes inhibited by the difficulty in getting young people to where they need to be. I shall talk, when I speak of my dream, about bringing learning to the learners. That is a critical challenge for all of those of us who are interested in the subject.

Yesterday I was speaking about such matters with the Minister's esteemed junior colleague, the Under-Secretary of State for Education and Skills, the hon. Member for Corby (Phil Hope) who is also enthusiastic about them. We were talking about construction industry skills and I was able, although not pleased, to point out to the statutory instrument Committee that, during the 1970s, 100,000 people were trained each year in a range of construction industry skills, but that, by 2004, the figure had declined to fewer than 40,000.

The problems of engagement are a real issue in certain sectors. That is significant because of the need, for example, to build houses. As Kate Barker pointed out in her report on housing supply, one of the inhibitors of her plan to build many more houses, which the Government have, I think, largely welcomed, has been the lack of skills in that sector. We need to talk about engagement on a sector-by-sector, area-by-area basis and to consider what might act as disincentives to people engaging in and completing education and training.

The second matter is appropriateness. The National Audit Office report has already been referred to and I do not want to be tedious in what has otherwise been a lively and interesting discussion. However, it is worth pointing out that the National Audit Office makes it absolutely clear that, from the employer's point of view, there are barriers to improving employer engagement in training that can be summarised pretty straightforwardly: employers want a simple way of getting the best advice on skills training for their staff; they want appropriate training that meets their needs; they want supply to be in close line with demand; they want more incentives to train their staff; and they want influence in skills training without getting weighed down by bureaucracy.

The report states:

"Through its Agenda for Change, the Learning and Skills Council is seeking to enhance the reputation of colleges so that they are more often the partners of choice for employers looking to develop their workforce. A number of factors can, however, undermine the effectiveness of training in tackling skills shortages. for example, qualifications available may not necessarily directly meet employers' needs; in a particular geographic area there may be shortages of skilled trainers; and there may be a need to use expensive capital equipment for training which is not available."

So, we know that the report deals with some of the issues of appropriateness that the Government need to tackle now and later in the implementation of their policies.

The Foster report has also been mentioned and it deserves amplification. We have talked implicitly about the link between further education, higher education, other training providers and commerce and industry. The Foster report makes it clear that there are significant problems with further education both in the terms that I described earlier—the fact that FE colleges often try to do too much, and that is why I mentioned greater specialism—and in terms of FE's links with the world of work. Those links vary. We heard about some of the good colleges that have managed to develop effective links with the world of work—the businesses in their area—but the Foster report makes it clear that that effectiveness is patchy. We need to do much more work to ensure that what we do in the education system—not just colleges but also secondary education—is closely linked to the demands of the local employment base and the assumptions of local employers. I may talk later about how we might achieve that but it is certainly the imperative that seems to shout loudly from Sir Andrew Foster's observations about further education.

It would be remiss of me not to say something about effectiveness. Hon. Members will worry about the barriers to engagement and completion in the difficult-to-get-at groups, and about the deficiencies in basic skills that were identified by several pieces of recent research. We anticipate that they will be addressed by the report on the Leitch review, which will be published later this year and to which we are all looking forward with bated breath.

According to the Government's own Leitch review of skills, even if they meet their own target on skills by 2020:

"At least 4 million adults will still not have literacy skills expected of an 11 year old, at least 12 million will be without numeracy skills at this level (equivalent to three in ten adults) . . . 6.5 million adults will not have qualifications at the equivalent level to five good GCSEs. In comparative terms, the UK will continue to be an 'average performer'."

Those comments are shocking. The problem that we face is not simply that the lack of basic skills inhibits quality of life for the individuals concerned. It also has a collective effect on our competitiveness. We need skilled people to be effective economically and we need a skilled work force.

I hinted in my earlier interventions that the problem is exacerbated by demographic factors. The population is ageing, and that is adding to the skills shortage. It is almost as though the Minister is desperately trying to pour more water into the tank while it is draining out at the other end because of the changing demographics. It might be draining out faster than he can refill it. I would not want him to end up with a dry tank in terms of skills. He needs a rich, full, bubbling tank of skills so that he can draw on it.

Mr. Boris Johnson: I confess some perplexity at my hon. Friend's metaphor. Surely the tank is getting fuller and fuller at the deep end.

Mr. Hayes: I do not want to get into hot water by rising to my hon. Friend's intervention and having to explain my metaphor to a degree that would test its validity beyond reason. Suffice it to say that the changing demographics mean that more people are older and therefore less likely to be engaged in the work force. It may also mean that even though the skills of those who are actively employed are being increased, more people are retiring than are coming into the work force. I hope that I have made that sufficiently clear and that my hon. Friend now understands it.

As an aside, while my hon. Friend was fine dining at Balliol college, Oxford, I was engaged in my higher education at Nottingham university, which he revered in his earlier contribution. I was delighted: not only did he detail my former alma mater—the place of my education—with such reverence, but the hon. Member for Eltham (Clive Efford) mentioned my birthplace, Woolwich, and the place that I was educated, Eltham. It has been like drowning: I have seen my life flash before my very eyes as we have deliberated on these important matters. I will, I hope, emerge from the tank without drowning. I also hope that the Minister, having followed my advice, will emerge from it too.

[Mr. Hayes]

There are real worries about basic skills, and their effect on individuals and the economy. In addition, there are worries about the appropriateness of placements from further education colleges into the work force. I raised the issue yesterday with the Under-Secretary of State for Education and Skills and he tells me that he anticipated my fear. I think that he said that he had civil servants working on it as I spoke. That is another aspect of the difficulty of the link between further education and the world of work.

The hon. Member for Mid-Dorset and North Poole (Annette Brooke) said that fewer then 40 per cent. of employers think that the current arrangements produce a work force skilled to do the job. I think that she drew on a survey that was completed last year. That again raises questions about effectiveness, which I hope the Minister will deal with. It is perhaps worth mentioning that the standard of training currently offered in the construction industry may make the situation worse; 40 per cent. of those who provide training were judged by the adult learning inspectorate to offer inadequate training, and only 34 per cent. of trainees in that sector complete their apprenticeship.

Therefore, there are issues to do with effectiveness, engagement and appropriateness. We have had a useful debate that has illustrated the broad consensus about the nature of the challenges. They were eloquently identified by my hon. Friend the Member for Henley—and by me, but with much less skill.

Let me move on to the dream. I know that Members have been looking forward to this; I can see that my hon. Friend has been. In the short time that I have been studying these matters in detail, I have had an emerging vision: it is of greater synergy between all the elements that provide training, education and employment.

I invite the Minister to come to my constituency after he has been to Eltham, or vice versa. He could visit my birthplace in Woolwich—that would be a treat for him—although he would have to travel there from Eltham. He can then move on to Holbeach in the Lincolnshire fens. When he is there, he can visit the Holbeach campus, which my hon. Friend is going to visit on 3 March. There he will be able to see a marvellous example of the work of local FE colleges, the university of Lincoln and local employers drawn largely from the food industry. At that place, those agencies are collaborating to provide high-quality skilling, a high level of expertise that would not normally be available in Holbeach, and a service to local businesses that they invest in, but that they would not have the resources to be able to deliver on their own. That provides a strong example of the synergy I envisage, but it is not the only one, of course. Members present will have examples from their own areas. The point is that there is good practice in this regard, and we need to examine ways to export that.

The second part of my dream is about specialism. I have mentioned it twice already, but there is no harm in repeating a good idea. I have increasingly come to the view that the kind of specialism that my hon. Friend mentioned in respect of higher education—and which has long been the experience in higher education—needs to be considered more thoroughly in respect of further education. That happens to some extent already; certain FE colleges get a reputation for doing particular work. However, we could go further; for example, where a part of the country has a dominant business sector—I have mentioned the food industry in my area—it would be entirely appropriate for local FE provision to work in tandem with that specialism. Expertise of national, or international, quality might be developed around that kind of partnership.

There are also some schools that are doing excellent work in respect of vocational education. I draw hon. Members' attention to the Gleed girls technology college in Spalding. It is a splendid place. I was recently there, and I spoke with the new headmistress—I do not like to use the modern idiom, so I do not say head teacher—and she told me that the school has recently acquired vocational specialist status. It is looking at ways to work afresh with local further education and local industry. One of the problems in an area such as Spalding is that the biggest further education colleges are a fair way off—Boston, Stamford, Peterborough—so giving young people the opportunities that they deserve is quite difficult in practical terms.

That is what I meant about bringing learning to the learners. We must think imaginatively about how to make the best use of technology and the provision of resources and expertise, so that people from the age of 14—I might even argue that it should happen from the age of 11, but that is a debate for another day, rather like the one on Hereward the Wake—can be engaged in a synergistic process running through to the world of work. That process might involve specialisation reflecting the local opportunities available to people as they go through education and training and into employment.

It is always good to know the weaknesses of one's own ideas. The risk is that the process would reinforce local employment patterns. Where the local employment base is narrow, it might discourage the development of other opportunities. However, the benefits outweigh that risk. The process would ensure a better match between supply and demand in terms of skills and economic need, and would prevent duplication or even contradiction among schools, colleges, other providers and local industry. I should like the Minister to consider specialisation.

I should also like the Minister to consider status. I mentioned parity of esteem. We need to raise the status of vocational education and skills. Four hundred years ago, most people were illiterate, but they were not uneducated. The modern notion that education is exclusively about book learning is just that: a modern notion. I want us to value the skill of people's hands as well as the skill of their minds. When we look at the place in which we now sit, with all the beauty that it encompasses, and imagine the skills that created it, how can we believe that those involved were anything less than highly educated?

We need to raise the status of such skills. That is easy to say and difficult to achieve. I would happily join the Minister and Members of other parties—we must draw

the line somewhere, but on this occasion I am prepared to include the Liberals—in thinking about how to raise the status of skills and vocational education.

Annette Brooke: Will the hon. Gentleman give way?

Mr. Hayes: I am delighted to give way. Never waste an opportunity to bait a Liberal.

Annette Brooke: It would be enlightening if the hon. Gentleman could tell us the current policy thinking of the Conservative party on the Tomlinson proposals.

Mr. Hayes: I can see that I have upset the hon. Lady; she cannot deny it. My friendly jibe has enlivened her, and she is now trying to catch me out. I think that that is what she is up to.

Suffice it to say that my hon. Friend the Member for Henley and I, who are new to this job, are ceaseless in our attention to such matters. We are listening and learning; we are studying existing policy and considering the challenges and potential solutions. The hon. Lady will not have to wait long before exciting policies emanate from this side of the House. They will not only command the attention of the wider world but encourage support from all political parties, even her own.

Clive Efford: Will the hon. Gentleman give way?

Mr. Hayes: Hon. Members are trying to make me digress, but that will earn your anger, or at least your rebuke, Mr. Amess, so I shall not risk it. If the hon. Gentleman is going to be completely on message and on subject, I will happily give way to him, because he represents dear Eltham.

Clive Efford: I am grateful to the hon. Gentleman. I just could not resist the temptation. If there is about to be an announcement from the Conservative party, it is likely that we will have heard it before. It is going to be one of ours, is it not?

Mr. Hayes: My hon. Friend the Member for Henley and I are fully signed up Cameroons, so the hon. Gentleman cannot catch us out like that either. We understand the need for permanence; but we understand equally the need for relevance. Let me leave the matter there.

I look forward with hope to a new generation of craftsmen, proud and valued, creating beautiful things for our people and to a new generation of Britons, enlivened by learning and enriched by their skills, rooted in and serving strong communities. I know that the Minister in his summing up will embrace my vision, move towards our position and translate that adjustment into a new and exciting range of policies, which he is about—I assume—to announce.

4.31 pm

Bill Rammell: With the leave of the House, I shall take this opportunity to sum up the debate. I agree with the hon. Member for Henley (Mr. Johnson), who led for the Opposition, that the debate has been constructive. There has been strong consensus, and that should not be a cause for concern, because it broadly shows—I would say this, would I not?—that the Government's policy is moving in the right direction. It probably shows also that in the areas in which we are deficient, the problem is sufficiently difficult that it is not easy to come up with other propositions. However, I certainly welcome the debate.

The hon. Gentleman mentioned the funding gap between further education colleges and sixth forms in schools. It has been an issue for a good period, and during our time in government, we have sought to tackle the problem. From talking to FE principals throughout the country, I sense that the announcement made by the Secretary of State at the Association of Colleges conference in November has been welcomed. The commitment during the next financial year to reduce the funding gap from an estimated 13 per cent. to 8 per cent., then to 5 per cent., and then, as resources allow, to move beyond that has been welcomed. There are some anomalies between the funding of school sixth forms and FE colleges, and we have a commitment to tackle that issue.

The hon. Gentleman compared the proportion of young people going to university today—43 to 44 per cent.— with the proportion when his parents went to university. We should all regard that expansion of higher education as a force for good and something to celebrate. Inevitably, however, it brings in its train a debate about how to fund such a massive expansion. That is why we took the difficult but justifiable decision to introduce this year a new finance system with variable fees, which is backed up by an improved system of student financial support.

The hon. Gentleman asked whether "Ich bin ein Frankfurter". I want to consider the details of that definition carefully. However, I concur with the broad thrust of his argument that there are significant benefits from university autonomy in this country. If we compare the model in Britain with those elsewhere in the world, its quality, independence and investment, and the connections that it has brought, have been of significant benefit. In the Hampton Court declaration during our recent presidency of the European Union, we underlined the importance of the role of universities in helping the European Union to meet the Lisbon goals, in terms of increased productivity and prosperity. We should be working on the British higher education model and sharing it with our colleagues elsewhere in the European Union, because it has been a success story.

I agree that not every course has an immediately realisable vocational outcome. Clearly, there should be a link with the world of work and business, but not every course will immediately have that link.

I am saying that I agree far too much today, but I also agree that not all universities are equally good at everything. The sector is diverse, and that is a strength in our higher education system. Different institutions pursue different specialisms, which is to be welcomed.

The hon. Gentleman commented on our research funding approach. Government policy is to fund excellence, but through that process there has been a greater concentration of research in terms of the number of institutions covered. That process is not unique to Britain; it has been taking place across the advanced world. However, the higher education innovation fund initiative is a means of tackling that issue.

[Bill Rammell]

However research is distributed, one of the key issues is to ensure that institutions that are research intensive have good links with those that are not, so that academics and teachers in non-research intensive institutions have experience of and contact with departments that are undertaking significant programmes of research. There is a link between research and teaching and a benefit to be gained from that.

The hon. Gentleman went on to talk about whether there is a model through which to get more businesses to contribute directly to the costs of higher education. We would like that to develop. With the Secretary of State's funding letter to the HEFCE, which was made public this week, we give a strong steer in that direction, not so much to get businesses to fund students while they go to university, although I encourage businesses to do that—there is money in the settlement for the forthcoming financial year—but to encourage, on a match-funding basis, much greater engagement by employers directly with higher education institutions. If we can get a greater match between business and universities, and a university can come in, work with a business and accredit existing training and educational programmes to contribute towards a higher education qualification, not only will that mean significant upskilling within the economy and particular sectors, but it is one of the most effective things that we could do to broaden participation.

The hon. Gentleman commented on the importance of STEM subjects: science, technology, engineering and mathematics. There are concerns, but in this academic year there has, for the first time in a while, been a significant and welcome uplift—about 10 per cent.—in students undertaking those subjects. We need to have a better understanding of what has gone on with teaching and learning in science. There are 120,000 more students studying science-related degrees than there were eight years ago, but there has been a shift in the kind of science that students are studying. Some of that is in our control, but some of it, frankly, is beyond our control. It is to do with how the media and the worlds of literature and television present science, but we can do more. One of the most significant things that we can do is to highlight the direct financial benefit for a student undertaking a degree in a STEM subject: the graduate earnings premium is about 30 per cent. more than that for students undertaking degrees in non-STEM subjects.

The hon. Member for Mid-Dorset and North Poole (Annette Brooke) spoke about the expansion of higher education and how we compare internationally. We are still behind on a comparable basis. According to figures provided by the Organisation for Economic Co-operation and Development, we are about 5 per cent. behind, so we need to do more to encourage young people and mature students to go into higher education, but it is a bit more complicated than that. When the completion of courses is taken into account, we are doing much better than the initial figure suggests, because we have very good completion rates—some of the best in the advanced world. In some countries, the institutions get an awful lot of people through the front door, but a huge number of them drop out. We need to do more, but we need to look carefully at the figures, too.

The hon. Lady referred to Tomlinson. I came to this debate as an Education Minister after Tomlinson, and I find the subject a bit theological. We have implemented 90 or 95 per cent. of what Tomlinson proposed. Where we disagreed was over the continuation of A-levels. If she is advocating the scrapping of A-levels, I understand her argument, but happen to disagree with it. We should focus on the new diplomas—on bringing them in, making them worth while, and getting as many young people as possible who want to do them to choose them.

Annette Brooke: What plans does the Minister have to get parity between A-levels and the new diplomas?

Bill Rammell: As we move forward with the roll-out of the diplomas, we are working proactively with higher education institutions, particularly the research-intensive ones, to get them to recognise the diplomas and to see them as a clear route of access to higher education. That will be their decision, because admissions decisions are autonomous within universities. If we can do that—if the institutions regarded as the best in the country are seen to recognise and to value the diplomas—that will send out a strong signal to young people undertaking those qualifications.

The hon. Lady referred to what I would describe as the stepping stone provision issue in adult education. By statute, we fund at level 2, but what about the courses that need to be undertaken in order for someone to get a full level 2 qualification? Under the existing framework, if a course of that stepping stone-type is properly mapped against the national framework, it is funded. We need to ensure that that happens locally. There is another issue that I am considering. It has been put to me repeatedly over the past nine months that, particularly in disadvantaged communities, people sometimes progress at a slower rate. At the moment, there is a statutory cut-off for funding at the age of 19. Arguably, there is a case for looking into that, and we are considering the issue.

The hon. Lady referred to dead weight. Where the state steps in and funds the full level 2, so that the employer who was funding that is no longer required to do so, part of what we—the Government, learning and skills councils and colleges—have to do is work with employers actively to encourage them to trade up and displace that investment to level 3 and indeed beyond.

The hon. Lady asked whether we should have a target at level 3. The reality of the situation is that sector skills councils will consider the level 3 needs in each sector, through their sector skills agreements. She is right to say that we will need level 3 qualifications in 2012 for two thirds of jobs. We are prioritising level 3 training at the moment, with two pilots, one in the west midlands and one in the north-west. Certainly, we will look into that issue again when Sandy Leitch reports later this year. However, the debate about level 2 and level 3 is sometimes artificially polarised. If we look at the figures, £457 million is spent on level 2 and £418 million on level 3, so there is not such a disparity in funding commitment, contrary to what is sometimes suggested.

The hon. Lady referred to the concerns of the Association of Colleges about the pace of change in terms of the funding strategy that we are pursuing. All I will say is that, when I came to my post last May, one thing that I heard time and again was that colleges wanted information about the new financial settlement as quickly as possible. We listened and responded. In relation to the funding letter to the Learning and Skills Council for the coming financial year and its being made public, that is the earliest that that information has ever gone out, according to my understanding. Not only have we done that, but we have given an indication of where we are going for the following year as well. That gives further education colleges the ability to plan ahead, knowing what the terrain is likely to look like.

My hon. Friend the Member for Eltham (Clive Efford) is a champion for his local college and I pay tribute to the work that he does in that area. I take his point about flexibility. One of the success stories of the further education sector is its flexibility and willingness to respond. I take his points about Greenwich Leisure. Representing a constituency not far from his, I am aware of the work that it undertakes.

I welcome my hon. Friend's acknowledgement of the step change in funding that we have brought to the further education sector in the past years. He raised questions about the prioritisation of funding. I am keen to get across that this is not a simple divide between 16 to 19-year-olds and adults. We are prioritising 16 to 19-year-olds, but we are also prioritising adults, through the national employer training programme, or train2gain, and through adult basic skills. Again, colleges say that their adult education budget is being reduced. Part of that is because of a shift in priorities, but part of it is because they have yet to build into their budget allocations the money that will be forthcoming, which they can bid for, under train2gain, which totals £238 million for the coming year. Colleges will not yet have built that sum into their planning assumptions. People need to see the whole picture before reflecting on what the overall financial settlement is.

With regard to my hon. Friend's last point, I will bear in mind his invitation to see the good work being undertaken by the college and Charlton Athletic, but I think that I will wait until after Spurs have beaten Charlton on Sunday before agreeing to that.

Finally, the hon. Member for South Holland and The Deepings (Mr. Hayes) made an important point about NEETs—those not in education, employment or training. This is an important area of concern. We have estimated that some 9 per cent. of 16 to 19-year-olds are not in education, employment or training. We have made some progress through the Connexions service and have set ourselves a justifiable and ambitious public service agreement target to reduce the NEET group by two points by 2010.

One mechanism that we are using is the activity allowance pilot. We have already rolled out educational maintenance allowances, which are benefiting some 270,000 young people, and there is evidence that that is leading to increased participation rates. We now want to pilot the extension of those principles to young people in the NEET group, with an activity agreement and an activity allowance to help them to move into education and training.

Mr. Hayes: We know that 75 per cent. of young people, roughly speaking, are in education or training and, from what the Minister has told us, we know that 9 per cent. are in the NEET group. Some of the remainder are in work—perhaps he can give us that figure—so where does that leave the group that is unidentified, containing the people about whom we know almost nothing?

Bill Rammell: I am not going to quote those figures off the top of my head. Once the figures for the number of people who are in work are built in, we are close to squaring the circle. If the hon. Gentleman wants to write to me about that, I will respond and seek to give him full clarification.

On the hon. Gentleman's final couple of points on Foster and whether we should seek greater specialisation, there is strong merit in what Andrew Foster has said on that issue. A historical critique of further education colleges can be made. It is a bit like the flip side of my response to my hon. Friend the Member for Eltham. FE has been very good at picking up every ball thrown at it, but that sometimes means that it is a complex organisation. Crucially, it is not immediately there in terms of community understanding and empathy for its role, because it is too complex. We are considering that issue in our response to Foster and we will urge greater specialisation.

We are already moving down that road, for example, through the national skills academies. We have four of those in prospect, funded with the private sector. That is a positive move. My one word of caution—I am making it clear that there is a case for greater specialisation—is that we should bear in mind the limits. More A-levels are being taught in general further education colleges than in school sixth forms. We cannot suddenly say that we will have exclusively vocational education. It is about having a balance, but I take the point on specialisation.

Mr. Hayes: The Minister gives a very interesting analysis, and I am brainstormed to some degree. I wonder whether the situation that he describes is a good one. Some of it will be a matter of choice—some young people will go into FE because that is where they want to be, they have had enough of school, and they do not want to continue to sixth form or whatever. However, we should not make an a priori assumption that the circumstance that has arisen, whereby so many A-levels are being taught in FE, is the best use of FE. We may want to re-examine that. I offer that suggestion to the Minister as a random thought and something that we will be thinking about more closely following the debate.

Bill Rammell: I do reflect on such issues, and it is welcome to debate them. I do not think that the proportion of A-levels undertaken in FE as against school sixth forms is set in tablets of stone for ever and a day. I add the note of caution that there would be a significant financial consequence in deciding to transplant A-levels from general FE to school sixth forms. That would cost money that would not otherwise

[Bill Rammell]

be spent on the sector. It better suits the purposes and needs of some young people to undertake A-level teaching within an FE college rather than a school sixth form. However, I am not dogmatic on those issues.

On the hon. Gentleman's point about the Holbeach campus, the work that he identified as being undertaken there is exactly the kind of joined-up, collaborative working that we want to see between the further education sector, universities and businesses. On his point about status for vocational education and skills, the skills academies will help us, embedding to a greater extent the vocational mission within the core mission of a further education college.

As I said earlier, the recognition of diplomas by institutions regarded as being among the best in the country in the higher education sector will help. One of the key aims is enabling more young people who choose the vocational route to enter higher education. One of the most challenging statistics in my job is that, if someone has two A-levels, they have a 90 per cent. chance of going to university. If, however, they have the vocational level 3 equivalent, they have only a 50 per cent. chance of going on to higher education. That is the scale of the challenge we face—how to make it clearer, more easily identified and better signposted, so that those young people who choose the vocational route but want ultimately to go on to higher education can do so.

My final point about the status of the sector is about further education colleges themselves. They do tremendous work up and down the country. The FE sector probably transforms more lives potentially than schools or universities.

Mr. Boris Johnson: Fund them properly.

Bill Rammell: *We are funding them properly.* However, there has been a tendency over a number of years for people within the FE sector to see the glass as half empty rather than half full. Across all parties, we have a responsibility to work with FE colleges to value and sell the story of what FE is successfully doing.

This has been an extremely constructive debate. There is an enormous amount of work to be done. I am grateful for the contributions that have been made this afternoon.

Question put and agreed to.

Adjourned accordingly at six minutes to Five o'clock.

Westminster Hall

Tuesday 7 February 2006

[MR. JOE BENTON *in the Chair*]

Care and Nutrition (Older People)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Dhanda.]*

9.30 am

Mr. Paul Burstow (Sutton and Cheam) (LD): Good morning to you, Mr. Benton, and to other hon. Members. I am grateful for the opportunity to raise the issue of the care and nutrition of older people. I think that the Minister will know of my interest in the subject, because I had the opportunity last week to host the launch in the House of a campaign by Help the Aged and Action on Elder Abuse to help raise awareness and promote action to tackle the hidden scandal that is elder abuse in our country. The Under-Secretary of State for Health, the hon. Member for Birmingham, Hodge Hill (Mr. Byrne), also took part. The campaign is all about pressing for in-depth research to gauge the true level of the problem of abuse. The most recent figures obtained by the Select Committee on Health, during its inquiry in 2004, show that 500,000 elderly people at any one time may be the victims of abuse, including physical, psychological, financial and sexual abuse. Without a clear picture, however, it is impossible to know whether the current policy and practice, which have developed over the past five to 10 years, really are a fit response to the level of need.

Although this morning's title gives scope to raise many issues, I sought the debate primarily to raise two. The first is the nutrition of older people, particularly vulnerable older people in care homes, and the second is the use and management of medication in care homes. Just before Christmas, the British Association for Parenteral and Enteral Nutrition—BAPEN—published a report into the nutrition of older people in a variety of care settings, and the facts speak for themselves. One in 10 care home residents loses up to 5 per cent. of their body weight within a month of being admitted to the home and 10 per cent. of their body weight within six months. Much malnutrition goes undetected; indeed, many regard it as the norm and as part of the aging process—it is not.

Even on the basis of the available research, it is clear that malnutrition in care homes is at epidemic levels. Based on an analysis of people aged 65 and over by the national diet and nutrition survey, BAPEN found that 20.5 per cent of individuals in care homes—one in five residents—were at medium or high risk of falling victim to malnutrition.

David Taylor (North-West Leicestershire) (Lab/Co-op): As the hon. Gentleman might imagine, I am a big NHS proponent, but does he agree and acknowledge that such treatment can, sadly, be found in both NHS hospitals and care homes? I introduced a private Member's Bill in the previous Parliament to establish an older people's rights commissioner to tackle issues such as nutrition and medication. Would he become a sponsor if I introduced it again later this spring?

Mr. Burstow: That is an invitation that I could not possibly refuse. The hon. Gentleman makes a good point about the need for an advocate—particularly for the frail and vulnerable, who might lack capacity to make decisions for themselves—as a complement to some of the legislation on medical capacity. I hope that he would also support my ten-minute Bill, which is currently before the House, and which would extend the application of the Human Rights Act 1998 to all privately run care homes. It does not currently apply in those circumstances, and anyone who crosses the threshold of a privately run care home can no longer exercise their rights under the Act unless there is a contract with the local authority that specifically stipulates otherwise. The Government acknowledge that anomaly, but it needs to be addressed, and that loophole needs finally to be closed.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing the debate and on his excellent work on the issue. Before he goes too much further into the issue of nutrition in care homes, may I draw to his attention the excellent work done by the Womens Royal Voluntary Service and the meals on wheels service in Kettering? They provide valuable nutrition for older people who are being cared for in their own homes and who will later go on to institutional care. Without meals on wheels volunteers, this country would be a in a very sorry state indeed.

Mr. Burstow: I can only echo the hon. Gentleman's sentiments. I also have a meals on wheels service in my constituency, and it relies predominantly on voluntary effort to deliver meals. The service makes a huge difference in terms not only of the delivery of food, but of contact; indeed, it is the only contact that some people have, because many of them lead very isolated lives.

As I said, one in five care home residents is at risk of malnutrition. Today, as many as 63,400 frail elderly people in care homes across England could be malnourished—that is 63,400 victims of poor nutrition. In the 21st century, it is a scandal that elderly people in some of these homes are, in effect, starving to death. The personal cost of such poor treatment is incalculable and unacceptable, and it includes poorer health, slower recovery from illness, the risk of complications from illness and, above all, a very poor quality of life. According to BAPEN, the cost to the taxpayer of treating malnutrition in long-term care has been estimated at £2.6 billion a year. That really is a shocking waste of public money.

According to figures from the Commission for Social Care Inspection, more than 2,000 care homes out of the 11,000-odd in England fail to meet the most minimal of national minimum standards for meals and mealtimes. As things stand, the national minimum standards say next to nothing about nutrition. It is only thanks to work by the Caroline Walker Trust and the National Association of Care Catering that a more detailed set of guidance is available to practitioners in the field. I very much welcome the news that the commission will publish a report on nutrition later this year, which is not a moment too soon.

[Mr. Burstow]

Last month, I had the opportunity to introduce the Care of Older and Incapacitated People (Human Rights) Bill under the ten-minute rule. I drew attention to a case that was reported to me and which illustrates the nutrition problem. It was the case of a care home resident who nearly starved to death. Like many other residents at the same care home, this elderly lady suffered from dementia and needed help with eating, but none was provided. Residents were left to fend for themselves, and relatives were banned from the dining area. When the news came that the care home was to be closed, conditions deteriorated further. Residents were forced to live on a diet of Angel Delight and beans on toast, and sometimes, if they were lucky, pilchards on toast. They were left for up to 16 hours between meals, as cooks went home at 4 pm. When the manager was asked what the residents could eat at night, he told relatives that there was a pot of fish paste in the fridge. Fortunately, the lady in question moved to a new care home, where she received much better attention, and she put on a stone within a month of arriving.

Another lady wrote to me to say that despite years of battling to ensure that her mother was properly looked after, her mother could barely get a spoon to her mouth or reach her drink and had difficulties because she was offered no assistance in doing so. The lady told me that her mum was being fed on tinned corned beef and packets of Smash potato. After a complaint, she was moved on to tinned mince and Smash, and another complaint later led to the provision day after day of a banana for breakfast, tinned stew mixed with tinned soup for dinner and tinned soup for tea. That was a wholly inadequate diet, and relatives were given no explanation—if there was any—for why such a diet was provided. The lady's mother was put in a bed so high that she could not reach the water placed by her bedside—dehydration is also an issue in some care homes.

It was only after the mother was admitted to hospital with breathlessness and chest pains that the lady was told that her mother was malnourished. Although her mother ate "like a horse", as the hospital put it, during her stay in hospital, and gained weight in the process, the care home denied any responsibility and argued that she had not been eating due to a lack of appetite. If we were served a constant diet of tinned stew mixed with soup every day, we might lose our appetites too. Not every care home is like that, but those that are should not be tolerated, because they are ruining people's lives, putting lives at risk and, in some cases, killing people.

I want to raise three specific concerns regarding the nutrition of older people: training, nutritional screening and co-ordination. On training, there is no requirement in the national minimum standards for care homes regarding training catering staff, in particular, in the specialist task of meeting the dietary needs of care home residents. I understand from the National Association of Care Caterers that no module is available as part of national vocational qualification level 2 on catering to ensure that staff can meet those special dietary needs. A module exists and was drawn up by NACC in the late 1990s, but City and Guilds, the awarding body, has not seen it as a high enough priority to be made a component of NVQ, despite the demand for such a course throughout the sector. What action will the Minister take to ensure that training on special dietary requirements is available as part of any qualification for caterers in care h mes?

David Taylor: Will the hon. Gentleman give way?

Mr. Burstow: I shall ask my second question, then I shall give way one more time, as I need to make some progress as a number of hon. Members want to speak. Will the Minister also intervene to encourage the awarding authorities to make such training a priority for care catering?

David Taylor: Does the hon. Gentleman agree that in recent years there has been a trend, which predates 1997, of enforced sell-off of local authority homes into the private sector, which in some cases has been accompanied by poorer standards of training for staff in privatised homes? That is especially true in relation to nutrition. The problem that he describes is much less apparent, although not invisible, in the remaining homes that are run by local authorities.

Mr. Burstow: I have two reactions to that point. First, I should like to see the commission's report, which will analyse performance by sector precisely on nutrition standards, inadequate as they are. Secondly, we are where we are, and we must ensure that the system delivers good quality, fit-for-purpose services, regardless of whether they are publicly, privately or charitably run. That is the purpose of my contribution, but I entirely take the hon. Gentleman's criticism, which I have heard about and share, about the downsides of the regulated but not very well managed system that we have had for too many years.

After highlighting my concerns about malnutrition in care homes, I have received a great many letters and phone calls. Some have been from angry care home owners, but many have come from care homes wanting to tell me what they do in practice, relatives and residents sharing their personal experiences, and health and care practitioners pointing to good practice.

An example of good practice that I commend came from Southwark primary care trust, which told me about its care home support team, which works with 40 independent sector nursing homes in the borough. The team has introduced systematic assessment of need, which includes intensive training courses for care home staff, with courses on dementia and nutrition, and working with people with swallowing difficulties—an issue that the Parkinson's Disease Society is most concerned about in the upcoming review of national minimum standards. Those examples of good practice should become the norm. Making them the norm is the challenge.

Standard 8 of the national minimum standards for care homes makes nutritional screening a requirement. However, that requirement is part of a bundle of other requirements, which means that a home could meet the overall standard but perform poorly on nutritional screening. Without proper screening it is hardly surprising that one in every 10 new care home residents loses up to 5 per cent. of their body weight within one month of being admitted and up to 10 per cent. of their body weight within six months.

As things stand, there is no agreed screening tool. BAPEN has developed a universal malnutrition screening tool for assessment of individuals across all care settings that is supported by the Royal College of Nursing, the British Dietetic Association and the Royal College of Physicians. NACC has produced its own screening tool for use by care home managers that is designed with individuals with no nutritional or dietary training in mind. Care homes need clear guidance about the assessment tools available and the circumstances in which they should be used. Will the Minister make nutritional screening on admission to care homes a mandatory requirement in the national minimum standards?

I am sure that the Minister will tell me about the review of the national minimum standards, the work of the Food Standards Agency, the efforts of the Commission for Social Care Inspection and the imminent publication of National Institute for Health and Clinical Excellence guidance on the use of nutritional supplements. The review of national minimum standards offers the opportunity to strengthen nutritional requirements. I understand that CSCI is undertaking work on that, as well as developing a toolkit for inspectors, and is due to publish a report on nutrition next month. The FSA is developing recommendations on nutrient-based standards not only for the care sector, but for public institutions across the piece. That work includes developing example menus to assist caterers in menu planning. I understand that the FSA is in discussion with a range of interested parties about its work and will produce a draft report, which will be ready by this summer.

I do not say that there is not a lot going on; indeed, I acknowledge that there is. However, the more I have researched the issue and talked to people, the more the question arises of where the co-ordination of those different strands of work is. Who is pulling them all together? I and many outside, particularly those in BAPEN and NACC, would like to know whether the Minister or her colleagues in the Department of Health will take steps to ensure that the work of the FSA, CSCI, NACC, the Caroline Walker Trust, BAPEN and other interested parties is effectively joined up, to ensure that the future national minimum standards cover all aspects of nutrition and meal provision. Would she or the Under-Secretary of State for Health, the hon. Member for Birmingham, Hodge Hill, be willing to meet me and representatives of NACC and BAPEN to discuss our concerns and their recommendations?

The second issue that I should like to raise is medication, which I mentioned before Christmas in an Adjournment debate to which the Under-Secretary of State responded. This morning, CSCI issued its report on medicine management in care homes. The report is entitled "Handle with Care?", and it follows a report by the National Care Standards Commission that was published in March 2004. That earlier report identified serious deficiencies in the way care homes managed medicine. In the light of the earlier report, today's report makes worrying reading.

"Handle with Care?" states that

"homes are still not placing enough importance on this critical area of care."

According to the report, 45 per cent. of care homes for older people are failing to meet the national minimum standards on medication. Some 5,140 of the 11,543 care homes in England are not managing medicines according to the national minimum standards. In almost one in three London boroughs, fewer than 40 per cent. of homes meet the medicine management standards. The report states that it

"shows that there has been some slight improvement in performance overall"—

it covers not only older people's homes, but children's homes—

"with the exception of nursing homes for older people. But the rate of improvement in such a crucial area of care has been disappointingly slow, with nearly half the care homes for older people and younger adults, providing 210,000 places for residents, still not meeting the minimum standard relating to medication. The primary responsibility for this failure rests with the homes themselves."

Some 210,000 people are living in homes that do not meet the minimum standards on medication, and the buck stops with the homes themselves. I am not here to say that the Government have not delivered, but I point out that the owners need to end their constant denial of problems and failings.

It seems that the reasons why homes are failing to manage medication properly have not changed since NCSC reported. Lessons have not been learnt, and attitudes have not been changed. Indeed, the commission says:

"expenditure on training does not seem to have had an impact on this area of quality."

The commission has found that even homes that meet the standard then struggle, slip and fall back. I first raised the issue of poor medication management in my report "Keep Taking the Medicine" in 2001. I have published two more reports since and contributed to the writing of the Health Committee's report on elder abuse. Five years on, there is still an awful lot to do. The level of over-medication and inappropriate medication in our care homes is shocking. It is a scandal that such poor practice, mistreatment and abuse continue.

When NCSC reported in 2004, it noted:

"The majority of prescribed medicines will be supplied by a GP on a repeat basis at the request of care staff and not the service user."

That places care staff in a powerful position to influence prescribing for good or for ill. Little has changed in nursing homes and progress has been "stagnant", according to the latest report. That means that some older people are being managed by means of chemical cocktails of drugs, not for their benefit, but for the benefit of the home. It is chilling to think that if the published research on inappropriate medication is right, as many as 22,233 elderly nursing home residents in England could be under sedation without medical grounds. Indeed, the commission's findings suggest that the situation could be far worse.

Action is long overdue. It is time that care homes came out of denial and took action. There is no quick fix, but ensuring that the recommendations of the commission's report are followed through as a matter of urgency must surely be a priority. Perhaps the Minister can explain how those recommendations will be followed up after the commission is abolished in a couple of years' time.

One way in which the standards could be raised and the quality of life of care home residents improved would be the delivery of the national service framework

[Mr. Burstow]

standard for medication review. The standard is clear. People aged 75 and over on fewer than four medications should have an annual medication review, and those on four or more should have a review every six months.

Sandra Gidley (Romsey) (LD): Is it not something of a missed opportunity that because the standard in the national service framework for older people is not the same as the standards to which GPs work to get their quality and outcomes framework points, the system provides no incentive for GPs to deliver what is in the national service framework?

Mr. Burstow: My hon. Friend makes a good point. There is an apparent misalignment between the GP contract and the quality and outcomes framework, and the national service framework standard. That has meant that there has been a lack of incentives in the system for people to get to the milestone for the NSF. The evaluation of "Room for Review" guidance on medication reviews, published last year by the Department, pointed to the fact that progress had been patchy—only 8 per cent. of PCTs had met the NSF standard for annual medication reviews for patients over 75, and 5 per cent. had met the target for six-monthly reviews for patients over 75 on four or more medicines.

It is worth bearing in mind that that national service framework standard was meant to be achieved by 2002. Two years after that, just 5 per cent. of PCTs were saying that they could meet that standard. As I have pointed out in previous debates—I did so before Christmas—two years after the NSF milestone was missed, 47 per cent. of PCTs were still reporting that they could not conduct six-monthly medicine reviews for over-75s on four or more medicines. That picture of patchy support from PCTs is borne out and repeated in the report published today by the Commission for Social Care Inspection. What is being done to ensure that the missed NSF milestone on medication reviews is finally achieved, and that PCTs engage with care homes to drive up the standards?

To conclude, I sought this debate to highlight two issues: nutrition and medication. Just one care home starving its elderly residents to death or using chemical straitjackets is too many, but the truth is that, through neglect or wilful intent, thousands of homes make the lives of those whom they are supposed to care for a misery. Thousands of homes are making a mockery of the standards, systems and safeguards that are supposed to protect the vulnerable.

I hope that the Minister will demonstrate that the Government understand the challenge and accept that there is still much to do, and that they will give the matter the same level of priority and attention that they have rightly given for many years to our systems for protecting the welfare of children.

9.52 am

Tony Baldry (Banbury) (Con): I have been a north Oxfordshire Member of Parliament for more than two decades. During that time I have visited the nursing homes and residential care homes in my constituency on many occasions. After more than 20 years, many friends and neighbours have ended up in nursing homes and one goes and sees them.

I do not recognise the picture that the hon. Member for Sutton and Cheam (Mr. Burstow) paints of care homes that do not care for their residents, but I think that there is a reason for that. I represent a relatively "healthy and wealthy" area of England, and I suspect that every nursing home in my constituency has a fair number of residents who pay privately. The homes cross-subsidise residents with local authority placements, and have done so for many years. One of our difficulties is that nursing home proprietors, whether they belong to the voluntary or the private sector, have to manage with the funds with which they are provided. Often, because of the pressures on local government finance and social service budgets, their margins are very tight.

When it comes to nursing care standards, nursing homes are in competition with every other part of the NHS for nurses. Pretty well every nursing home on my patch has had recourse to creative schemes to recruit and train nurses from overseas, and I suspect that it must be difficult to recruit sufficiently well-trained staff in other parts of the country that are not as attractive or as wealthy as north Oxfordshire. I am not an expert, and I rose to my feet to speak about a different issue, but I suspect that there are two pressures that we need to consider: the unit cost per week of providing care in a nursing home for an elderly person and the need to ensure that there are sufficient well-trained nursing staff in our nursing homes. In areas of the country that do not have considerable cross-subsidy from residents who pay the full private rate, those pressures could be much greater.

I want to raise a slightly different issue, however, and I hope that the hon. Gentleman will not mind my doing so. It concerns a point that he made in respect of the statement on the White Paper on community care the other day, so we are probably at one. Tomorrow, all six Oxfordshire Members are going to see the Secretary of State about funding in Oxfordshire. Our concern is that the Oxford Radcliffe NHS trust has a £15 million deficit. One of the reasons for that is the continuing confusion as to what services are provided free within the NHS and what services are provided by social services, means-tested outside the NHS. If one were to visit the John Radcliffe hospital or the Horton hospital today and do an audit, one would find a number of patients who do not need to be there—they no longer need to be in acute general hospitals. They are not sufficiently well that they can go home, but their treatment at the John Radcliffe or the Horton has finished; they no longer need expensive acute beds. However, because of the confusion about services, the NHS is unable to move such patients into the non-NHS sector of continuing care. The situation is a nightmare and it is getting worse.

A recent judicial review on the matter caused further confusion. As a lawyer, I am fortunate, as I am supposed to be able to construe definitions and documents. However, I find the definition of when care should be provided within the NHS and when it should be provided outside almost impossible to construe. As the complexities of people's care needs increase, that becomes even harder to do.

When I was first elected to Parliament in the mid-1980s and I went around residential care homes at Christmas and other times, most of the people there were spry widows in their 70s. They were mentally alert and were there because their husbands had died, and

they needed some care. Now I go into residential elderly care homes and find that practically every resident has Alzheimer's or some form of dementia. I often take my pug dogs with me, and the truth is that the residents are far more interested in seeing my dogs than they are in seeing me—the pugs are much better looking, and they go off on chocolate biscuit search and rescue missions. Those people are very poorly, and it is difficult to explain to their families that the nature of their illness is such that care should not be provided free at the point of use through the NHS, but has to be means-tested and contributed to in the social services sector. Unless we have much greater clarity about which services are provided by the NHS and which are provided on a means-tested basis in the social services sector, we will continue to have an increasing number of blocked beds in our acute hospitals to the overall detriment of NHS financing.

There also still seems to be complete confusion about community hospitals with interim beds. For many people who do not need to go for long-term care in a residential care home, an interim bed would be brilliant. However, it is quite clear that the Thames Valley strategic health authority does not like community hospitals, simply because they are funded by the NHS. The Thames Valley strategic health authority would far prefer all community health to be provided by Oxfordshire social services. The Secretary of State made it clear in her statement last week that she wants existing community hospitals to be protected, so far as is possible. That will be difficult when strategic health authorities, in trying to balance their books, can say, "Look, we can shift this off to some other funder." That square will not be circled by joint social services and health commissioning bodies, because there will still be tension about who pays for what.

There will be considerable difficulties and tensions until there is greater clarity. It is unfair that a lot of people find themselves going through the whole appeal process to determine whether they should be entitled to continue in care funded by the NHS, and where it should happen. Collectively, Parliament must get to grips with a new definition. If we expect people to make a means-tested contribution to their long-term care at some stage, it behoves us to introduce a much clearer definition.

Mr. Burstow: I have listened carefully to the hon. Gentleman and agree with much of his analysis of the problem. Will he also note that the definitions are based solely on guidance that is administrative in nature, has no statutory force and yet appears to have redrafted the legal position and changed the law? That has led the courts to be concerned about whether the guidance is flawed.

Tony Baldry: As the hon. Gentleman knows, because he follows the subject, there have been a number of matters of judicial review, and the Department has been criticised for the lack of clarity. The courts cannot themselves give a statutory definition where none exists. If we are to have beds in acute hospitals that are not blocked, as well as a vibrant and confident care home sector, we need greater clarity about what is provided free by the state through the national health service and what services are provided by local social services and are means-tested.

10.2 am

Sandra Gidley (Romsey) (LD): I congratulate my hon. Friend the Member for Sutton and Cheam (Mr. Burstow) on securing the debate. I apologise, as I assumed that there would be greater interest and have not prepared a lengthy speech, but I am sure that when the Minister responds we will be able to ask her plenty of questions.

It is timely that the CSCI report on medications has been published today. My hon. Friend has said some of what I wanted to say about the report, but it is disappointing that two years on we seem to be no further forward. That seems to be the story when we consider the provision of services for older people. It is worth remembering that older people do not live only in care homes or hospitals. These days, the Government are driving towards looking after more older people at home, which is quite right. That is where they want to be. Many aspects of care in the home need to be considered.

Underpinning all those issues is the national service framework for older people, which was produced in March 2001. It had the dubious distinction of being the first NSF without any attached funds, which immediately created a number of challenges, because anybody trying to achieve the NSF targets had to scrabble for funding. It was also one of the last NSFs to have targets attached. I was curious to see how we were progressing against those targets, so I tabled a number of parliamentary questions and received the perhaps not unsurprising answer that the Government were not collecting routine data on the matters for which targets had been set. It is difficult to determine how progress is being measured, so I decided to carry out my own survey in 2004, which revealed that many targets had not been met, even those that were supposed to have been achieved a year previously. I am disappointed that there has been no comprehensive analysis of the success or failure of the NSF, other than a glossy booklet assuring us that all is well. Clearly, all is not well.

The Government rightly acknowledge that most people would like care at home. There is a problem with that, because although the Government have increased the funding for care at home, it has generally gone into more intensive packages. The casualty has been the funding for lower-level interventions, which may cause significant improvements in quality of life and health. Standard 8 of the national service framework is about the promotion of health and active life in older age. It acknowledges the benefits of a healthy diet but says little about two significant problems that, if addressed, could improve the overall picture.

First, people who are much older get quite tired. It is an effort to cook and they have less time and energy for food preparation. There is a strong case for teaching them new ways to cook. Those in their generation are used to meat and two veg, which involves quite a lot of food preparation. They tend to resort to tinned foods, which may not be as high in nutritional value. Secondly, where a partner dies, two people would previously have been used to rubbing along together quite nicely, and one might have taken responsibility for food preparation. When someone is left to cope with that on their own, as well as with everything else, there is another need for education.

[Sandra Gidley]

My hon. Friend has highlighted some of the problems that will arise if we do not address nutrition among the elderly. I also want to quote from a lecture given by Professor Marinos Elia to the Westminster diet and health forum. He pointed out:

"The main reason for the high prevalence of hospital malnutrition is that patients are already malnourished when they are admitted to hospital."

He went on to say:

"In people aged 65 years and over in the community, the prevalence of individual vitamin deficiencies can be as high as 20 per cent."

He said that protein-energy malnutrition probably affected 13 per cent. of those aged over 65, and concluded:

"Treating/preventing malnutrition in the community, and abolishing major nutritional inequalities there, are important strategies for preventing disease, improving wellbeing, and aiding recovery of patients admitted to hospital."

There seems to be some evidence that such action would be useful.

Standards for care homes have been mentioned, but they are fairly basic and centre around having three meals a day at certain intervals. Although they are welcome, there is no mention of basic things such as the need for five portions of fruit and vegetables a day. That is a Government strategy and has been the subject of a Government campaign, but it does not seem to appear in the guidance for care homes. Although my hon. Friend mentioned the failures of the system, it is disappointing that the statistics have not improved since last year. We have to ask what effect CSCI is having in driving those standards upwards. On the basis of the evidence of the past year, it would seem to be very little.

The European Nutrition for Health Alliance has produced some statistics as well. It points out:

"Patients over the age of 80 admitted to hospital have a five times higher prevalence of malnutrition than those under the age of 50".

Clearly the problem is getting worse with increasing age—a factor that has not been mentioned today. The statistics concerning loss of weight when people enter a nursing home have already been mentioned.

Age Concern has also put together some work on the subject. It says that a range of studies has put the prevalence of malnutrition in care homes at levels between 60 per cent. and 100 per cent. I cannot believe that the level is 100 per cent., because there are homes in which the food is excellent, and I know which ones I would like to go to when I am older, if the standards remain the same. Clearly, however, the problem is widespread and wholesale.

What are the Government doing to assess the problem? I was interested in a parliamentary question that my hon. Friend asked in November 2005:

"To ask the Secretary of State for Health what research her Department has commissioned into the nutrition of older people (a) in care homes, (b) receiving domiciliary care, (c) in an acute hospital ward and (d) in intermediate care."

I am afraid to say that the answer was a bit waffly; it did not really answer the question. It stated:

"Details of individual projects, including a number concerned with nutrition and older people, can be found on the national research register".—[*Official Report*, 7 November 2005; Vol. 439, c. 268W.]

It then gave the URL where those details could be found. I decided last night to have a look to see what wealth of information was out there. I typed the words "nutrition and older people" into the search engine, and I found only one hit: a study of diet and nutrition in older people comparing the Afro-Caribbean population and other people. I think it considered 30 people in each cohort, which is not great. I tried some more combinations, such as "nutrition in care homes" and "nutrition for geriatrics", and found zero hits for both.

It would be interesting if the Minister could tell us what research is going on into this important subject. I am sure that the cost-benefit analysis must show that a little investment on the problem will reap dividends. If people go into hospital with malnutrition, they are at risk of developing bedsores and other illnesses, which create a demand on health services and facilities.

Medication in care homes is a significant problem that is generally underestimated. I would like briefly to mention the recent death of a care home patient who had been in a home for less than a fortnight. That home was owned by a GP, who I am pleased to say has now been removed from the register. The GP persuaded the patient to register, saying that it would be easier to register with the local practice. People do not think anything of that in such situations; they want to keep everyone happy. The patient was prescribed very high doses of sedatives, such that they could not eat and went into a steep decline; it can be proved that that was linked to the medication.

That case raises questions about whether a GP who owns a care home should be allowed to prescribe, or whether there should be some sort of arm's-length prescribing process. I am sure that it is not a common problem, but for the protection of medics and the public, it deserves some attention.

Mr. Burstow: My hon. Friend makes some important points about the dearth of Government research, not least in respect of nutrition. Does she share my concern that there appears to be a dearth of research on the use of medication in care settings—particularly care homes—to understand why prescribing in some cases appears to be inappropriate and to identify courses of action that could change that?

Sandra Gidley: My hon. Friend makes a good point about medication in care homes. I have seen that situation at first hand, because I used to work as a pharmacist, and I saw the prescriptions for each home. Things are better than they used to be when I first qualified 20 years ago. At that time, a person could have a pot of 500 sedatives prescribed, which could then be given out willy-nilly. At least that process is now carried out on a named-patient basis. I have seen homes undergo a change of ownership where the prescribing patterns change radically, sometimes for the better and, sadly, sometimes for the worse. There seems to be no overview of the process or the appropriateness of prescribing. The subject needs more research.

I have read my hon. Friend's paper, and a lot of it seemed based on small-scale research with an extrapolation upwards. That can be dangerous, and it would be much better to have an accurate picture of what is going on with clearer guidelines as to when sedation is appropriate. In my opinion, sedation is inappropriate in many cases and is used for the convenience of the care staff, rather than the benefit of the patient. That is one of the biggest hidden scandals and abuses in today's society.

I would like to mention hospitals. I have mentioned that those over 80 admitted to hospital have a five times higher prevalence of malnutrition than those under 50, but many are admitted in an emergency and the food that is given is often inappropriate. A lot of thought has recently gone into food in hospitals, but sometimes it is perhaps not enough. It does not matter what the food is like, because the problem that returns time after time—it happens in the care home sector as well—is the lack of basic help for the patient to eat or drink. That form of abuse is endemic in the system.

The Minister will be aware of the "Panorama" programme a few months ago in which reporters went undercover into a hospital in the south of England. The programme showed how drinks were put out of patients' reach and food was taken away after a meal with no thought as to whether patients had been able to feed themselves. Sometimes people's arms were in plaster and no thought was given to basic care. There is a real need for a return to basic nursing standards, which seem to be forgotten time and time again.

Sadly, we are dealing with a generation that does not complain. People do not complain because they do not want to be picked on or treated wrongly if they make a fuss. But we owe a lot to that generation. It deserves our attention because it is a generation that deserves better.

10.18 am

Mr. John Baron (Billericay) (Con): I add my congratulations to the hon. Member for Sutton and Cheam (Mr. Burstow) on securing this important debate. He has raised some very important issues. Caring for those who can no longer care for themselves is one of the greatest challenges facing us, as has been recognised in the good contributions made.

Nutrition is clearly of great importance to the well-being of any elderly person, whether in a care home or private accommodation. That was recognised by the Government in their 1998 study, "National diet and nutrition survey: people aged 65 and over", which revealed that those living in care homes were more likely to be underweight and also reported that one in six residents were deficient in folate—a B vitamin—or were anaemic. Most care homes do a good job, but there are undoubtedly cases of under-nourishment in older people. Such cases are still many and varied, which in many respects is what today's debate is about. According to Age Concern, a range of studies have put the prevalence of malnutrition in care homes at between 60 and 100 per cent. Clearly, that is a matter of great concern.

I do not propose to repeat everything that has been said about nutrition. Many good points have been made. I will endorse one point made earlier: of course nutrition is terribly important, but it is also important that elderly patients have access to that nutrition. In some cases, older people require special assistance to help them eat. That issue needs to be recognised, as does the issue of those suffering from Alzheimer's, who may become confused about whether they have eaten.

In the light of those concerns, what estimate has the Minister made of the scope of nutritional problems facing many elderly people both inside and outside care homes? Is she entirely confident that that Commission for Social Care Inspection has the capability to enforce rigorous standards? I would like her to consider those points in her response. I intend to keep my speech relatively short, so that there is plenty of time for her to respond.

Problems with nutrition in care homes are mirrored in the use of medication. As we have heard, CSCI's report yesterday revealed that almost half of all nursing and care homes fail to meet national minimum standards for how they give medication prescribed by their doctors. Those results are deeply disturbing. It is vital that patient confidence is restored. The report highlighted significant geographical variations in performance and indicated that council-run homes perform significantly worse that voluntary and private homes. It went on to say that there had been few improvements since a similarly critical report in 2004. What measures are the Government going to introduce to ensure that patients in care homes receive the medication prescribed by their doctors?

Fear of abuse is a chilling problem that affects elderly people in some care homes and private homes, as was well set out by the hon. Gentleman. Many of the activities involved, including physical attacks, sexual abuse and fraud, are already criminal and would be recognised as such. However, elder abuse also includes psychological bullying and neglect. It does not help the situation that because older people are often vulnerable and suffering from mental or physical illness, unique barriers stand in the way of reporting such abuse. Help the Aged has estimated that a staggering 500,000 people are believed to be being abused at any one time in the UK, and yet nearly 40 per cent. of the public have not even heard the term "elder abuse". Raising awareness and promoting vigilance is therefore a vital step towards tackling the problem.

I am concerned that, although the Department of Health has published guidance for local authorities on the protection of vulnerable patients, there is no legal requirement for local authorities to adhere to its recommendations. I am conscious that the Government are expected to announce today—they might have already done so this morning—proposals for the registration, further training and vetting of the approximately 750,000 care workers who look after elderly people. We have asked questions of the Department of Health about the vetting of staff working with vulnerable adults and the operation of the protection of vulnerable adults list, but as yet, we have not received any answers. Will the Minister address that point?

It is important that the Government's proposals, whatever they may be, which affect a large number of workers in the social care sector, are properly thought through. Otherwise, there will be a risk that the latest initiative will serve to add to the bureaucracy and cost, without necessarily achieving its aims of helping and

[Mr. John Baron]

protecting older people. I look forward to hearing what the Minister has to say about that. With that in mind, perhaps she will explain her Department's response to the campaign led by Help the Aged and Action on Elder Abuse. I joined the hon. Member for Sutton and Cheam at the campaign launch. Will the Minister outline what is being done to tackle this serious problem?

Taking advantage of the broad nature of the debate, if I may, I should like to address another serious problem facing elderly people. It is one that the Government have so far failed even to acknowledge in replies to my letters or when it has been raised at the Dispatch Box. I refer to the shortage of basic chiropody services for elderly people who cannot look after their own feet. Although nail cutting and routine chiropody treatments might seem insignificant to a large number of people, healthy and comfortable feet are especially important for elderly people. It is an issue not only of independence, dignity and mobility, but of helping to prevent dangerous falls.

Last year, I raised the case of an 82-year-old lady who was partially sighted, suffered from angina and emphysema, had suffered three strokes, and was unable to bend to attend to her feet. She was told that she was no longer eligible for NHS podiatry care after she changed her GP. Before the KT23 statistical measures were discontinued, they showed that 17 per cent. fewer people were being seen by NHS chiropody departments in 2004–05 compared with eight years previously.

Tony Baldry: My hon. Friend's point goes back to the point that I was making. He is jolly lucky that podiatry care is being provided. In Oxfordshire now, one does not get operated on for a hernia, and varicose veins are not operated on on the NHS, even if, like one of my constituents, one has to stand every day at work in great pain. That is because the primary care trusts, under substantial financial pressure, have had to move the line on what they think the NHS should be funding and what should be funded from social services or one's own resources.

Mr. Baron: My hon. Friend makes a valid point, and I will return to it briefly. I think that it illustrates that there is a black hole between health and social care. We need some joined-up thinking to bridge that gap, but I will come to that later.

I tried to explore the scope of the problem with regard to the lack of chiropody care in the NHS and undertook a survey of NHS services over the summer of last year. The results were quite disturbing. Some 85 per cent. of the chiropody departments or services surveyed—this was a nationwide survey—claimed that the budget for their service had not kept up with increases in demand. On average, respondents needed a 25 per cent. increase in staffing. Four out of 10 respondents told us that the level of need required for access to the service had been raised in the past five years—a point referred to by my hon. Friend. In other words, the barrier to entry had been raised. In a separate development, East Elmbridge and Mid Surrey primary care trust recently announced that some 3,000 people, or 30 per cent. of its patient base, were being discharged. I fear that it is not alone in discharging such a large number of people.

As PCTs have the freedom to vary their eligibility criteria and level of need for access to services, I am concerned that a postcode lottery in access to basic chiropody care has been developing largely unnoticed. This issue highlights a wider problem, as my hon. Friend mentioned. Many elderly chiropody patients are falling through the gap that undoubtedly exists between health and social care. Nail cutting may not be the most complex medical operation or the most pressing health need, but its importance must been seen in the context of social factors such as independence, dignity and mobility.

The arbitrary distinction between health and social need has allowed chiropody departments to divest themselves of their responsibilities, preferring to focus resources on, for example, the national service framework for diabetes. So far, social services have failed to pick up the tab and the responsibility, and many people are needlessly suffering as a result. May I invite the Minister to acknowledge the scale of the problem facing chiropody patients? What are the Government going to do about it? So far, there has not even been any recognition of the problem. How do the Government propose to monitor what is happening in that field now that the KT23 statistics are no longer collected? If one were being uncharitable, one might suggest that it was very convenient that the figures were no longer being collected and that the Government did not wish to acknowledge the issue at hand.

Finally, I should like to bring the Minister back to the issue of the gap between health and social care, as illustrated by the lack of chiropody services in the NHS. One key way of tackling that black hole between health and social care would be to instruct NICE to draw up holistic standards and entitlements regarding care, recognising health and social care needs and benefits. That would ensure that patients did not fall into that gap, and that for all those suffering from long-term medical conditions, the whole care pathway was catered for. That is one key reform that must be introduced if we are to bridge the gap. I cite chiropody only as one example of what is happening in the system and of where so many patients are being failed. I ask the Minister to address those issues, and I look forward to hearing her response.

10.30 am

The Minister of State, Department of Health (Jane Kennedy): It is a rare pleasure not only to serve under you, Mr. Benton, but to have half an hour to respond to a debate.

A number of hon. Members have contributed to what has been an interesting and useful debate. I compliment the hon. Member for Sutton and Cheam (Mr. Burstow) on securing the debate. I know his interest in the area and his commitment to improving the experience and quality of life of people in care homes. I welcome the opportunity to state the Government's position. The Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne), is engaged elsewhere, and regrets that he cannot be present to engage in this debate with the hon. Gentleman. Of course, I shall draw my hon. Friend's attention to the length of time that the hon. Gentleman has left me to reply, although I am going to enjoy it none the less.

Given the concerns expressed by the hon. Gentleman and the hon. Member for Romsey (Sandra Gidley) about care for the elderly, I invite them to visit Liverpool, where the Liberal Democrat-run city council consistently refuses to fund the realistic costs of homes for the elderly, so that beautiful and caring homes, such as Christopher Grange in my constituency, continue to stay in business only by relying on charitable support and reducing to the absolute minimum their staff's wages. Christopher Grange is run by the Catholic Church, and it has a loyal complement of staff who stay with it even under circumstances such as those. It might be of interest to the hon. Gentleman and his hon. Friend to see the difficulties that private homes and those provided by the charitable sector, such as Christopher Grange, have while operating under Liberal Democrat policies in Liverpool.

Mr. Burstow: I should not intrude on a local concern raised by a constituency Member, but may I ask the Minister to consider that when many of us from all parts of the House express concerns about the adequacy of funding settlements and resources for the care home sector, one response that Ministers often offer us is that the delivery of good outcomes and quality of care is a question not only of resources?

Jane Kennedy: I am glad that the hon. Gentleman made that point, because it allows me to reply that CSCI has rung its hands about the state of care for the elderly in Liverpool and criticised the local authority for not passing on to the elderly sector in social services the resources that the Government have provided to the city. I have been longing to get that off my chest. Notwithstanding that, however, the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill, would without doubt be willing to meet the hon. Gentleman to discuss his concerns further.

Peter Bottomley (Worthing, West) (Con): This is not quite a point of order, but it is quite close. Given that no Labour Back Benchers are speaking in this debate, should not the Minister be speaking from two chairs? She might be able to move slightly to the right to make her point as an MP, and then move to the left as a Minister to respond to it.

Jane Kennedy: I thought about that, but I might have fallen over my chair if I had tried it.

The hon. Member for Sutton and Cheam questioned why we did not have an older people's rights commissioner in England. I draw to his attention the fact that we already have a national director for older people, Ian Philp, who is responsible for the implementation and oversight of the national service framework for older people. We would look to him for advice and guidance on those areas. When older people begin to need support at home or elsewhere, whether it comes from family members or health and social care professionals, we should strive to help them maintain their independence and quality of life. We should do so because that is what we would want for ourselves and those close to us.

As hon. Members have said, caring for older people can be challenging, as I know from personal experience. The House may not know this, but it may be interested to learn that I used to be a care assistant in a residential home for the elderly in Liverpool, working for social services. I know exactly the pressures and demands on staff, requiring not only expert clinical skill, but an ability to empathise with individuals who require support at a time in their life when they are most vulnerable.

The hon. Member for Banbury (Tony Baldry) rightly described the difficulties that people at that stage of their lives often experience. Care must be delivered in a way that maximises their independence, respects their autonomy and meets their quality requirements. We take very seriously the standard of care delivered to older people, and that is why we published in 2001 the national service framework to which Members have referred this morning.

That framework, like others, has the twin aims of raising standards of care and reducing inconsistencies between localities in the levels of care. The hon. Member for Sutton and Cheam asked why the national minimum standards say nothing about nutrition and the training of catering staff and others. However, the regulations and the national minimum standards do cover nutrition and they are being reviewed. As he said, there was no doubt that I would draw the House's attention to that. There will be full public consultation as we take the review forward, and plenty of opportunity for him and others to give their views on what they think should be included in the national standards.

Sandra Gidley: The standards and milestones in the national service framework stopped at 2004, and there has been no indication about how the Government plan to take forward the framework. The Minister mentioned consultation. Will she speak further about when the framework will be updated?

Jane Kennedy: As I said, we are reviewing the framework. I think that the hon. Lady is wrong about the standards ending in 2004, but we shall review the framework and we want to improve on it. The whole purpose of the review is to ensure that the standards that we have set are the best that we can achieve. We can always do better.

Mr. Baron: Having the standards in place is right, but if there is no enforcement of standards or no check on their enforcement, they can be useless. What assurance can the Minister give that there will be consideration not only of the standards, but of how they are enforced?

Jane Kennedy: The hon. Gentleman made that point in his speech. The Commission for Social Care Inspection can take enforcement action and it does. It is charged with the inspection of care homes and with working with the sector to achieve performance improvements. It has the necessary powers to take action. The commission has the powers that it needs, and it uses them. If I have the opportunity, I shall come on to the report that it published this morning.

Sandra Gidley: The Minister will be aware that not all the NSF milestones are those that will be monitored by CSCI, such as the provision of joined-up stroke services and protocols in GP surgeries. How are those monitored by the Government?

Jane Kennedy: I think that the hon. Lady is mixing up the NSF and the standards. The national minimum

[Jane Kennedy]

standards are also being reviewed, and the NSF will be updated in the light of that review. The next step will be a report from Ian Philp, which we expect to receive in 2006 and which will also cover her point.

Mr. Baron: I am fully aware—I raised this in my speech—that CSCI is there. The question that I asked is whether the Minister can ensure that it has the capability and resources to ensure that these issues are dealt with, because at the moment there is a question mark over that area, as is shown by the reports that we are seeing about malnutrition in care homes.

Jane Kennedy: The hon. Gentleman makes a fair point, and it is one that can always be made. We believe that the commission has the resources that it needs to fulfil its statutory obligations, but we keep the issue of resources constantly under review.

Mr. Burstow: I am grateful to the Minister for giving way so often. The hon. Member for Billericay (Mr. Baron) referred to the ability of inspectors to get traction on some of these issues. One point made in the medication report today is that there is a

"lack of responsiveness to inspectors' follow-up visits",

which it says suggests that there is no

"sufficient incentive to make changes, despite the risk of prosecution."

That relates to medication standards, but I fear that inspectors face the same dilemma in other cases, because the nuclear option of closing a home is not really an option. That is the problem.

Jane Kennedy: The hon. Gentleman makes a fair point, and I want to invite the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill, to reflect on the range of issues raised this morning and the force with which they have been made.

Let me deal with some of the other points. The hon. Member for Billericay made a firmly argued point about chiropody and said that he had had no response from the Government. There is no excuse for that; we should respond when hon. Members raise issues with us. I acknowledge the force of what the hon. Gentleman said and will invite my hon. Friend the Under-Secretary, assuming that he has responsibility for this matter, to respond to him more fully. The hon. Gentleman has previously brought to my hon. Friend's attention the gap between the NHS and social services in respect of podiatry services. The White Paper "Our health, our care, our say" addresses the joint commissioning of services and, crucially, the development of more services in the community, which will include improved chiropody services. However, I personally do not have a great deal of knowledge of that area, so I shall draw it to my hon. Friend's attention.

Mr. Baron: I appreciate that this is not the Minister's area of responsibility, so obviously I do not expect a detailed answer now. Nevertheless, when she raises the issue with the Under-Secretary, will she ensure that the issue of taking a holistic approach to the care pathway is also addressed? In my view and that of many other hon. Members, without a holistic view of the whole pathway, particularly when dealing with patients with long-term medical conditions, we shall continue to fail. People will continually fall into the gap between health and social care. I cited chiropody as an example, but as the Minister knows, that happens in many other areas.

Jane Kennedy: I could not disagree with what the hon. Gentleman has just said. We are firmly behind the concept of the patient pathway in improving the whole patient experience, from beginning to end. As the Minister with responsibility for patient safety and for quality, I receive the letters from Members of Parliament when patients fall into the gap that he described, so I, too, take an interest in ensuring that services are coherent and comprehensive.

The hon. Member for Banbury argued cogently about the complexity of the definition of what comprises nursing or residential care. He described the pressures that that is causing in Oxfordshire and said that he would meet my right hon. Friend the Secretary of State for Health later this week. The Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill, will read his comments with interest. The hon. Gentleman talked about people in acute hospitals who should not be there. More intermediate care has been available in the past five years. We have worked hard to develop that, and the new national framework for continuing care will be issued for consultation in April, so further work is in the pipeline. Delayed discharges have often been discussed. The number of delayed discharges was reduced by 67 per cent. between September 2001 and September 2005, so I hope that he will take some encouragement from that.

The hon. Member for Sutton and Cheam talked about misalignment of the national service framework standards and GPs' incentives to review medicines. By the end of the first year—2004–05—the majority of GPs were carrying out medication reviews for people who were prescribed repeat medicines under the quality and outcomes framework.

Mr. Burstow *indicated dissent.*

Jane Kennedy: The hon. Gentleman shakes his head, but that is my information. I will happily look into the matter if he is convinced that we have got it wrong.

Mr. Burstow: I shake my head not because the statistics do not show what has been stated, but because the definition used in the quality and outcomes framework for a medication review is not the standard that was set for the national service framework, and the national service framework is therefore not being adhered to.

Jane Kennedy: I accept the hon. Gentleman's point; we shall have to study the matter further.

Promoting healthy, active ageing is a key element of the national service framework. Improving diet and nutrition in older people is, of course, an integral part of maintaining health and determining a person's well-being. It is also fundamental to the principles of dignity

and respect. We recognise that patients should be involved, wherever possible, in all decisions about their care, including nutrition. The hon. Member for Romsey suggested that five portions of fruit and vegetables a day should be one nutritional requirement for older people. I say to her that older people are adults and, like any of us, can be encouraged to participate in healthy eating programmes, but we cannot insist on that. Clearly, choice is what is important.

Care home residents regard the food that they are given as one of the most important factors in determining their quality of life and their ability to maintain their health and well-being. We acknowledge that fact in the national minimum standards. Failure to eat through physical inability or depression, or because the food is inadequate or unappetising, can lead to malnutrition, with serious consequences for health. Older people are entitled to nutritious, varied, balanced, culturally sensitive and attractively presented meals at times that suit them. I take the point that hon. Members have made about cooks not being available after 4 o'clock.

The national minimum standards state clearly what we expect. As I have said, the Commission for Social Care Inspection inspects and regulates care homes and has statutory powers to take action if those standards are not being met. As I have shown, the principles of respect and dignity are expressed in a practical way in the national minimum standards, through which registered providers of care, assisted by regulators, can ensure that their services are person-centred, appropriate and effective and that their care staff are trained, supervised and supported so that they are competent to deliver high-quality care.

I shall make one or two further comments on the review. The hon. Gentleman said that there was no screening tool in respect of nutrition for people entering care homes. All stakeholders, including CSCI and the FSA, will have an opportunity to contribute to the review that we are undertaking on the national minimum standards. All the contributions that they make, including his point, will be considered seriously.

I should make a point about the report that CSCI has issued today. We acknowledge the findings in its follow-up study—this is the second study that it has conducted—and I am disappointed that care homes appear to have made so little progress towards meeting the national minimum standards on medicines management since its last report. However, CSCI has the responsibility for inspection, as well as the powers it needs to take any necessary and appropriate enforcement action to secure improvements in standards of care in care homes. Ultimately, it has the powers to close poorly performing care homes. I read the review of the report with interest. While being briefed for today's debate, I was a little disappointed to learn that it appeared that CSCI had briefed the hon. Gentleman on the details of the report in advance of briefing Ministers—that is a cause of some consternation.

The national minimum standards leave providers in no doubt about how the Government expect people to be cared for and treated. Providers should respect that older and vulnerable people have preferences and needs that should be met on an individual basis, and care and treatment should provide safeguards to promote health and well-being. It should be respected that a good quality of life is essential to health and well-being. No one should be deprived of a decent quality of life through neglect, omission, malice or ignorance.

Apart from analysis of calls to the Action on Elder Abuse helpline—the hon. Member for Billericay asked me to respond specifically to that—and local data collections on the back of the "No Secrets" guidance, there are no credible national statistics on the incidence and nature of abuse. I have noticed that in recent publicity linked to the campaign on awareness of abuse of older people, Help the Aged has claimed—the hon. Member for Sutton and Cheam pointed this out—that about 500,000 people experience abuse at any one time. We do not recognise that figure. The Government have consistently expressed reservations about it; it was derived from a small community-based study that took a very wide definition of abuse or harm. Importantly, the figure also does not recognise all that we have done since 1997 to prevent and tackle abuse.

However, I accept that a lack of knowledge about the nature and prevalence of abuse is a serious flaw. To help remedy that, we have provided AEA with funding of £280,000, with £150,000 for data capture to take stock of the information that is currently being collected by councils. AEA will advise on the validity and reliability of the information, and make recommendations on what data can be routinely and accurately collected. We are awaiting the final report from AEA, which will be published in due course.

Of course, it is important to acknowledge that the vast majority of care staff are dedicated to their work, as I know, having worked alongside them. They are committed to the welfare of those whom they look after. I am grateful to all those working in care homes, in individuals' own homes as home helps or equivalents, and in other settings, who provide a high-quality service.

It is important to return to the CSCI report that was published today, because it raises matters of serious concern. The report makes a number of recommendations on issues such as staff training and the development and monitoring of patients to safeguard them from abuse through medication mismanagement, and to maximise their well-being. In the coming year, CSCI will also carry out themed inspections into medication management, sampling homes for controlled drugs management, and its inspectors will pay particular attention to medication management in care homes. Through all this activity, the commission will strive to ensure that it works collaboratively and supportively with its stakeholders in the sector to ensure that the messages from its report are acted upon. The hon. Gentleman made a valid point about the nuclear option of closing a home that has become a haven for many residents.

The hon. Gentleman also said that it appears that there has been little improvement in managing medicines. We will look carefully at CSCI's recommendations, and a deeper analysis of where exactly homes are failing would be helpful. We will feed CSCI's report into the review of the standards and regulations.

The national service framework for older people recommended that medication reviews be carried out for all people over 75 at least once a year, and that those taking four or more medicines should have a review every six months. In that context, we have also

[Jane Kennedy]

supported a number of primary care trusts to identify and share good practice in medicines management through the national medicines management collaborative. Nearly half of all PCTs have participated in this programme to implement local medicines management schemes so that people get more help from their GPs, pharmacists and others in using their medicines.

One of the measures used for assessing improvement was the proportion of people aged 65 years and over on four or more regular medicines who had had a documented medication review carried out in the last 12 months. There was a significant increase in activity, and in some cases the reported rate of reviews more than doubled. Another measure was the percentage of patients in care homes who have had a documented review of their medicines in the last year. I am aware that some people believe that people in care homes do not have their medicines reviewed regularly, but that is not what the data from the collaborative show. There was a similar increase in activity for patients in care homes, compared with those living at home, albeit from a lower starting position.

From a survey of PCTs undertaken in 2004, we know that the majority of PCTs had a written strategy—I know that things can be put on paper, but they have to be put into practice—and 60 per cent. of PCTs had agreed local guidelines for medication reviews.

Mr. Baron: A similarly critical report was published in 2004, and this latest CSCI report highlights that very little progress appears to have been made since then. I ask the Minister to give that issue added urgency this time around, as little seems to have been done over the past couple of years.

Will the Minister also ask the Under-Secretary of State for Health, the hon. Member for Birmingham, Hodge Hill, to write to me in response to the issues that she has referred to him, specifically including chiropody and the gap between health and social care?

Jane Kennedy: I am happy to take my revenge on my hon. Friend the Under-Secretary by assuring the hon. Gentleman that he will write to him.

In conclusion, I hope that I have demonstrated our commitment to ensuring that all our older people are treated safely, effectively and with respect for their dignity. Through the older people's NSF and other initiatives I have outlined today, we have done much to root out discrimination of older people. However, we are aware that there is more work to be done to ensure that older people are treated with sensitivity, and today's report serves to underline that.

Many reforms are already under way. The improvements described in the White Paper will build on them. By looking at people's whole lives rather than individual problems, and by fitting services around their needs, we will help them live healthier, more independent lives. That is what we would all wish.

Coal Surface Workers (Compensation)

10.58 am

Mr. Kevan Jones (North Durham) (Lab): I am pleased to have secured this important debate on behalf of those Members who have constituents affected by exposure to surface dust and underground dust. This is the third opportunity that the House has had in the past three years to discuss surface workers exposed to dust, and it is the second Adjournment debate that I have secured on this important issue. I know that it will affect many Members who have constituents with coal mining interests, or with former coal mining interests.

Hon. Members present will congratulate and applaud the Government for putting in place the chronic obstructive pulmonary disease handling agreement, which recognised for the first time that exposure to coal dust damaged people's health. It also meant that lengthy legal action, which would have had to be taken on behalf of individuals exposed to coal dust, could be avoided; it was estimated that that such legal action would have taken 15 to 20 years. That is obviously very welcome.

It is also welcome that the scheme has so far paid out £1.7 billion. In my constituency, some £26 million has been paid out, but that figure is dwarfed by the figure claimed by the constituents of some colleagues present, such as my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham). So I pay tribute to the Labour Government for putting the scheme in place, although I always add the rider that no amount of compensation can compensate the victims, who die slow and agonising deaths. There is also the effect on families who have watched their loved ones gasping for their last breath.

It is therefore with a sense of frustration that I stand here again in a debate on compensation for surface workers. The scheme does not cover those who worked only above ground but who were still often exposed to high levels of dust every day. The scheme also does not cover individuals such as blacksmiths—including my younger brother—whose main job was a surface occupation. My brother and others went underground, and were exposed to dust, daily.

One of my constituents—he is one of many cases, and other hon. Members have them, too—Mr. Jack Dobson of South Moor, County Durham, was a blacksmith for 30 years in the Morrison Busty pit at Annfield plain. He explained in letters to me that he worked in appalling conditions as a blacksmith, sometimes in 6 in of coal dust, or with the dust swirling around his workplace. I have heard the same from other constituents. Mr. Dobson is 83 and suffers from emphysema and chronic bronchitis. He can walk only 20 yds without getting short of breath, and he needs three separate inhalers just to get his breath. I challenge the Minister and the civil servants who administer the scheme to call in and see Mr. Dobson if they are ever in Durham, to see what effect his condition has on his daily life. It is an agonising death in which people slowly gasp for air, as he does daily. Other hon. Members could highlight similar cases.

David Taylor (North-West Leicestershire) (Lab/Co-op): As I represent a seat that straddled the former Leicestershire and south Derbyshire coalfields, I know

that numbers of people are in the position that my hon. Friend describes. He is frustrated that, despite all the good things we have done, there has been reluctance to acknowledge that there can be serious health implications to working in surface-only occupations, such as on the bank or screening. It may be true that, in a general sense, in terms of medical evidence, it is more difficult to sustain a link to COPD, but will my hon. Friend urge the Minister to consider coal dust in specific pits? The conditions that I saw, as a visiting councillor and parliamentary candidate, seemed to be those that could lead to COPD in later life.

Mr. Jones: I agree, and I will expand on those points later. The worrying thing about the scheme is that although it is very welcome in many coalfields and former coalfield communities, and although, as I said, it has paid out billions of pounds already, it seems that for want of a small amount of extra money, we are ruining what should be a flagship policy for a Labour Government.

When I spoke in the previous Adjournment debate, I said that the problem could have been solved six years ago. The Department of Trade and Industry laid a minute before Parliament on 10 July 2000. It appeared from that minute—I am sure this is how other right hon. and hon. Members read it—that, for the first time, the Department for Trade and Industry accepted that there had been negligence on the part of the National Coal Board in respect of those people who worked only in surface occupations. Alas, we have now discovered that that does not seem to be the case after all.

I want to concentrate on that minute. It is important that the House hears what is in it, and that the Minister takes on board what it says. He has to realise that his own Department wrote it and gathered together the information to produce it. Paragraph 5 says:

"exposure to coal dust on the surface leads to the same lung disease as dust underground".

That is backed up by the World Health Organisation, which in May 2000 stated that 18 per cent. of surface workers developed some form of lung disease. In my mind—and, I think, in everyone else's—that makes it quite clear that we are not dealing with different types of dust; we are dealing with the same type. The minute continues:

"The DTI has investigated the level of dust prevailing in surface jobs in British coal mines, measures which could have been taken to reduce dust and those which were taken".

It goes on:

"The DTI proposes to accept that British Coal did not fully meet its responsibilities towards certain categories of workers in dusty jobs on the surface".

Paragraph 8, which considers which group of workers the acceptance of liability would encompass, is important. It says that

"acceptance of this additional liability will mean that current claimants can extend their claim to cover time spent in dusty jobs on the surface"—

that is, people who worked underground but had a period of time on the surface. However, the next point is the most important one; the minute says:

"And men who have only"—

the "only" is in bold type—

"worked on the surface will be able to put in a claim".

So in my mind there is no query or difficulty; the minute states that men who worked only on the surface in dusty jobs could, for the first time, put in a claim—and to emphasise the point, "only" is in bold.

Finally and perhaps most importantly, the minute states:

"The Treasury have agreed in principle the acceptance of this liability. If during the period of 14 days beginning on the date on which this minute was laid before Parliament, a Member signifies an objection by giving notice of a Parliamentary Question or by otherwise raising the matter in Parliament, final approval to proceed with accepting the liability will be withheld pending an examination of the objection."

I have made extensive investigations, with the Speaker's office and the Journal Office, both of which I thank, and I can tell hon. Members that no objections were raised and there was no instruction from the DTI or any Minister to withdraw the minute from Parliament. I wonder where that leaves us, and whether the Department is now denying liability, although the minute has not been withdrawn or questioned in the House. May I assume that the minute is still in force? As I understand it, no one has taken any steps to withdraw it or question it, and certainly no right hon. or hon. Member has objected.

We need the answers to a few questions. First, I ask the Minister when the policy changed. Secondly, we need to know when the House was informed that the policy had changed. On what information did the DTI base the minute, in the first place? If the Department accepted liability in 2000 on information that it had clearly garnered from somewhere, what changed that information, or what new evidence meant that the minute no longer mattered? Several Ministers have had responsibility for the subject since the minute was published—they seem to change like the weather. But which Minister took the decision to change the policy, and on what date was it changed?

How did we get from the Government laying a minute before Parliament saying that

"exposure to coal dust on the surface leads to the same lung disease as dust underground"

to a situation in which the then Minister—now the Deputy Leader of the House of Commons—told my hon. Friend the Member for Cannock Chase (Dr. Wright) the following in a written answer?

"The Department's medical advice is that the levels of . . . not visible dust . . . in surface jobs . . . were not sufficient to cause lung disease."—[*Official Report*, 10 February 2005; Vol. 430, c. 1795W.]

How did we get from a position in which the Government said, in the minute that the

"DTI proposes to accept that British Coal did not fully meet its responsibilities towards certain categories of workers in dusty jobs"

to a situation in which my right hon. Friend now the Secretary of State for Northern Ireland said, in March 2001, that the minute was never intended to accept blanket liability? How is it that, in our last debate on the subject, the Minister with us today said that the minute was only a "willingness" to accept liability? I have to tell him to look at paragraph 10, which begins:

"The Treasury have approved in principle the acceptance of this liability."

[Mr. Jones]

I am quite a simple soul and do not have batteries of civil servants to advise me, so I referred to the "Oxford English Dictionary" for the definition of principle. It says that it is a fixed or predetermined policy or course of action. To my mind, and to those of a lot of lay people, that shows that the Government have accepted that, in principle, there was liability.

I do not know how we got from a situation in which the Government laid before the House a minute stating that unless an objection was made in 14 days they would proceed with accepting liability to one in which, despite none of those things happening, the DTI claims there is no liability on its part and that people should pursue claims through the civil courts. Litigation is exactly what the COPD scheme was set up to avoid. It is because of that course of action that the claims of many surface-only workers, made through disreputable claims handlers and solicitors, are being withdrawn or shelved. Those workers will never get justice, even if a scheme is put in place.

How can the Minister defend the Government's actions? In the last Adjournment debate on this issue he said that

"solicitors agreed that a strong legal case in relation to surface dust and surface-only workers could not be constructed, and argued instead for compensation on a moral basis."—[*Official Report, Westminster Hall*, 20 October 2005; Vol. 437, c. 1083WH.]

Surely he does not mean to say that as long as an action is not legal, the decision cannot be morally bankrupt? Clearly, this situation is just that.

The minute was never withdrawn from Parliament, so does that mean that it is still in place? No Minister has explained in Parliament why the policy changed. My hon. Friends with coal-mining interests, and constituents such as Mr. Dobson, are not going to go away, so it is no good for civil servants or Ministers to hide behind the situation and the arguments that have been put forward. As a nation, we have a moral obligation to miners and former surface workers who, through no fault of their own, had their dying days and retirements ruined and, in many cases, their lives cut short. If we are to treat them with justice and dignity, we must compensate them.

11.12 am

Adam Price (Carmarthen, East and Dinefwr) (PC): I congratulate the hon. Member for North Durham (Mr. Jones) on securing the debate. I share his exasperation; how many Adjournment debates about surface workers must we have before the Government finally resolve the matter? I urge the Minister to get on and resolve it, because, as the hon. Gentleman said, we are not going to go away. Members of all parties who represent mining constituencies are united. We demand justice for this relatively small number of people. I estimate that 30 to 40 people in my constituency are affected.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I refer the hon. Gentleman to the Trade and Industry Committee report on the COPD scheme, which states that solicitors estimate the number of people concerned to be between 3,500 and 5,000, which is a relatively small number.

Adam Price: Indeed, and given the Government's vast resources, the money would not matter a great deal to the Treasury, which is why it agreed in principle five or six years ago. In contrast, the issue is of huge significance to the people concerned and their families. As miners tell us time and again, in many cases it is about not the money, but the principle and the need to secure justice for these men, as it was secured in the majority of cases through the COPD scheme.

I am sure that the Minister well tell us, although I hope that he will not, that the problem is the paucity of evidence. I seem to remember that a certain American politician said that absence of evidence is not evidence of absence. There is a paucity of evidence, specifically in relation to surface workers, but that is not their fault. As the hon. Member for Barnsley, West and Penistone (Mr. Clapham) will tell us, it is the fault of inadequate monitoring of the surface areas of mines, not of those who worked in those areas.

Sadly, plenty of evidence points to a causal link between exposure to coal dust and COPD, but there is a lack of specific evidence regarding different components and different jobs, particularly for surface workers. However, some data are available. The Institute of Occupational Medicine has data on 3,930 dust concentration measurements in relation to 13 surface occupational groups at 10 collieries in the UK. Has the Department looked at those measurements?

As we have heard, there is also international evidence of the adverse effect of exposure to coal dust on the surface. A study of the health of anthracite workers in the United States in 1989 found that after adjusting for factors such as smoking, age and height, the modelling indicated that the predicted decrements for forced expiratory volume per second, which is the relevant measurement, were 120 ml for workers in coal surface jobs and for coal cleaning plant workers. That study is one of the few that have looked specifically at surface workers. Its finding is significant when one considers that a series of studies conducted in UK collieries in the early '70s estimated an average loss of FEV—forced expiratory volume per second—of 0.6 to 1 ml per unit of dust exposure. If that is extrapolated, it means that the loss of 120 ml of FEV found among the American anthracite workers is equivalent to a lifetime of exposure at the maximum permitted exposure limit. So the American study shows that surface workers had an average loss of lung capacity equal to exposure at the maximum limit in UK collieries at the time. Clearly that maximum exposure limit was inadequate. That suggests, at the very least, that there is an adverse effect which can be highly significant. I urge the Minister to consider the evidence, as there is evidence to suggest that some surface workers will have contracted COPD as a result of their exposure to coal dust when working on the surface.

There are other relevant factors. A number of studies have discussed the possible relevance of the chemical composition of coal dust in certain parts of the UK and at certain coalfields. Respirable crystalline silica might be a contributory factor for people working in surface areas. There is evidence to show that in a number of cases exposure to coal dust contributes to people contracting COPD.

I am happy to be corrected on this point, but I understand that a miner must have worked underground for five years to qualify. There is evidence in both the US and the UK that loss of FEV is greater among younger miners than older ones and is greater in people who left the industry early than in those who stayed in the industry. One theory is that a certain proportion of people are super-susceptible. Hon. Members who have worked in the coal industry will know of some young miners, who, within a matter of a few months, showed a super-susceptibility to chest problems and were moved to the surface, precisely because they were susceptible to coal dust. Therefore, among that group of workers, there is a concentration of people with a susceptibility. There is evidence of genetic determinants that predispose people to developing COPD. A predisposition does not mean that it is a causal factor, but it does mean that if those people are put in an environment where there is a causal extrinsic factor, they are more likely to develop COPD.

On the basis of the substantial evidence showing the super-susceptibility factor among certain people, the five-year bar is morally wrong and goes contrary to the available scientific evidence. I urge the Minister, on the basis of the data as well as the moral case, to see that the Government do not change their position, as the hon. Member for North Durham said they are, but revert to the one that still exists in the parliamentary minute in the Library.

We have had Adjournment debates on a number of occasions, and in the previous one in the Chamber, the Minister said that he would consider the matter again. I hope that he has had an opportunity to do so. Last January, the Deputy Leader of the House—then the relevant Minister—said, after an intervention from the former Under-Secretary at the Wales Office that he would revisit this issue. How many times does the Department have to revisit this issue? How many times do we have to have Adjournment debates?

In the previous debate, the Minister undertook to write to a number of hon. Members on specific matters. I hope that he will be able to relay some of that information to us. May I ask particularly about the issue of a common law case? I understand that the Department's position in October was that it now refuses to accept liability, and it is apparently up to individual miners, many of whom are suffering from crippling lung disease in the latter years of their lives, to bring court cases that may last many years. Why do the Government say that they will enforce an adverse costs order? Such an order would mean that if the Government lost, they would expect the miner's side to pay the costs. That is an inhibiting factors and a reason why a test case is unlikely to be brought. The Government will presumably use the best Queen's counsel in the land.

Surely, if there is doubt on this matter—the evidence that we provided shows that there is at least a scintilla of doubt—and the Government are prepared to accede to our demands to change their position, the honourable thing would be to say that the case would be neutral in terms of costs. Solicitors have said that they will work for free on the miners' side. Surely, the Government should not impose an adverse costs order against a group of miners who are only asking for justice.

11.24 am

John Mann (Bassetlaw) (Lab): I shall attempt not to repeat anything that has been said, having anticipated what some colleagues have said and may wish to say. However, I should like to make a couple of points and ask a few questions.

On costs, there is something of an unvirtuous circle in relation to how the schedule is operating for claims. It is different from the beat knee claims from 7,000 Nottinghamshire miners which were dropped scandalously by the Union of Democratic Mineworkers in the late autumn, because it was not part of the process and the initial litigation. The unvirtuous circle is based on the fact that common law claims have not been brought. Solicitors have often hidden some of their charging on the pretence that a common law case was proceeding and that funding, whether union funding or other people handling funding, was mentioned to the men at the time and they were sold the myth that there was some external funding of their cases. Therefore, they went with that system, whether or not they were surface workers. Now, for the Government to turn that around and say, "You'll need to bring a common law claim at this stage" to those people who had put in their claims under the scheme that the Government, on behalf of the Coal Board, had conceded and agreed with the claimants' solicitors, is flawed in logic and natural justice and leaves the surface workers totally exposed, because the Government could use a range of legal arguments to attempt to stop any claims coming forward on a common law basis.

There is, however, a sting in the tail for the Government. When the Compensation Bill works its way through the House, some hon. Members will have a number of things to say on the Floor of the House about the miners' compensation and what should be in the Bill. The question of industrial injury, litigation and small claims courts will create an interesting dilemma for the Government, because where there are working collieries with people working on the surface, it will be possible for an MP assisting an individual, as the litigant's friend, to start taking a plethora of small claims court cases to the £5,000 limit, if that is what is agreed, on the basis that the compensation will be up to a maximum of £5,000. The Government could find themselves defending such claims in a wide range of courts throughout the country. That is my intention with my constituents.

When I have held public meetings—I held some in November and December—many hundreds of people have attended each one. They have agreed unanimously that that is one of the actions that I, as their representative, should take forward, along with a range of other things. If we can get pro bono advice from solicitors, we will do so. That will create an organisational and possibly a political problem for the Government in defending each case that will have to be brought in common law exactly as they say we have to do.

Some of the arguments that will come into play—about what was said to the individuals when they first submitted their claims to the Government—will rebound on the Government. I am requesting today, on behalf of my constituents, the full file from each solicitor so we can see the paperwork for the surface workers in my area, who I am aware of and who have asked me to

[John Mann]

assist them, and what claims have gone in. I ask the Minister to ensure that the contents of this debate in *Hansard* are sent to the two presiding judges for their consideration.

There is a double hit on surface workers, in respect of both chest problems and vibration white finger, which particularly grates on people. For example, Mr. Bernard Martin, one of my constituents, used vibrating tools for 15 years and has the same white finger symptoms as someone who worked underground. Precisely what tools would he not be using that someone underground may be using? What is the difference in tools? Is there a difference? If he was working on maintenance, for example, over the weekend, what was he doing if he was not using vibrating tools for that period of time? Regarding those in the blacksmiths, such as Mr. Pat O'Sullivan or Mr. Edward Wesley, or many others, what environment and what tools were they working with? Did the Government concede some claims because their insurers did not realise that those people were working on the surface? The presumption was that they were working underground. The evidence was in the medical records. The Government did not have to concede the principle, but had to write off those cases. What was the process through which the Government insurers then said that this or that particular man had a justifiable claim? I put it to the Minister that the only difference was that someone suddenly spotted—or failed to spot, in some cases—the work history. The symptoms were identical, and given that the people had worked in the same industry, using the same tools and breathing in the same dust, that is not surprising.

Take the example of the coal preparation plant still operating at Harworth colliery in my constituency. Why have fans been put in there? Why are lung capacity tests taken of those working in that plant, which is an enclosed environment with what many would say is worse dust than people experienced when working underground, particularly in the past decade? For example, Mr. Melvin Fisher's recent test demonstrated that his lung capacity was down by 17 per cent. Nobody in his village was surprised at that, given the environment in which he works. That is just one example, but there are many more in which exactly the same issues resonate.

An extreme example is my constituent Ken Brown, who died of emphysema and who had worked in only the one job in the one industry. He got social security payments because of his problems with the disease, so why was he not eligible under this scheme? He self-evidently had an industrial disease caused exclusively by the failure of his employer to ensure safe working practices. Mr. Brown had one job at one colliery and one illness, yet there are other such examples all over the country. It seems to me that the Government are hiding behind weak arguments. I hope that the Minister will reconsider the situation.

I have one final question about the dust reference panel. How many surface workers sit on that panel and look at the evidence? The Government have an obligation to take employers' responsibilities properly, to examine the problem, and to say why people using the same tools, breathing in the same dust and working in dangerous environments in the one industry should not receive the same compensation as those who happen to work underground.

11.33 am

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I congratulate my hon. Friend the Member for North Durham (Mr. Jones) on securing this important debate. As he says, there have been a number of debates on the subject, but it is important that we keep them going until we persuade the Government to accept that surface workers should be included in the COPD scheme.

My hon. Friend referred to the moneys that we received in Barnsley, and the Government have greatly assisted mining communities. In my community of Barnsley, which comprises three constituencies, there is a great deal of disability. In 1997, when the local authority carried out a study across the area, it found that there was a disabled person in one in three households. Most of that disability resulted from work in heavy industries, such as mining and steel, and a great deal was due to the chest diseases contracted by miners or former miners.

After the Appeal Court case of February 1998, the Government accepted their responsibility and they have paid out an enormous amount of money so far. Indeed, at the last count in November, the number of claims stood at 581,495. The Government are paying compensation at the rate of £2 million a day, and we welcome that. However, the scheme is flawed in that it does not include surface workers. Arguments have been put by the claimants' group of solicitors to include such workers and we have heard about the minute laid before Parliament in 2000 that accepted liability for surface workers, but was never acted on.

My hon. Friend asked a number of questions about that minute. It may well be that when the minute was laid, the claimants' group of solicitors was pressing for all surface workers to be included. That may well have been why the liability was not processed from the time that it was put to Parliament that liability would be accepted. I ask the Minister to revisit the minute with the intention of correcting the injustice and including surface workers in the COPD claim.

I know that you have worked at a colliery, Mr. Cummings, as I have. We are both aware that in coal preparation plants, coal was often bunkered for a whole weekend. Quite often there would be delays during the week, but activity at the bunkers underground would continue so that production at the coal face could continue while the delay was sorted out.

The bunkering of the coal resulted in its being dried out, and dust suppression technology never kept up with the cutting technology introduced into the collieries. That is why British Coal was negligent and has accepted so many claims. The dried coal in the bunkers was released down badly designed chutes into the coal preparation plants, and that used to result in great clouds of dust covering the whole plant, particularly the screens where the coal was sifted by mechanical shakers. Men worked at those screens removing the dirt from the coal and were subjected to enormous amounts of dust.

As you well know, Mr. Cummings, the situation was recognised in the 1974 pneumoconiosis agreement, which accepted responsibility for surface workers, and

there are records of men who worked only on the surface contracting pneumoconiosis. The evidence is clear that some men working in dusty areas on the surface would contract COPD. The evidence given by the claimants' group of solicitors to the Trade and Industry Committee last year indicated that the number of people affected was between 3,500 and 5,000, which is a comparatively small number next to the enormous amount of claims registered for underground workers.

I ask the Minister to consider bringing those 3,500 to 5,000 men into the scheme. As I suggested in our last debate, he could do that in four ways. However, in urging him to consider that, I remind him that those men could be included in a scheme without that being related to the present litigious scheme, which is based on the court case and overseen by judges from time to time. Under the current scheme, claims are registered through solicitors at a cost that the Minister may well want to avoid. If he does, there is a way of introducing a no-fault liability scheme for COPD sufferers—former miners on the colliery surface. It could be done in a way that is similar to the pneumoconiosis scheme, whereby the Department for Work and Pensions scheme becomes the basis in relation to the diagnosis, and based on that diagnosis a scheme could be drawn up related to a man's degree of disability at the age of onset. The package could be composed of the weekly payment of industrial injuries disablement benefit together with a lump sum. Such a measure would address the injustice and bring some equity to the current system of unfairness.

I urge the Minister to examine the problem, to include surface workers in the scheme, which could be done without enormous cost, and to end the injustice and inequality. It is now up to him.

11.41 am

Mr. David Anderson (Blaydon) (Lab): It is a great pleasure to take part in a debate that you are in control of, Mr Cummings. It is probably 20 years since I was last in that situation, but it is good to be back with you.

I congratulate my hon. Friend the Member for North Durham (Mr. Jones) on securing the debate, which is important for the people I represent and for the north-east in general. Like others in this room, I worked for a long time—20 years—in the coal industry. I mainly worked underground, but I spent a large part of my apprenticeship working on the surface, particularly in coal preparation plants.

A number of points need to be stressed about the real conditions in those workplaces, the first of which concerns the length of shifts. Many surface workers who had long experience of working in the coal industry had to work shifts lasting eight hours and 35 minutes. Over time, that was reduced to eight hours and 20 minutes and finally to eight hours. Whatever the length of shift, though, they were at the workplace and had only a 20-minute break from it.

A comparison can be made with the men who worked underground, who had a seven and a quarter hour shift. Given that many worked long distances underground, they may have been at their actual place of work for little more than five and a half hours a day. The length of exposure to dust was much greater for people who worked at the surface than for those working underground.

Most coal preparation plants worked continuously throughout the week and, as my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) mentioned, at the weekend, too. That led to a major demand for men to work weekends to maintain, repair and replace the machinery; I might add that many men had to work weekends to earn a living wage because of the ridiculously low wages paid in the coal industry in the 1960s and 1970s.

While no dust was being produced as part of the process, mountains of it were blown into the air as a result of stripping out worn-out, broken-down machinery that needed replacing, repairing or maintaining. As my hon. Friend the Member for North Durham said, his constituents—blacksmiths and other craftsmen—were exposed to massive amounts of coal dust.

Airborne dust is a real killer, a fact that has been recognised for years. Underground, men are totally exposed when the coal is cut as part of the production process and as it is being moved out of the pit to the surface. There seems to be a suggestion that the dust produced at the pick point is different from the dust that lies at the surface. That is nonsense: dust is dust. It is not a living thing; it is inert. It clogs people's lungs and airways, whether they are exposed to it underground or on the surface. It makes no difference whether people are half a mile underground operating a coal-cutting machine or 200 ft up on top of a 5,000 tonne coal bunker on the surface.

Most coal preparation plants had a multitude of transfer points where the dust would be blown around as coal was dropped from one conveyer on to another. As has been said, coal crushers exacerbated that, as did screens, whereby coal was moved through various holes to grade it into difference sizes and once again the dust was moved around.

Points have been made about the lack of ventilation and good dust suppression. When coal is cut it produces dust, which is effectively sucked away from the pick point as part and parcel of the process to reduce dangerous gases in the coal mine. That led to the dust being moved away quickly to avoid the men operating the machines being directly exposed to it. The dust was still dangerous, still in the air and still affecting people in its path, but at least it was moving. In coal preparation plants, there were few, if any, real ventilation processes.

My hon. Friend the Member for Bassetlaw (John Mann) mentioned what is happening at Harworth colliery, which is obviously one of the few left. People might finally have realised that there is a need to look after people a bit better than they did in the past.

In my experience, ventilation was almost unheard of in coal preparation plants, and the dust suppression equipment was little use, if any. There was no escape from dust. As we tried to do underground, we used dust suppression methods, but they were never anywhere near as good as we had hoped. They could not have been; it is impossible to keep dust totally under control. It was clear that the dust affected the people who worked in coal preparation plants: the many thousands of people dying a horrible, savage death, living out their lives wondering whether their next breath would be their last, and sometimes hoping that it would.

[Mr. David Anderson]

One reason why the case and the compensation scheme were not pursued in 2000 was that there was not enough evidence. One of the main reasons for that was that the records that should have been kept by the National Coal Board, British Coal and the coal owners did not exist. We are saying that we could not compensate the men because the people responsible for taking care of them did not keep adequate records. If that is not negligence, what is?

A number of comments have been made during the past few years about a compensation culture developing in this country. I have personally, and collectively, as a trade union representative, been involved in claiming millions of pounds in compensation for working men and women in various industries and public services. I could wish for nothing better than never to have to do that again. I wish I had never had to do it in the first place, but I did. I may have to do it again, because people are not treated properly at work and because employers exploit workers and do not look after people properly. It is this Government's responsibility to put the situation right. I praise them—this has been said before—for the work they have done in the past decade to redress some of the problems. We must accept that the scandal can go on no longer.

My hon. Friend the Member for North Durham mentioned what happened in 2000. In that year, a minute was laid in this House that effectively said that we would wait 14 days and, if nobody complained, the compensation scheme would be in place. He might not be aware that seven days after it was laid the Department of Trade and Industry itself changed the rules. Some people say that a week is a long time in politics. That was a long time in politics, and it was a bad week for working people in this country.

11.48 am

Mr. Wayne David (Caerphilly) (Lab): I, too, congratulate my hon. Friend the Member for North Durham (Mr. Jones) on securing this important debate. Like him, I recognise that great progress has been made and commend the Government on the fact that some £1.7 billion has so far been paid out in COPD payments alone. I am also pleased that £35.4 million has been paid out in my constituency. That unquestionably represents great progress, but, as other hon. Members have said, there is still one huge injustice: the situation of surface workers.

I would like to cite two examples of blatant injustices. The first concerns a 95-year-old widow, Mrs. Baker, who lives in the town of Ystrad Mynach in my constituency. Her late husband worked on the screens. As we have heard, working on the screens for a number of years was particularly detrimental to health. He died because of dust—of that, there is no doubt. In fact, his death certificate states:

"Cardio respiratory failure due to ... coal workers pneumoconiosis, chronic bronchitis and emphysema. Death due to industrial disease".

However, because he worked on the surface—on the screens—his widow is not entitled, as things stand, to a single penny. By any normal evaluation, that is blatantly unfair.

Another example is the case of Mr. Victor Hawkins, also a constituent, who lives in Abertridwr near Caerphilly. He spent all his time at the Windsor colliery in Abertridwr as a surface worker. He retired to find an alternative occupation in 1997, but he spent 23 years, from the time the scheme became operable in 1954 until 1977, on the surface working on the screens. He should be compensated for that period. In his statement of claim, he explained clearly what his experience had been:

"Conditions at the screens were appalling. It was cold in the winter, hot in the summer and incredibly dusty throughout the year. In the summer, you could see the dust in the air rising above the building, escaping from the open ends.

Underground workers used to comment on the extraordinary amount of dust escaping from the building, as they crossed the bridge coming off their shift.

Occasionally, when we were short-staffed, some underground workers were directed to work at the screens. I can remember many occasions when they walked off because they simply would not put up with the dusty conditions.

I have talked to many underground workers over the years, and with the exception of those who worked at the coalface, it is generally accepted, that working in the screens was far worse for dust than working underground.

Working at the screens, it took no time at all for you to be covered thickly in dust, and for your face to be black."

Mr. Kevan Jones: Does my hon. Friend agree that a double injustice has been done to some surface workers? I have come across some who suffered severe industrial injuries down the pits and could not work there any longer. They were transferred to other jobs such as the screen. Not only were they crippled in the mine through accidents but their health was ruined when they went on to jobs such as the one that he just described.

Mr. David: My hon. Friend is absolutely correct. All of us from mining constituencies can cite such examples. That was normally done—it was common practice—and it reinforces the argument still further.

I go back to the case of Mr. Victor Hawkins of Abertridwr. Not surprisingly, his medical assessment process test, which I have a copy of, was conclusive. It records his total respiratory disability at 20 per cent., and his total disability owing to chronic obstructive pulmonary disease at 10 per cent. The results are clear, and the only way he could have contracted that kind of disability, and that kind of reduction in his lung capacity, was through coal dust, yet he worked exclusively on the surface on the screens. It is a straightforward, black and white situation, but Mr. Hawkins is not entitled to anything because of the way that the scheme has been drawn up and interpreted.

Mr Hawkins's solicitor took his case forward as one of the test cases with Thompsons, but, as we heard today, it collapsed. It was withdrawn by the solicitor. The reason was given to Mr. Hawkins in a letter from Thompsons:

"The main difficulty in succeeding in such claims is that the medical experts advice us that the dust level readings which are available would not be sufficient to cause any disability."

Mr. Hawkins's case proves that that is nonsense.

I recognise that we must rely on evidence. As my hon. Friend the Member for Blaydon (Mr. Anderson) said, technically, there may not be evidence. I would ask the

Government, for goodness' sake, whether evidence cannot be gathered from other sources—from other countries perhaps, not just the British situation. However, if that is also difficult, one thing that the Government clearly could do is make an ex gratia payment to the mine workers who have been affected in this way. They could make a one-off payment that recognises, without any question whatsoever, the moral case, and that also recognises that we are discussing a relatively small number of mine workers—no more than 5,000. That would be an effective way to recognise the moral position of those individuals, and, at the same time, given that the success of the scheme as a whole is undoubted, it would be a feather in the Government's cap to recognise the need to give a special one-off payment to the surface workers, as we come to the end of the compensation scheme. I sincerely hope that the Government will consider doing precisely that.

11.55 am

Mr. Alan Reid (Argyll and Bute) (LD): This has been an informative, persuasive debate. I add my congratulations to the hon. Member for North Durham (Mr. Jones) on securing this debate and on his persistence. He has had a long-standing commitment to addressing compensation for surface workers who suffer from chronic obstructive pulmonary disease.

We heard powerful speeches from many Members who represent coal-mining constituencies. We heard many tragic stories of human suffering. Thousands of miners and former miners, and their families, have been compensated for having health ruined because of exposure to coal dust, and I give the Government credit for the scheme. Of course, no amount of compensation can restore the health of those men, or make up for the heartache that many of their families went through, in many cases watching them die slowly and painfully. Nevertheless, as well as going some way to help overcome the problems of disability, compensation is a recognition of the suffering that the miners endured during their employment.

Despite prolonged pressure from monitoring groups and claimants' representatives, the Department of Trade and Industry has consistently refused to accept claims from workers whose duties were performed completely above ground, or who spent less than five years working underground. As I understand it, the Government appear to justify that rejection on the grounds that the National Coal Board and British Coal did not monitor dust levels on the surface because they were not required to do so by the legislation in force at the time. However, plenty of evidence is available that dust levels on the surface could be high. The hon. Member for Barnsley, West and Penistone (Mr. Clapham) gave a graphic description of what the situation was like for many surface workers.

It seems that so far the evidence has not been enough to convince the Government. The Trade and Industry Committee was convinced in its investigation last year. It estimated that 3,500 to 5,000 former surface workers have been affected by exposure to coal dust and recommended that they should be included in the scheme, but group litigation on their behalf has been ruled out because the DTI refused to waive its legal costs if it won in court, thereby exposing litigants to being sued for significant costs. The Government have repeatedly suggested that individuals could take legal action on their own behalf, but the same problems would arise as with the group case. The risk of having to pay their own costs if they lose is, clearly, too great for elderly people on low incomes.

Hundreds of thousands of miners worked underground and many suffered appalling consequences to their health. The Government are right to compensate them. However, given the half million registered with the compensation scheme, it seems unfair to reject the claims of a small number—less than 5,000—on the grounds, apparently, that their employer did not keep adequate records.

The Government's refusal is also strange because it is inconsistent with the pneumoconiosis scheme, which does cover surface workers. I also find it puzzling—this has been referred to earlier—that in a minute placed before Parliament in July 2000, the DTI seemed to accept that surface workers had a case. The document was quoted from earlier, but I shall give some quotes from it for emphasis. Paragraph 5 states that

"exposure to coal dust on the surface leads to the same lung disease as dust underground".

Later, the minute states that

"men who have only worked on the surface will be able to put in a claim".

As the hon. Member for North Durham said, that minute was laid before Parliament and has never been withdrawn. The DTI reached that decision in 2000, and it is puzzling that it changed its mind. Indeed, it did so only six days later in a document that it published. However, the minute has never been withdrawn.

As many hon. Members have said, surface workers breathe in the same coal dust as underground workers, and many suffer exactly the same illness—surely, there is a connection. The hon. Member for Carmarthen, East and Dinefwr (Adam Price) told us of the American study that seemed to prove that surface workers suffered exactly the same illness from exactly the same causes as workers who went underground. The hon. Member for Bassetlaw (John Mann) made an important point when he said that miners who had worked on the surface had had their claims accepted. The DTI apparently did not realise that they had worked only on the surface, and the available evidence showed that they were suffering from exactly the same illness, so they were awarded compensation.

One possible way of resolving the situation would be for the Government to withdraw their threat to recover their legal costs by suing claimants who take their case to court. If the Government were willing to waive that right, such claims could be settled by an impartial court.

In conclusion, many surface workers and underground workers are suffering greatly in their later years. Today and in previous debates, hon. Members have made a powerful case for including surface workers in the compensation scheme, and I look forward to the Minister addressing those issues.

12.1 pm

Charles Hendry (Wealden) (Con): I, too, congratulate the hon. Member for North Durham (Mr. Jones) on securing the debate and on the way in which he introduced it. It has been a moving debate, which has shown the House at its best—dealing with a serious issue

[Charles Hendry]

in a serious and constructive way and trying to move matters forward. It has also clearly shown the human dimension. Hon. Members on both sides of the room have told of how constituents have been affected and of how their later years have been made years of considerable pain and discomfort. For those of us who do not represent coal-mining constituencies, that was extremely moving. The hon. Member for Blaydon (Mr. Anderson) gave us a clear exposition of how activities carried out on the surface create a much higher level of dust than one might initially think. All that has led to an extremely thoughtful debate, and although the hon. Member for Bassetlaw (John Mann) also spoke about vibration white finger, he will understand why the bulk of the debate has focused more on dust inhalation.

The core of the case rests on the conflicting views about whether there is evidence to support compensation claims. The claimants' solicitors group says that the dust reaches "quite high levels" in coal preparation plants, but the DTI medical advice, from the Institute of Occupational Medicine, says that that the levels are not high enough to cause chronic obstructive pulmonary disease, even if people are exposed to dust over the whole of their working lives. We need medical advice and input, and I would be grateful if the Minister could make it clear that COPD is not an illness, but a broad range of illnesses. It was said earlier that people were suffering from the same disease, but COPD covers a broad range of illnesses from bronchitis at one end through to chronic emphysema at the other. We need clarity about the severity of COPD that people are suffering.

Much has been made of the fact that the records from the time when the National Coal Board operated the mines are not available. Is that because records simply were not kept or because the records have been lost or perhaps destroyed over the years? Perhaps the Minister can clarify that.

Mr. David Anderson (Blaydon) (Lab): The trouble was that there were no records because no work was done on the issue. Ventilation and dust suppression were not monitored in the way that they should have been.

Charles Hendry: That indicates that this was not seen as such a problem at the time; there was not as much understanding of the consequences of dust inhalation. As the hon. Member for Bassetlaw made clear, subsequent changes, such as bans and health testing, demonstrate that there is now a much greater recognition of the risks. That shows that not enough was being done historically to address those issues.

Given that there is clearly not enough historical evidence from this country, can the Minister not commission more evidence from overseas? The hon. Member for Carmarthen, East and Dinefwr (Adam Price) gave a clear exposition of what has been happening in America and talked of the loss of forced expiratory volume. There is clearly substantial evidence in other parts of the world, and we can draw on it to identify exactly the longer-term health consequences for those who work on the surface. As the hon. Gentleman said, it is self-evident that some people will be more susceptible to illness than others as a result of dust inhalation. We should also take on board his point about people with a greater susceptibility to illness being transferred from working below ground to working above the surface. We cannot, therefore, make a simple black and white contrast between those who worked underground and those who worked on the surface; in many cases, people worked underground for some years and on the surface for some years.

Among the other issues that we need to consider is the suggestion that cases should be pursued through the courts so that we can recognise the rights and wrongs. We must, however, understand the prohibitive expense that that would involve. One problem of the legal system in this country is that it is accessible to those who have a lot of money and to those who have no money, but a tremendous number of people in the middle simply cannot afford to use it because they would be liable for their own costs. If they did get a significant award at the end, a large chunk would be taken away to pay for legal costs. We live in the real world, not in a John Grisham world or the Judge John Deed world on television, where the small guy can take on the big multinational corporations and win. We need to recognise that telling somebody who is perhaps elderly and extremely unwell, "You're going to be taking on the Government in a legal case for the next few years of your life and it will probably go to appeal if you win," will cause such fear that they will back away before they have even started. Will the Minister clarify, however, whether people who do decide to go down that route will be eligible for legal aid? That comes back to the fact that this is not a black and white issue. There are people who worked part of the time underground and part of the time on the surface. Every single case would have to be assessed, and it would be much more difficult to establish the rules of precedent. People considering going down the legal route therefore face a significant deterrent.

We also need a greater understanding of how many people will be affected. The claimants' solicitors group has suggested that somewhere between 3,500 and 5,000 people might be eligible. Does the Minister agree that that is the likely number? What proportion of the number of people who have worked on the surface in the mining industry does that represent? If 5,000 people—the highest figure—were found to be eligible, what would be the cost of compensation? My understanding of the compensation scheme as it has operated so far is that compensation works out at an average of about £10,000 per claimant. If we extrapolate from that and multiply 5,000 people by £10,000, we get a figure of £50 million. Does the Minister accept that figure or does he have a different one? It is important that we should have an understanding of the sums involved.

Several hon. Members have referred to the DTI minute, and it is at the core of the issue. What is the status of that minute? If it is still on the table; does the Minister agree with its contents? How does he plan to take forward what it says?

Finally, I hope that the issue can be quickly resolved once and for all. Exciting opportunities are opening up for the mining industry in this country. Clean coal offers a new future in a way that would have been unimaginable a few years ago.

Mr. Clapham: The hon. Gentleman has raised an important point. As we move into the energy review,

those considering the coal mining industry will probably be sceptical about coal playing a part when they see a compensation scheme embracing more than 500,000 people. However, that has occurred because of British Coal's negligence, in failing to ensure that dust suppression technology kept pace with cutting technology. The result was enormous amounts of dust, with the judge distinguishing between litigious and non-litigious dust. The situation has changed and mining today is somewhat different: the major cutting machines are the same, but dust suppression equipment is very much different. The future of the coal mining industry and those who have worked in it would therefore also be rather different.

Charles Hendry: I am grateful to the hon. Gentleman as that is exactly the point that I sought to make. If, as part of the energy review, we want to say that coal potentially has an exciting future in modern electricity generation, we must be able to say that those historical issues need to be consigned to the past, as we look to a modern industry operating in a modern way.

The problem has continued for a long time. We have had an impassioned debate, with a lot constructive ideas and questions, to which I am sure we are keen to hear the Minister respond.

12.11 pm

The Minister for Energy (Malcolm Wicks): I agree that this has been an important debate. I, too, congratulate my hon. Friend the Member for North Durham (Mr. Jones). He and others set this still controversial matter against the fact that we have the largest scheme of its kind to compensate former coal miners and their relatives anywhere in the world. It is forecast eventually to pay out some £4 billion, and its total costs will be more than £5 billion. I listened to the hon. Member for Wealden (Charles Hendry), but I am proud of the fact that this Government introduced that scheme, not a former Government.

Having said that, I recognise the nature of the controversy. I should like, albeit briefly, to review the issues presented and to suggest a way forward, although I should be happy to discuss that suggestion with colleagues informally after the debate. At the heart of the issue is whether British Coal—and now the Department—had liability for disability suffered by surface workers from exposure to dust. We have heard again this morning that the Department set out in a minute to Parliament that we would accept liability and seek to negotiate a way of dealing with surface workers within the major lung disease scheme. I know that the minute is controversial, but I am more concerned to move forward. The minute was clear that the extent of the liability and the terms of access to the lung disease scheme were to be negotiated—my hon. Friend quoted chapter and verse, but I refer to paragraph 6 of the now famous minute.

The minute was therefore not an open-ended admission of blanket liability—an automatic entry to the lung disease scheme for such workers—but the start of a process of negotiation. It accepted that British Coal did not fully meet its responsibilities towards certain categories of workers in dusty jobs on the surface, but left open the question of which categories of workers were to be included and the level of evidence that would necessary for a successful claim in individual cases. Indeed, it states that agreement would be needed on such issues.

Mr. Kevan Jones: I agree that the minute did not give an open-ended commitment, but it did accept liability. However, the situation now is that the Department do not accept any liability for such workers.

Malcolm Wicks: Let me continue. I am concerned that there is a feeling that the Department declined to negotiate on compensation for surface-only workers. The chain of events shows that the Department indeed sought a deal for surface-only workers on the basis of the minute to Parliament of July 2000, albeit taking into account the medical advice that we had received. We negotiated with the claimants' solicitors over several months and agreed how mixed workers, who had worked underground and on the surface—we have rightly heard about them today—would be covered in the lung disease scheme. Since then, 84,000 mixed workers have received compensation under the scheme of around £520 million.

The Department also made an offer to surface-only workers, as I set out in the October debate. However, the solicitors were not able to accept liability on that basis. They considered that every surface worker in dusty jobs should have the right to full medical assessment and the higher levels of compensation for COPD, and instead sought further studies. The House was informed of that in an answer to a parliamentary question in March 2001. Those further studies confirmed the Department's view that incidence of COPD disability was likely to be very small.

The minute was therefore the start of a process, not the end of one. In any event, it was overtaken in 2003 when the claimants group decided to start group litigation to test the issue in the courts. That continued to be the position until the end of 2004, when the claimants announced that they were dropping the litigation for what they described as financial reasons. They have since made it clear that they cannot sustain a legal case and have argued instead that the Government should allow surface workers into the full lung disease scheme on "political and moral" grounds, which my hon. Friend the Member for Caerphilly (Mr. David) mentioned.

Our difficulty is that it is not easy for the Government to pay out compensation on "political and moral" grounds without any clear liability. Hon. Members would surely accept that there must be thousands and thousands of former workers in many different industries in this country who could argue a similar case on moral grounds, but where there is no evidence. Indeed, I often meet people in my constituency who have never been able to prove anything in court—they have probably never even been near a court—but who have real grievances on moral grounds about former occupations that, in different ways, have affected their health.

Mr. Clapham: On that issue, I refer the Minister to the working situation of many of the people who transferred from underground to the surface. He mentioned the figure of 84,000 men who had worked

[Mr. Clapham]

underground for five years or more, transferred to the surface, contracted COPD and were paid compensation. Many of those 84,000 will have worked in the large airways underground, where they were not exposed to large amounts of dust, but will then have been transferred to the surface, where they were exposed to dust and contracted COPD. However, someone who worked entirely on the surface, without any underground work, cannot make a claim. That is the anomaly and it must be corrected.

Malcolm Wicks: Let us come on to the suggestion that such workers cannot make the claim, because I would contend that they can. I do not doubt for a minute what I have heard today about the experience of dusty conditions among those involved in surface working. However, we are not talking about visible dust; we are talking about the invisible, respirable dust that causes COPD. I have listened to the discussion today about evidence. The Department's medical evidence—which is not challenged by the experts on the other side and is from the dust readings by the independent Institute of Occupational Medicine, which provided evidence in the main trial—is that levels of dust would be very unlikely to lead to COPD. We have heard about the inadequacy of data and research, and I know that there were not full series of dust readings on the surface at all pits. However, the readings that we have are sufficient to support that conclusion. Also, as offered by a former Minister, the solicitors were allowed access to the British Coal archives to seek out evidence.

The position now is that the solicitors informed the court that they were not able to pursue litigation. The Deputy Leader of the House, then the Minister involved, looked at further material that they supplied last March, and I wrote to them in May to confirm that there was nothing new there that could cause the Department to change its mind.

Adam Price: When did the Government inform the solicitors that they were going to insist on an adverse costs order if they lost?

Malcolm Wicks: I should have to write to the hon. Gentleman with chapter and verse on the specific time and date.

We do not deny all liability. Those listening to this debate might be confused about that. I have listened with great care and some concern to colleagues' testimony, but I cannot comment on individual cases. We are unable to deal with compensation on a schemed approach within the framework of the current scheme. We have, however, made it very clear that anybody can bring a common law claim for disability caused by surface work. We understand that some of the denied cases are likely to be put forward on that basis, although none has yet been received.

Following the last debate, I have considered all the issues. We have to move forward. The Government cannot pay out compensation, as I have argued, on political and moral grounds, and cannot revisit the negotiations that have taken place over a long period. Let me repeat that we are not denying liability; we are just saying that compensation cannot be handled within the lung disease scheme which has, anyway, moved on since the original negotiations with the introduction of the fast-track scheme.

The clear way forward is for those who feel that they have a good case to receive compensation now to put in claims on the usual common law basis. The Department will monitor how the cases that it receives are progressed, and their outcomes. We will address any generic issues that arise that affect how the cases might be handled. If that experience leads to a notion of a streamlined process, I will consider it. I undertake to report back to the House, when a reasonable number of cases has been dealt with, on the issues coming from them and the lessons that we take from them.

On the payment issue, none of us wants the miner or miner's widow to bear the cost should they lose, or to have to face the stresses of that. Some say that the Government should pay. I have another suggestion; it relates to some recent controversies on the coal health scheme. More than £1 billion of the £5 billion-plus has gone to solicitors in the coal health scheme. The solicitors withdrew from group litigation, apparently for financial reasons, but we know of firms of solicitors that have made a great deal of money from the coal schemes. For examples, Hugh James has received £68 million, Thompsons £92 million, Beresfords £65 million and Raleys £56 million. Also, some of the unions have received contributions to their funds from the compensation already paid out, on the understanding that the money was to be used to finance further injury claims.

With such huge amounts of money being paid through the scheme to solicitors and the unions having had extra money, surely it is possible for those bodies—for moral and political reasons, if nothing else—to support individual cases so that the individual claimants are not put at financial risk. I do not believe that the cost should be borne by the general taxpayer. The solicitors and, perhaps, the unions—after all, what is the purpose of a trade union?—have a moral duty to do so. When we assess experience, I shall look carefully to see whether a more streamlined process might be the way forward for the many people involved.

Ambulance Coverage (Forest of Dean)

12.25 pm

Mr. Mark Harper (Forest of Dean) (Con): I am pleased to have secured this debate on the adequacy of ambulance coverage, which is an important issue in my constituency.

The matter was first raised with me last summer, not long after I was elected, following an incident in the town of Newent. It was drawn to my attention that there was insufficient ambulance coverage. Normally one ambulance and crew was on duty, and sometimes not even that. I took the matter up with Gloucestershire Ambulance Service NHS trust, which confirmed that at times—specifically, Sunday 17 July—only a single responder was on duty at one ambulance station. The decision was taken to team up the member of staff from Newent with the person in Staverton, and the coverage for part of my constituency was therefore provided from Gloucester.

The ambulance trust confirmed in its letter that it used a matrix system, taking historical data as a basis for placing vehicles in the area from which the next call was expected to come while preserving geographical cover. I contend that it might well do the former, but it does not adequately do the latter. It does not preserve geographical cover across the county. One hint of the problems associated with its management information systems was its confirmation that it uses a paper-based system to manage the process, whereas more complex, but more efficient, computer systems are available. To be fair, it also confirmed that the strategic health authority had awarded it £500,000 to invest in the latest technology, which would have more effective facilities for moving ambulances around.

Following that, in January, I received a letter from a concerned paramedic somewhere in the county, expressing the concerns of many paramedics about the matrix system for allocating ambulances. It was clear that resources were being diverted from the Forest of Dean and other rural areas, primarily to cover Gloucester and Cheltenham. I wrote to Philip Selwood, chief executive of the ambulance trust, enclosing a copy of the paramedic's letter, and asked him to comment on some of the areas of concern. I said that it appeared from the letter that the matrix system was not appropriate or that the trust did not have the resources to cover the county properly. I also asked him to comment on how the proposed merger between the ambulance service trusts of Gloucestershire, Avon and Wiltshire would affect emergency coverage.

Mr Selwood comprehensively answered my points in a letter dated 20 January. However, his answers made the situation appear worse rather than better. He confirmed that the trust used a matrix system, saying that it was in place in order to provide optimum cover throughout the county. However, he confirmed that Gloucester and Cheltenham had top place on the matrix, so that they were covered, rather than lower call-volume areas. I asked whether he could say how often my constituency was left without adequate ambulance cover. The situation was a problem, but even more worrying from my point of view was the fact that he was not able to answer that question because the technology and reporting systems were not in place to provide that level of information.

That was worrying in two ways. First, it is always worrying when large organisations that do not have adequate management information to make key decisions about the allocation of resources, make such decisions anyway. That is a concern in the 21st century. Secondly, the matrix system, by its nature, depends on the ability accurately to forecast where emergency calls are likely to arise and therefore where to locate the ambulances across the county. If the trust's management information systems are so poor that Mr. Selwood cannot even tell me how often my constituency is left without adequate ambulance cover, I am not sure how they can operate such a system with any confidence that it will locate ambulances where they are likely to be needed in most cases.

Mr. Selwood told me that the project to use £500,000 from the strategic health authority to replace the computer-aided dispatch and management information systems and to place mobile data terminals in the accident and emergency vehicles was scheduled for completion in November. He confirmed that the trust would then have an enhanced reporting system capable of meeting my requests for information.

The letter that I received from the paramedic suggested that if Cheltenham and Gloucester ambulances were busy, vehicles would be pulled in from other areas of the county, which would leave some areas with no ambulances to cover them. Mr. Selwood stated in his letter:

"I can confirm that this is the basis of our operating regime; once a vehicle leaves a matrix point that is high in the priority order then an ambulance is moved into the area from an area that is less likely to receive a call. This makes best use of our limited resources."

To be fair, Mr. Selwood also said that the trust has recently introduced an urban response scheme in Gloucester and Cheltenham, with four vehicles based in those city areas, the purpose of which is to reduce the number of occasions when vehicles would have to be moved from rural areas into the urban areas of the county. That has just been done—or is still in the process of being done—so I have nothing to show whether it has made any difference.

The letter from the paramedic also referred to a fatal road traffic collision in the Forest of Dean, in which one person died and six others were injured, treated and taken to hospital. The trust did a good job in one sense. The first vehicle on the scene came from the Cinderford ambulance station and was there within 13 minutes. However, the accident required a further three vehicles, which had to be dispatched from Gloucester and Cheltenham. I am still waiting for the reply about how long those ambulances took, but given the geography involved they would have taken between 30 and 45 minutes to attend the scene.

I would be grateful if the Minister commented on the subject of community responders, where there appears to be a bit of confusion. The paramedic who wrote to me said that ambulance management will argue that community responders provide better patient care, but that they simply give management an excuse to pull ambulances into Gloucester and Cheltenham by having someone who is willing to make the first response in an outlying area. I specifically asked the ambulance trust to comment on that, and Mr. Selwood said:

"These schemes are an addition to the normal accident and emergency service we provide not to replace crews or vehicles."

[Mr. Mark Harper]

He went on to say that he could confirm that

"the government set standard is to provide an appropriate response to patients within 8 minutes for 75 per cent. of all occasions; this response can be a trained Community Responder with a defibrillator."

He continued:

"If a responder is sent then this must be backed up by an ambulance within 19 minutes from the time of the initial call for 95 per cent. of all occasions."

That seems to contradict what he said.

Community responders mean that the ambulance trust can have the community responder respond in the first instance. The trust then has 19 minutes, rather than eight, in which to supply an ambulance. There is a great temptation for an ambulance trust to put community responders in place, not in addition to, but instead of a properly resourced ambulance network for accident and emergency. I would be grateful if the Minister commented on that.

Mr. Selwood also said that the ambulance trust is in the process of reviewing its response matrix to make best possible use of the vehicles available. He said that they are seeing a year-on-year increase in activity of 8 to 10 per cent., which is putting a strain on their resources, and that there are times when they would benefit from additional resources.

The final point in the letter was whether merging the Avon, Gloucestershire and Wiltshire ambulance trusts would improve or reduce the service in my constituency. Mr. Selwood said:

"The reconfiguration of ambulance services in Avon, Gloucestershire and Wiltshire will provide the Trust with a greater capacity to deliver this new type of service."

That new type of service refers to the Government's agenda to recognise that only 10 per cent. of 999 calls are for cases that are truly life-threatening and to help the trusts to deal with those more adequately and to move away from becoming a transport service. Given the level of service at the moment, there is a great deal of scepticism in my constituency about whether that will be successful.

A number of concerns remain, subsequent to that letter, as the Minister can tell. I wrote to Mr. Selwood again and asked whether, despite the fact that his management information systems do not allow him to confirm exactly how often my constituency is left without adequate ambulance cover, he could give me some idea of that, even if only approximate. As part of the problem is the difference between urban and rural areas and the fact that the more densely populated areas have higher levels of ambulance cover, I have also asked him to comment on whether now that the large urban conurbations of Swindon and Bristol will be included in the new tri-trust area the pressure on rural areas will be exacerbated. Mr. Selwood has unfortunately been away, although I am due to meet him this coming Friday. I hope that I will get the answers to my questions then.

I want the Minister to cover some specific questions. First, can she justify the matrix system used by the ambulance trust? It seems to leave certain areas of the county, particularly rural areas such as my constituency, without proper cover and may put lives at risk. Secondly, how will the merger of the Gloucester trust with the Avon and Wiltshire trusts affect the Forest of Dean? We are on the edge of the county, next to the boundaries with Wales and Herefordshire, so are we particularly likely to lose out, as a number of my constituents suspect?

I have already drawn attention to the potential effect, linked with the merger, of the incorporation of Swindon and Bristol. If the three ambulance trusts, when merged, have a single method of prioritising cover and a single matrix system, which includes those two extra-large urban areas, will my constituency effectively be left out on a limb with marginal ambulance cover, and will we have to rely on ambulances being sent great distances from those urban areas to respond in emergencies?

The chief executive alluded to one further area that my constituents find it difficult to understand. I am happy to acknowledge that taxpayers are paying a great deal more tax, which is going into the national health service. If we look at the figures at a national level—I would be grateful if the Minister told me whether the same is true in my constituency—there are more ambulance staff and more resources. My constituents find it difficult to understand that, given that resources on the ground seem so patchy. That is one of the central questions.

Finally, my constituents pay their fair share in tax for the national health service. They deserve proper ambulance coverage and accident and emergency coverage; they deserve the same as in other parts of our county and our country. They do not seem to be getting it, and I would be grateful if the Minister told us what she and the Government plan to do to put the situation right.

12.39 pm

The Parliamentary Under-Secretary of State for Health (Caroline Flint): I congratulate the hon. Member for Forest of Dean (Mr. Harper) on securing the debate on ambulance coverage in his constituency. It is a matter of concern to him and his constituents. My constituency of Doncaster is not the same as the Forest of Dean—it is a former mining area—but the South Yorkshire ambulance service has issues in common with his, both in the urbanised areas of Sheffield and the surrounding rural areas of Sheffield, Barnsley and Doncaster.

Getting a balance of service in the servicing of rural, semi-rural and urban communities is important. That is one of the reasons why, as I have seen as a constituency MP, the ambulance service has addressed these issues in more recent times by finding better ways of operating, such as parking ambulances in different areas and sharing services with fire stations and others in order to create a service fit for purpose.

I am sure that the hon. Gentleman would agree that it is unfortunate that a large number of people still dial 999 in non-threatening situations. In some cases, there are hoaxes; I know this because a few years back, when I was first elected, I spent some time in the control room listening to calls as they came in. There are other reasons for such calls: sometimes people feel that the quickest way they can see someone is to ring 999 and get an ambulance to take them to accident and emergency.

Considerable work is taking place in relation to out-of-hours services and walk-in centres, but also with people responding who can deal with treatment at

location. The ambulance service is looking at such different methods around the country and considering its partnership with other health service providers to determine how it can meet needs in the right way.

About 6 million people call 999 each year, and ambulance trusts are the first and most important contact for many people ringing that service, especially if their illness or accident requires it. The range of care provided has been expanded, providing an emergency response but also urgent advice or treatments for patients who are less ill, and care for those whose cannot easily travel to access health care services. The ambulance service has grown in recent times to find different ways of meeting the needs that only their specialist service can provide. I pay tribute to all staff in the hon. Gentleman's area, and throughout the country, who continue to help us to deliver a very good health service.

Ministers recently approved the merger of three small ambulance trusts to form one trust serving the whole of Avon, Gloucestershire and Wiltshire. The new trust should be established from 1 April 2006, and the three existing trusts—Avon ambulance NHS trust, Gloucestershire ambulance NHS trust and Wiltshire ambulance NHS trust—will be dissolved. As part of that process, the Avon, Gloucestershire and Wiltshire strategic health authority has been reviewing the configuration of ambulance trusts since January 2005, against a background of weak performance in relation to response targets from all three trusts.

The hon. Gentleman's points are perfectly legitimate, and were part of the reason why it was felt that merging the trusts would help in several different ways. The hon. Gentleman gave an example about management systems for collecting data and asked whether IT systems are being put to the best possible use. It is hoped that a bigger trust will make modernisation and reform in such areas more possible.

A three-month consultation was undertaken between July and October 2005, ahead of national consultation on ambulance trust configurations. The main driver for merger of services in this area was poor performance by the trusts as regards achieving the category A standard, a point emphasised by the hon. Gentleman. For example, in Gloucestershire in 2004–05, the percentage of category A calls receiving a response within 8 minutes was 71.2 per cent., falling short of the 75 per cent. target. A performance improvement plan has been developed and implemented to improve response times and patient care in Gloucestershire. For example, in the Forest of Dean, community responder schemes have been developed in partnership with St. John Ambulance, with a scheme in Coleford, and a further two teams planned for Cinderford and Newent.

There is clinical evidence that proves conclusively that early defibrillation and resuscitation saves more lives. We acknowledge the valuable support that community responders offer to ambulance services locally. They are trained in life support and first aid and equipped with defibrillators. The use of first responders can ensure that patients receive advanced life support as soon as possible, which we all welcome.

Although the initial emergency response may be to send a rapid response vehicle or an improved first responder, a fully equipped ambulance vehicle, able to transport a patient in a clinically safe manner, is still required to attend the incident within 14 minutes of an initial call in urban areas and 19 minutes in rural areas. It is a local matter for trusts to decide how or where they use community volunteer responders, or other schemes such as community paramedics, as well as other resources, such as traditional ambulance provision. Rapid response vehicles, or motorbikes, for example, are one way to ensure a timely response, but the most important thing is that aid gets to the person involved as soon as possible.

There has been a review of the operational periods for the Newent, Lydney and Coleford vehicles. The Newent vehicle now operates on six nights a week, when it previously operated on three, and the Lydney vehicle now operates on six nights a week, when it previously operated on four. The Coleford vehicle now operates on seven nights a week, when it previously operated on four as well. I hope that that reassures the hon. Gentleman and will form part of his conversation with the chief executive later this week. Those attempts have been made to ensure that there is better operational coverage by those important vehicles.

The trust recently purchased eight new replacement accident and emergency vehicles, one of which will be based at Coleford, with a second vehicle at Newent, both covering the Forest of Dean area. The Lydney ambulance station also has a new patient transport service vehicle. The trust is continuing its work with colleagues in the police and fire service to examine how they can reduce deaths in the Forest of Dean area from road traffic collisions.

The hon. Gentleman referred to a particular case and expressed concern about the time an ambulance took to arrive at the scene of a car accident, only to be followed up by three ambulances. I asked officials to check that situation, and I understand that the accident was initially reported as a category B incident, rather than category A. That may be one reason for the amount of time the first response vehicle took to arrive. Obviously, once it had arrived, an assessment of the situation could be made, which may have changed between the point at which the call came in and when the ambulance arrived. A further three ambulances were then called for. Technically, it was not necessarily the case that the ambulance exceeded its time target; it was more a question of how the accident category was reported in the first instance.

A performance improvement plan has been developed, and I have outlined a few of the areas in which attempts are being made to improve the service. Action is being taken to improve capacity in Gloucestershire as a whole, including four mobile doctors to respond to category A calls, urban responders in Cheltenham and Gloucester, and emergency care practitioners handling 999 calls in the control room to reduce the need for a face-to-face response. I am sure that the hon. Gentleman would agree that that is a valuable service.

It makes more sense for people in urban or rural areas, who need to get an ambulance out as soon as possible after a call is made, if someone in the control room can assess their needs and deal with them over the phone,. I understand why some people make certain calls but they are not always the most appropriate for a 999 response Unlocking some of the jams in the system is one of the ways in which we can try to manage things

[Caroline Flint]

and ensure that people, wherever they live, get the service fit for their need in an emergency. The new ambulance trust will support those improvements to the level and type of service provided to users, while obviously looking at greater capacity and opportunities for flexibility and shared learning.

The hon. Gentleman referred to the matrix system used to plan where resources should be used and situated. He is right. It is not new to his area; it is a long-standing system for planning where ambulances should be. It is one of the reasons why, in recent years, we have had more discussions about ambulances being out on location, rather than stuck in ambulance stations, and about resources shared with fire and police services .. a means to facilitate the needs of staff, so that they are not just stuck in a lay-by eight hours a day. Part of that process has involved trying to consider the number of calls and where they come from.

The system has been used historically, and it has been helpful, but I understand that work is being done to look more closely at how the matrix works. Returning to my previous point, one area that might be considered is the number of calls that come in from a particular area and how many of them really are category A calls, as opposed to calls that should have been dealt with through health provision in the community. It is worth considering that issue. If we can bring down the number of calls that result in an ambulance being wrongly sent out, that will give more room for management and service providers to think about how they will meet the needs of the more rural areas, which are more difficult to get to because of the surrounding roads and so on. That would be helpful, and I am sure that it would be helpful if the hon. Gentleman talked about those issues with the chief executive when he meets him later this week.

The national picture has an impact on the local picture. The Government's spending on ambulance services has increased from £617 million in 1997 to £1.2 billion in 2003–04, an increase of more than 75 per cent. It is always important that people look at what we have now. I can understand people wanting more, but it is important to reflect on the situation in the past, which might not be in their living memory, and the lack of investment then.

We felt that it was right to set a standard that at least 75 per cent. of 999 calls for immediate life-threatening conditions should have an ambulance response within eight minutes. In 2001, fewer than 71 per cent. of those calls were responded to in eight minutes. Over the past two years, performance against that call standard has exceeded 75 per cent. Surveys that we have carried out with patients show that 98 per cent. are overwhelmingly satisfied with the care that they receive. That is in the face of consistently increasing demand for ambulance services. Our funding reflects our understanding of that, but we also understand that the issue is not just about funding; it is about modernising and reforming the service to ensure that it provides the right service for the right sort of need.

I am pleased that there has been a demonstrable improvement in patient care, particularly in cardiac care. We are confident that, while recognising the local issues, larger trusts will deliver a better, more responsive, more efficient service, which people have a right to expect.

Although progress has been made nationally in the ambulance service, we know that the contribution ambulance trusts could make to the wider health agenda has not been fully utilised. That is why we appointed Peter Bradley to lead a strategic review of ambulance service delivery, "Taking healthcare to the patient: Transforming NHS ambulance services", which was published last June to widespread support. The review sets out a compelling vision for ambulance services and makes recommendations in five key areas: improving clinical and managerial leadership to match new models of care, improving the consistency and quality of care provision, improving efficiency and effectiveness, supporting performance improvement, and developing the work force.

The benefits of delivering that vision will include patients receiving improved care, with potentially 1 million fewer unnecessary accident and emergency attendances; greater job satisfaction for staff as they use their additional knowledge and skills to care for patients; a more effective and efficient use of NHS resources; and improvements in self-care and health promotion.

We know that patients calling 999 are a mix of those with clinically urgent needs and those who view their condition as urgent. The report makes it clear that ambulance trusts need to widen the range of services that they provide. They need to work closely with other urgent care providers so that alternatives can be found for patients who do not need an ambulance. Some of those can and should be delivered by the ambulance service, but it is clear that some should not. In taking the report forward, we are building on the excellent service already delivered and the dedication and skills that have made the service what it is today. It is important that our vision sets out a service that will deliver the best possible care to patients.

The work that has been done in the past 12 months to move to merge the three trusts is a step in the right direction. Clearly, more discussion is taking place on providing services, particularly in the rural parts of the area covered. As I said before, I understand that there is some work considering the matrix, the number of calls, their nature, and what problems that may present for operational management.

I am sure that the hon. Gentleman agrees that people need a prompt and efficient ambulance service. Such a service should be based on the need of the individual. We must ensure that other calls do not get in the way of providing that prompt service to his area, my area and the rest of England.

12.54 pm

Sitting suspended.

Yellow School Bus Schemes

1 pm

Ben Chapman (Wirral, South) (Lab): I am delighted to have secured the debate. It is an important topic, and I want to make the case for a wider introduction of such schemes, which have the potential to cut congestion dramatically in the rush hour. I understand that with one or two qualifications, the Government are broadly in favour of them, so the need for my powers of persuasion may be limited. Equally, I understand that local education authorities are by and large persuaded of the argument, if not the practicality in some cases.

We have made some progress on yellow bus schemes, but we need a substantial product. I want to encourage a greater degree of urgency in how we tackle the problems that school transport presents. You, Mr. Cummings, and many hon. Members throughout the country know that constituents regularly and rightly raise with us the concern that between approximately 8.30 and 9 in the morning, some places—Wirral, South included—are no-go or, at the very least, go-slow areas. On my patch, I could name many such places. For example, Heath road, Brimstage road around Barnston primary school, Pulford road and many more become extremely congested. It happens not only in the immediate area of the schools. Each school run fills up that precious commodity—road space—and each has a knock-on and cumulative effect somewhere along the line.

On Merseyside, for example, a survey found that 9 per cent. of all short car journeys were made for the school run daily, and that more than one quarter of all pupils relied on being driven to school. For some parents, dropping off children at school may require little more than a minor diversion on the way to work, but others will go substantially out of their way, and sometimes to more than one school. For many, the sole purpose of the car journey is the school run. It is an amazingly inefficient system that otherwise might be used on productive activities. I am not saying that taking kids to school is not a productive activity, but other outlets are available.

National surveys have found that 20 per cent. of traffic on UK roads at 10 to 9 in the morning is on the school run, equating to an extra 2 million car journeys. I have no reason to think that the figure does not apply equally, if not more so, in Wirral and the rest of Merseyside. Businesses and other road users who have no choice are frustrated by gridlock. Those living near schools find what they regard as their spaces occupied. Otherwise peaceful suburban streets are choked with traffic, and the effect is a vicious circle: parents become anxious about their children walking or cycling to school alongside, on or crossing congested and busy roads; and their instinctive reaction tends to compound the problems, because they also resort to using their cars. Given the pressure on the roads during peak hours, we must count every car taken off the road as a small triumph.

The evidence suggests that where yellow bus schemes have been introduced as part of a comprehensive strategy associated with the school run, there has been a dramatic impact. Figures for the first two phases of the flagship large-scale project and pilot scheme in west Yorkshire show that the average shift from car use has been more than 60 per cent., with one school showing a shift as high as 91 per cent. A primary school in Bradford reported a 30 per cent. reduction in cars outside the school gate, and of those pupils using the yellow bus, more than 60 per cent. previously travelled by car.

I took those figures from a West Yorkshire passenger transport executive press release, so they come on good authority. My hon. Friend the Minister has seen the benefits of that pilot scheme at first hand. I am told that parents, teachers and pupils are positively evangelical about the scheme, and schools are clamouring to become involved all the time.

Granted, the reorganisation needed to make the system work most effectively cannot be overestimated. The optimum effect might be achieved by staggering school opening hours. It would require a willingness from schools to work together to co-ordinate their start and finish times. Staggered opening times would cut costs and improve bus services by allowing the same number of buses to provide a service to many more pupils. Staggering would also allow pupils to access a range of school-based activities and disperse traffic on the school run from a current peak of 10 to 9 in the morning to a slightly longer but less concentrated period. It could have a temporary impact on congestion. I say temporary, because the proportion of school children driven to school grows year on year, and it would soon fill any spare capacity.

I have detected some contradictions in the approach across Departments, however. The Department for Education and Skills is encouraging local education authorities, including the authority in my constituency, to bring clusters of schools' opening hours in sync, so that students may have greater choice to study subjects that, if taught in every school, would not be sustainable. That is valid, but it does not help the problem of school transport. Other potential schemes may be able to learn much from west Yorkshire—for example, by using yellow school buses for school trips and community projects. I hope that if other providers were to make as convincing a case, they would receive the same encouragement as the pilot in Yorkshire.

There is some ambiguity in what I earlier called the Government's qualified support. First, in written parliamentary answers and correspondence, I have received more often than not a reference to wanting not to discourage children from walking and cycling by introducing yellow bus schemes. No one would disagree with that; it is a central tenet of the Government's strategy and a sensible policy for tackling childhood obesity. Children should take more exercise in the course of their daily routine. However, there is not much danger of discouraging walking and cycling when yellow bus schemes are directed at children who are driven to school. In the United States, buses are provided for children who live more than 1 mile from the school. With such a threshold in place, there may be no reason why walking should be discouraged. In any case, dangerous roads may mean that walking is not an option.

The second qualification made by the Government is that of being careful not to undermine the viability of bus services that are available to the wider public. I understand that, too. I imagine it being a factor—if no

[Ben Chapman]

more—in rural areas, but it need not be generally applicable. In many areas, public transport during the morning peak is stretched on buses, trains and, where appropriate, trams and mass people carriers. If the object is to take traffic off the road, we must think about the best way of doing so.

The question with which we are left, but which may be not within the scope of this short debate, is what school transport framework do we want to promote. Will it be yellow school bus schemes, of which parents and children are in favour, as part of a broad strategy to tackle a range of problems, or the present mixture that pleases few and frustrates many?

My constituents' No. 1 concern above all others is antisocial behaviour, and it seems that one main benefit of yellow bus schemes is the discipline instilled in young people when they use yellow school buses. They do not need to be yellow, of course; it is the concept rather than the colour. Children travel with seat belts, have an allocated seat that they keep for every journey and have a regular driver. Those measures, modest though they may appear, can have a lasting effect on behaviour. Indeed, for some schemes, as the Minister will be aware, that aspect was the primary reason for their introduction. I think, although I cannot speak with direct authority, that that was the case in Stockport.

Although they are a small minority, some young people cause problems through their unruly behaviour on public transport and on dedicated bus services. I do not malign the people who provide the buses, but sometimes they are of poor quality. Double-decker varieties, for example, are often cheap, but are not well designed in terms of the supervision of children. It is important that a culture of discipline and respect is engendered in young people from when they leave to go to school until they get home after school. As the Steer Davies Gleave evaluation report for the Department for Transport made clear, the benefits of that are felt not only by the community at large, but by the kids themselves.

We are talking about a win-win situation. There is evidence that introducing yellow bus schemes has increased the number of children who are in school to be taught. I am told that in Bristol truancy was cut by 5 per cent. in the first six months of the operation of such a scheme. The headmaster of Henbury school in Bristol said that attendance had improved by 57 per cent. for the children who used the yellow school bus. The Government are rightly committed to reducing truancy, and this initiative could support other initiatives that they have put in place. A further side benefit is that yellow school buses provide a near door-to-door service, and there is less scope for young kids to find distractions on unaccompanied journeys to and from school.

Those are at least some of the benefits, which are being felt in what are small pockets geographically across the UK. I agree that a diverse approach should be taken to tackle the challenge of school transport, dependent on local circumstances, but I do not think that we have given enough power to the elbow of the school bus concept. We may need to give some leadership in that respect. I am not asking for a top-down solution to be presented to local authorities without debate. Obviously, it is up to them to decide how to spend their funding and to develop innovative schemes as they see fit. I know as much as anyone that the Government do not have unlimited funds. They have only taxes, and people do not like their taxes being raised to pay for other things without a consequential reduction in expenditure elsewhere. However, I visited a scheme in Wrexham that is funded from council coffers only, as I recall. I am told that another scheme, in Runnymede, has been financed through an innovative combination of parental contribution, private sector sponsorship—with a range of sponsorship levels to attract as many offers as possible—and use of section 106 planning obligations to compel new developments to pay towards the scheme on the ground that it would reduce traffic congestion. That is an example of something that has been done previously and could be done in future.

It can be a two-way thing. When businesses are relieved of sometimes crippling delays caused by traffic and there is a real productivity bonus, everyone gains. Medway council has committed funding, coupled with parental contributions, and is using it in terms of existing funds to deliver a small but growing yellow bus scheme. At one school, 60 per cent. of yellow bus users were previously driven to school by car. At another school, the figure has risen to 76 per cent. Local authorities, including my own in Wirral, need to find a way around the funding obstacle as well as applying pressure on the Government to be supportive.

Merseyside has a draft school travel strategy operating within the local transport plan. Its preferred option to walking and cycling is public transport, dedicated bus service provision being provided only

"where no other alternatives are available".

That may be a valid view on Merseytravel's part, but it may also require a wasteful catch-all extension to services—that is, if we assume that the reason for low take-up of public transport in some areas is that it does not serve all the areas that it needs to.

Much more creative thinking is needed. The scheme in Runnymede would be on a small scale compared with a scheme in Wirral and certainly compared with a scheme in Merseyside as a whole. It would be a big undertaking to introduce such a scheme all in one go, but there may be nothing to prevent smaller schemes from being put in place and extending even to individual schools. The start-up costs need not be prohibitive. Some bus companies can, for example, lease the buses so that start-up costs are reduced.

There are, of course, debates to be had about the range of provision for pupils and how much the parental contribution should be. Most schemes that I have examined charge about 50p a journey or £1 a day. I have no doubt that yellow school bus schemes have the potential to enable greater school choice to become a reality. However, what most concerns parents day to day is getting their children to school as safely, quickly and conveniently as possible. What concerns small businesses in my constituency day to day is the free flow of goods and people—making a delivery on time and meeting clients and suppliers. That is good for productivity and profitability. Of course, we want to encourage more cycling and walking to school, but this is not a zero-sum game. We can have walking buses and we can increase the provision of cycle racks, cycle paths

and training, but we must do something about the growing proportion of children who travel to school by car. I am sure that, if there is a will, there is a way.

I am asking for greater urgency. Green shoots have sprouted across the country, and some local authorities and bus operators are making real progress, but those early developments must be nurtured and given more encouragement—not necessarily cash, although that would certainly help. The benefits are clear. Yellow bus schemes have the potential to eliminate much congestion, to end the school run, to improve air quality, particularly at the school gate, and to provide a safer and more disciplined way to get children to school.

It has been put to me that, in America, the operation of yellow school buses is associated with poor trade union practices. However, that is outwith the points that I am raising. A root-and-branch overhaul is needed of the school transport system, so I am glad that the education White Paper appears to put such a prospect on the table. I appreciate also that, to that end, nothing should be ruled out and nothing should be ruled in. However, the evidence is mounting all the time. I hope that the evaluation of west Yorkshire's large-scale pilot scheme will prove impossible to ignore when it is complete. Although I applaud what the Government have done thus far, we need to do much more. Traffic congestion is growing daily, and the number of children being driven to school continues to rise. I urge providers, small and large, and the Government to work together to come up with solutions to that pressing problem, including imaginative ways to fund schemes. That may be easier said than done, but doing nothing is not an option.

1.18 pm

The Parliamentary Under-Secretary of State for Transport (Ms Karen Buck): I congratulate my hon. Friend the Member for Wirral, South (Ben Chapman) on securing the debate. He was right to state at the outset that there is a lot of common ground, and I disagree with very little of what he said. I congratulate him on the powerful case that he made and on his clear enthusiasm for this strategy to tackle the problem. We agree on the analysis of its implications. I am therefore pleased to have the opportunity to outline the Government's approach to yellow buses and to place them in the wider context of the travel-to-school schemes that we are working to deliver with the Department for Education and Skills.

I shall start by setting out the background to our joint work with the DFES on school travel and then outline our research on pilot yellow school bus schemes. That includes the support, which my hon. Friend knows we are providing, for the pilot scheme in west Yorkshire. I shall also consider the funding of such schemes and the potential for expanding the yellow bus programme.

The joint work that we are doing with the DFES on the school journey aims to make it easier and more attractive for pupils to walk, cycle or take the bus to school, as an alternative to travelling by car. We want parents and pupils to have options when travelling to school—walking or cycling where it is possible and safe to do so and, for longer journeys, taking the bus. We want to encourage independent travel as far as possible, where that is safe and convenient.

By encouraging children to get into sustainable travelling habits early in their lives, we will nurture a new generation of travellers who do not think twice about walking, cycling or using public transport as part of their daily routine. How children travel to school also has an impact on their broader health and welfare. The decline in walking and cycling which has taken place since the 1980s has coincided with a wider reduction in levels of physical activity by children of all ages, and that decrease in activity has contributed to rising levels of obesity in young people. The DFES and the Department of Health have a shared public service agreement target to reverse the upward trend in childhood obesity. In order to deliver on that target, we will need to be successful in making children more active in their daily lives.

Walking is already an important mode of travel to school, with around 50 per cent. of five to 10-year-olds and 44 per cent. of 11 to 16 year-olds walking. In the light of comments about there being very few children who travel much more than a mile by foot or bicycle at present, my hon. Friend may be interested to know that in the last period for which we have statistics—2003–04—of the children who travelled between 1 and 2 miles to school, a third of those aged between five and 10, and almost two thirds of those aged between 11 and 16, walked, and 4 per cent. of those aged 11 to 16 cycled. Cycling and walking—even walking to and from a bus stop—are obvious ways in which we could make children more active in their daily lives.

The travelling to school initiative was launched in September 2003 by the current Home Secretary—who at that time was the Secretary of State for Education and Skills—and the Secretary of State for Transport. The key objective of the initiative was to get a good quality school travel plan into every school in England by 2010.

A school travel plan is a joint initiative, agreed between schools, pupils, and local authorities, to improve travelling conditions around schools—to make it easier to walk, cycle or use the bus. The travelling to school initiative includes a number of measures to support and encourage the development of school travel plans. With the DFES, the Department for Transport has funded the appointment of a network of about 250 school travel advisers and regional school travel advisers based in local authorities. Their job is to support schools in developing travel plans, to provide advice on good practice, and to ensure that the plans meet the high-quality standards of the project. As a further incentive to schools to create such plans, the DFES has provided capital grants to schools which have produced agreed travel plans. The grants are worth about £5,000 for a typical primary school and £10,000 for a typical secondary school.

I am pleased to report that progress has been extremely positive. We have exceeded our key project milestone of getting 6,000 plans into place by the end of March 2005, and we are on track to achieve the level of 10,000 schools by the end of March 2006. To date, we have paid out more than £30 million in grants to support the development of travel plans. They have provided a range of sustainable investment in travel initiatives, such as safe and secure lockers, storage facilities and shelters for children bringing their bicycles to school, and improved bus access.

[Ms Karen Buck]

Having set out the broader context of travel to work, I shall talk more specifically about the role of bus services, and in particular the role of dedicated school buses. We recognise that walking and cycling are not the best options for every journey. Where no safe walking or cycling routes are available, or where a pupil lives a long way from school, travelling by bus can be the best option, and it is certainly environmentally preferable to the private car. We are keen that a key objective of the travelling to school initiative should be to make the bus a positive choice for more parents and children.

Bus travel allows children to socialise with each other and to become independent and confident public transport users at an early age. Bus and coach accidents are very rare; they are the safest mode of passenger road transport. They also generally produce fewer emissions. School travel plans can contain a range of measures to encourage bus use, from engineering improvements around schools to revisions to services negotiated with commercial operators. They can build on the wider work being done by local authorities to promote the use of local bus networks, including supporting concessionary fares.

I have explained some of the ways in which local authorities can improve the attractiveness of bus services for the school journey. However, as my hon. Friend is aware, some local authorities have gone beyond that and developed proposals for dedicated networks of school buses on the United States of America model, designed for the exclusive use of pupils on the journey to school. My Department was interested in exploring the potential costs and benefits of dedicated school buses in respect of encouraging more pupils to travel to school by bus. Therefore, in 2002–03 we carried out an initial evaluation of some of the early yellow school bus pilots, including schemes in Runnymede in Surrey, Hebden Bridge in west Yorkshire and Wrexham in north Wales. We also considered other dedicated school bus schemes. That evaluation exercise confirmed that well designed yellow school bus schemes had the potential to reduce car dependency in terms of the journey to school, and that they were usually popular with parents and pupils. Parents particularly valued the security of having a regular driver, allocated seating and services direct to the school gate. I share the view that they can have a positive effect on antisocial behaviour as well as on pupil safety.

The evaluation did, however, conclude that unless they were carefully designed, dedicated school bus schemes could have some unintended adverse consequences. In one pilot area, the introduction of the dedicated bus had the effect of driving out of business a key local commercial bus service, which was relied on for a wide range of non-school journeys. We also found that new bus services offered to pupils living only a short distance from schools could reduce levels of walking and cycling.

Dedicated school buses can offer considerable benefits but they also come at a cost, as my hon. Friend recognised. Our research suggests that while parents are willing to make some payment for dedicated schools buses, that is in effect capped at about £1 a day, which is unlikely to be enough to make them a commercially viable proposition.

In response to our evaluation report, which was published in 2003, we said that we would welcome proposals from local authorities for well designed dedicated bus schemes where they could demonstrate that they could be effective in meeting local transport and education needs. To date, we have offered £18.7 million of local transport capital funding to the west Yorkshire MyBus scheme, which is a large-scale dedicated bus scheme. Once fully implemented, the scheme will provide about 150 buses serving secondary and primary schools in various locations throughout west Yorkshire. As my hon. Friend knows, I visited there not long ago and I was very impressed.

Although implementation of the scheme is still at a relatively early stage, it has achieved a 10 per cent. reduction in the number of primary school children who normally travel by car to the schools taking part. The scheme is popular with head teachers, parents, drivers and children, and offers qualitative evidence of positive impacts on behaviour, attendance and children's personal safety.

We are aware that further dedicated bus schemes are under development around the country. As I have made clear to my hon. Friend, we would not rule out any of these being funded as major schemes in the same way as in west Yorkshire, but we have to be realistic about the level of funding available through that route. I take on board the point about other options for funding being available, but unfortunately very few of them are unlimited.

We are considering advice from regional bodies on their recommended major scheme programmes for the next 10 years. I cannot say anything further on that at present. However, we are keen for such options to be examined and, as long as they are clearly set in a broader context—of understanding their impact on commercial bus services, and of any perverse consequences—we would like to explore what possibilities there are for them to be extended.

In the broader context, yellow school buses can play an important role, but they are only one strand in a travelling to school programme on which we are making solid progress, and which chimes in with the objectives and analysis of the problems that my hon. Friend articulated.

Lottery Grants (Gloucestershire)

1.29 pm

Mr. Laurence Robertson (Tewkesbury) (Con): I am pleased to have secured this debate after weeks of trying, but I rather regret the need for it. The Minister for Sport will know why I say that, as he was kind enough to attend the previous debate that I obtained on the subject on 8 May 2002. Indeed, that was my second debate on the issue; the previous one was on 20 December 2000, when the hon. Member for Vauxhall (Kate Hoey) replied for the Government. I met the Minister after that debate to discuss the problem. Many years on, it remains my concern that organisations in my constituency get very little money relative to the rest of Gloucestershire.

I welcome the fact that my neighbours in Gloucestershire get a lot of lottery funding, and I wish them well; they have obviously submitted a lot of good applications, and I hope that they continue to be successful. However, if I go through the figures, the Minister will see the cause of my alarm. Since the start of the national lottery there has been about £125 million in grants—

The Minister for Sport (Mr. Richard Caborn): It is billions.

Mr. Robertson: To Gloucestershire, I mean. There have been grants of £125 million or thereabouts to organisations in Gloucestershire. If Tewkesbury were to get the same amount as other constituencies in Gloucestershire, it would get some 16.7 per cent. of that money. I accept that there will be variations, but it currently gets only 4.49 per cent. That figure is very slightly up since last time I held a debate on the subject, when it was 3.4 per cent., but at this rate I calculate that it will take us 44 years to get up to the average. We now get the very slightly increased 4.49 per cent., but it is not acceptable that organisations in Tewkesbury should lose out to that extent. Tewkesbury has received only £5.6 million, whereas if we were to get the average, the figure would be something like £21 million.

Let me compare the figures for the other constituencies in Gloucestershire. Cheltenham has received nearly £23 million; Cotswold £25 million; Forest of Dean £10 million; Gloucester £38 million; Stroud almost £24 million; and Tewkesbury only £5.6 million. The point is that we are not even remotely close to amounts received in other constituencies; if we got 12 or 13 per cent. of the money coming into the county, I probably would not have held three debates on the subject.

The natural response, which I have heard in the past, has been to ask whether organisations in Tewkesbury are actually applying for sufficient numbers of grants. Well, it is difficult to tell these days. When I held my first debate, the figures were available from the Government, and they showed that Tewkesbury was applying for plenty of grants. By the second debate in 2002, those figures were not available from the Government, and I have not been able to access them in any way, so I cannot answer whether organisations in Tewkesbury are applying for as many grants as those in other parts of the county. As far as I know, those figures are not available, although they certainly used to be.

I can cite a number of grant applications that have been turned down. As far as I can see, they were very good applications indeed. Tewkesbury sports centre had two failed bids. It is based at a successful school that takes children from all kinds of backgrounds. The school serves some areas that are perhaps a little more prosperous, but it also serves areas such as Priors Park, which is undergoing a great deal of regeneration, and Northway, where there are ongoing problems with youths on street corners. The school is ideally positioned to help those people, yet the sports centre has had two failed bids.

The Jet Age museum has made at least one bid, perhaps two. As the Minister will be aware, it is in the area where the jet engine was invented. There is a good deal of heritage about the museum, which deals with an important part of our history. I have visited it on a number of occasions, and it is very well run indeed. A number of enthusiastic people are involved with it, yet it has not been able to access lottery money. Nor is it based in the most prosperous of areas.

Tewkesbury and District Council of Voluntary Services had an application turned down. That was to support various voluntary organisations in the borough, such as a support-for-the-elderly day care centre. It would have brought together a whole range of voluntary agencies.

Churchdown sports centre's bid failed, too. I have mentioned that before. The reason given for its failure was that it was within 20 minutes' drive of a similar facility in Gloucester. The point I have made in the past is that children do not drive, or should not, and if they get a lift from their parents, it means four journeys—that is, going there and back twice. That is at a time when we are supposed to be reducing car journeys and building sustainable communities. The reason given for that failure is not acceptable. As a result of the failed bid, the sports centre is struggling, and the borough council wonders whether it can continue to support the centre, the very existence of which is now in question.

It would be a very retrograde step if that sports facility were lost; I want to press that home to the Minister. Churchdown is still technically a village, but it has a population of some 10,000 or 11,000, depending on how wide one makes the count. It is an area with a lot of young people, and they need something to do. It is not over-endowed with facilities. I deeply regret that that organisation did not manage to get the grant, and that it is struggling now.

To go back to 2002, Tewkesbury got a little bit of money under the fair share initiative, but it was way, way down on the list. I have looked into the new scheme, and it seems that Tewkesbury will not be one of the areas that will benefit. I am the first to say that the national lottery has been a great success. In my notes, I have put it in brackets that it was a Conservative success, but it would not be right to dwell on that. The lottery has raised £18 billion for good causes, and I understand that 220,000 projects have succeeded. Indeed, there has been some success in my constituency.

Only recently in a village called Bishop's Cleeve a new sports area was opened by the very famous Sir Geoff Hurst; it was a great privilege to have him in the village, although he lives in Cheltenham now. It was a successful day and he was very popular, and the new facility is very

[Mr. Robertson]

good. In the village of Twyning, where I happen to live, there is a very good sports facility, although I played no part in attracting the money. I am not in any way knocking the national lottery or saying that we have not had any benefit at all; we certainly have, but not the kind that we deserve.

When I explored this issue in the past, the question was raised of how we determine where the money should go. One of the issues that has been put to me is that of deprivation: areas that are deprived should receive more funding than those that are not. I accept that there is a certain logic to that, but the problem is how we measure deprivation. One problem is that when a fairly large area is assessed, there may well be pockets of deprivation, although the whole area may not be deprived according to all the measures. That is one problem that we have had in Tewkesbury.

A lot of rural areas are deprived. The area that I represent is very rural; there are some built-up areas, as I have mentioned, but there are pockets of rural deprivation, too. There are many small villages without any shops or facilities at all. Quite often, public transport between villages is very poor. There are quite poor rail links between Gloucestershire as a whole and London, for example. There are trains, but it may be surprising to hear that one often has to change at least once in the journey from Cheltenham to London. That is rather surprising, because Cheltenham is a main town and a lot of things go on there, yet the rail link is poor. There is a better rail link north of my constituency, which goes up to Evesham—it is not particularly brilliant, but it is better—but there is not a good link between Gloucestershire and London. We have a problem there.

There are a lot of farmers in my area, and farming incomes continue to fall. Quite a number of rural post offices have closed; and, if I may be controversial for a moment, the hunting ban has not helped the countryside. I put that very gently. A number of rural pubs in my area are also very concerned about the proposed smoking ban.

There are pockets of deprivation in my constituency. People perhaps think of Tewkesbury as a good Tory seat, which must be rich, but that is not so. It is a mixed area: there are prosperous parts, but there are also many areas that are not. If we are using deprivation as a measure of where to send the money, we need to look more closely at Tewkesbury.

There is also the heritage aspect. The battle of Tewkesbury took place in 1471. As a Lancastrian, I do not want to say the wrong side won when the Yorkists got their last great victory of the war of the roses—we got our own back at Bosworth field. There is great heritage in the town. The townsfolk got together and collected money to pay off King Henry VIII, and the famous Tewkesbury abbey survived. Two rivers meet there—the Severn and the Avon—and we have lots of rich history. However, we need some help from funds, such as the Heritage Lottery Fund.

Even under the Heritage Lottery Fund, however, Tewkesbury comes bottom of the league in Gloucestershire. We cannot even get the funding for heritage. We are bottom of the league in terms of charitable organisations and arts funding. With millennium funding, we are fifth out of six, but only by £2,000. We are fifth in sports funding, by some £2,000. In health, education and the environment we come fifth, but by only £3,000. In virtually every way we look at it, Tewkesbury comes bottom of the Gloucestershire league. If we look at the six headings—arts, charity, heritage, millennium, sports and health, education and the environment—and the six constituencies, making a multiple of 36 different bids, we come last almost every time.

I genuinely do not know why this is so. Organisations in Tewkesbury have submitted applications, but some that failed were good and solid and not in any way frivolous, and an awful lot of work went into preparing them. I can personally vouch for those organisations. Those applications failed, but throughout the county millions of pounds has gone to organisations in other constituencies.

I want to finish where I started. I wish the successful organisations well, and I am pleased that they have received funding, but I think that the Minister will agree that the 4.5 per cent. of the funding that we receive in Tewkesbury does not look right—it seems unfair—and is only a slight increase on the 3.5 per cent. that we got when I last had this debate. I hope that I do not have to return to the Chamber to take up hon. Members' and the Minister's time by complaining yet again. I am more than happy to meet the Minister or his officials to discuss how we might assess what is going wrong, and how we might decide how to put it right.

Perhaps the Minister or his officials might find time to help me in that respect. For now, I should like him to give me whatever answers he feels he can. I am grateful to him for turning up. I know that he has many other issues to deal with, but I stress that we have seen great benefits coming from the very few projects that have been financed in Tewkesbury and I want to extend that to the other applications that have been made on the part of the people of my constituency.

1.45 pm

The Minister for Sport (Mr. Richard Caborn): I congratulate the hon. Member for Tewkesbury (Mr. Robertson) on securing the debate. I shall try to answer some of his questions. When we met last night in the Strangers Bar, Sheffield United lost 4–1 to Watford, so it was a bad evening. I have recovered since then, however, and I shall hopefully give him positive answers.

As the hon. Gentleman said, this is not the first time that he has taken the opportunity to ask questions about his constituency and national lottery funding, and, as he rightly said, this is not the first time that I have had the privilege of speaking on the subject. He obviously cares deeply that his constituency should be taking every opportunity to reap the benefits of lottery funding.

I should like to put on the record straight away that if the hon. Gentleman writes to me about his concerns about applications being turned down, I shall get my officials to write to the various distributors—the Heritage Lottery Fund, or whatever—and find the official reasons why they were refused. That might be helpful.

The national lottery has become one of the most successful lotteries in the world. Since 1994, it has raised in excess of £18 billion for good causes and more than 224,000 grants have been made to projects all over the UK. Lottery funding has made the greatest difference in our communities. In fact, 65 per cent. of all lottery grants have been for small amounts of money—sometimes less than £5,000—which spreads the benefits of lottery funding far and wide. Although a £5,000 sum probably does not seem a lot, to many organisations such an amount has had major effects and they have done tremendous work with it.

Nearly half the total amount of money awarded has gone to projects in the 100 most deprived local authorities. The hon. Gentleman is concerned about that. The distribution of national lottery funds was never intended directly to match the population pound for pound in each constituency or region, but it was intended to respond to particular needs by ensuring that grants are made to projects that would not normally be funded through taxation and that areas of significant disadvantage are the first to benefit.

Our policy and the policy of the previous Government is to encourage the fair distribution of lottery funding across the United Kingdom—not that every county or constituency will receive the same amount. We recognise that not all areas of the country are the same. Rural and urban areas have different needs and these differences can cause a variation in funding which is inevitable, particularly for larger grants. The hon. Gentleman raises a valid point about his constituency and I shall look into it. I shall look in particular at the Churchdown sports centre to see what the reasons were for turning it down.

Throughout the life of the lottery we have recognised that changes needed to be made to ensure that lottery money is spread fairly throughout the country and to reflect the different groups in our society. The hon. Gentleman may be familiar with the measures that we have taken, but I think it is useful to remember how we have responded to make lottery money more accessible for all. We changed the lottery's original emphasis on capital grants to spending on people and activities and we have opened up access to lottery funding. We gave the distributing bodies the power to solicit lottery applications from priority areas to address concerns that some areas lacked the infrastructure or skills to put together an application. I do not know whether that is a problem in the hon. Gentleman's constituency, but we will consider it. We also gave the distributing bodies the power to delegate decision making to regional and local level, enabling them to be more responsive to local needs We tasked the distributing bodies to draw up a strategic plan for funding to ensure that lottery money goes to areas and projects that need it most.

The distributing bodies have also responded to the challenge. The Community Fund's fair share initiative initially delivered £180 million of lottery funding to 77 specially targeted disadvantaged areas in both rural and urban areas of the UK. Other specific initiatives have targeted former coalfield areas and seaside resorts. Those measures have had the right effect. For example, by the end of 1998, Tewkesbury had received just 33 lottery grants worth a total of £722,000; during the following five years, from 1999 to 2005, it received 188 grants totalling £4.7 million, an increase both in the number and value of grants, although, as the hon. Gentleman's figures demonstrate, the area could still do considerably better.

Part of the problem is that the information on lottery grants to individual constituencies does not tell the whole story. For example, if a grant is given to an organisation whose headquarters is in a particular city, it will be credited to that city, although its benefits might be felt in a much wider geographical area, and sometimes across the whole of the United Kingdom.

The situation can be difficult to gauge. Looking at the statistics for my constituency of Sheffield, Central, it seems that we get many more grants than anybody else. That is not because I happen to be the Minister with responsibility for the lottery, but because grants are made to places in the city centre that benefit not only Sheffield but the whole of south Yorkshire, and sometimes north Derbyshire as well. How the funds are distributed should be factored into our considerations.

Each application is assessed on its merits against criteria laid down by the distributing body, but because there are always more applications than can be funded, the process has to involve an element of competition. Some projects are unsuccessful. Many times my ministerial colleagues and I are asked to intervene in lottery applications, but we are unable to do so because lottery distributors are responsible for making decisions on individual grants and are independent of the Government.

Government policy directions set only the broad framework within which the distributing bodies operate. The directions require them, for example, to have regard to the different parts of the UK, encourage sustainable development, and reduce economic and social deprivation, while creating benefits. Often the problem is that particular areas do not put in many applications for lottery funding or apply for small amounts, and although their success rate can be very good, they do not do as well as other areas that have submitted more applications.

Many of the provisions of the National Lottery Bill, currently under scrutiny in another place, will add to the measures that we have taken to improve the distribution of lottery funding. The Bill will set up a new distributor—the Big Lottery Fund—as the one-stop shop for voluntary and community grants; enable all lottery distributors to promote the national lottery as a whole, rather than their own good causes; and allow the distributing bodies to involve the public in decision making, so that local people have a say on where lottery money goes. It might go, for example, to good projects with community support that will enhance their community's quality of life.

There is no quick fix for constituencies or regions that feel that they are not getting their fair share of lottery grants. However, it is important to remember that lottery funds are finite and dependent on receipts from the national lottery game. That means that the majority of programmes are over-subscribed and that there is always strong competition for grants. The distributing bodies have to make difficult decisions to ensure that the funding available to the good causes is used most effectively.

The national lottery has evolved over the years to meet better the changing needs of applicants and ensure that more communities have access to lottery funding.

[Mr. Richard Caborn]

We will continue to monitor the situation and we will try to deal with problems if they occur. As I said, if the hon. Gentleman writes to me about specific grants that have been turned down, my officials will contact the various lottery distributors to find out why, and I hope that the problem will be rectified. However, that will have to be done within the funding structure under which the lottery operates because the final decisions are taken by the lottery distributors without interference from the Government.

I hope that the hon. Gentleman feels reassured. There is no doubt that the lottery is a success story; it is one of the most successful lotteries in the world. I acknowledge that it was brought in by the Conservatives. At the time, some of my hon. Friends voted against it, as did the Liberals, but now we have all accepted that it is an incredible institution that does tremendous good up and down this country.

We have tried to refine the lottery, and this time we have refined it against a background of wide consultation. The fact that it is played so frequently shows that it is a credible institution in itself. If we continue to refine it as we have over the years, I am sure that the hon. Gentleman will not have to bother securing any more debates on the subject, and for that I shall be eternally grateful.

Question put and agreed to.

Adjourned accordingly at five minutes to Two o'clock.

Westminster Hall

Wednesday 8 February 2006

[DAVID TAYLOR *in the Chair*]

Bichard Inquiry

Motion made, and Question proposed, That the sitting be now adjourned.—*[Tony Cunningham.]*

9.30 am

Mr. Eric Illsley (Barnsley, Central) (Lab): I am sure that everyone here is all too familiar with the tragic circumstances that led to the then Home Secretary, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), asking Sir Michael Bichard to lead an independent inquiry into child protection measures, record keeping, vetting and information sharing. Following his inquiry, Sir Michael was asked to make recommendations in the hope that strategic changes to the way in which our police operate could minimise the chance of another tragedy occurring, such as happened in Cambridgeshire on 4 August 2002.

Sir Michael made 31 recommendations in his report of June 2004, all of which were accepted by the Government and some of which have been fully implemented. However, it can be argued that the first recommendation is the most important, and it is that on which I want to concentrate this morning. The recommendation was that a national information technology system for England and Wales to support police intelligence should be introduced as a matter of urgency. I am concerned because in February 2006 we are barely any closer to implementing that recommendation than we were when Sir Michael made it more than 18 months ago. That is despite the fact that the Home Office responded to the recommendation by announcing plans for the development of an intelligence system of information management, prioritisation, analysis, co-ordination and tasking, known as IMPACT. I apologise for the amount of acronyms that will pepper my speech. They all come from the Bichard inquiry and, for ease of reference, the glossary at the back of the Bichard report might be of assistance.

In December 2004, the Government announced in their first progress report that a full business case would be in place by March 2005 and that the IMPACT intelligence system would be completed by 2007. At the time, that statement was accepted at face value and everything was all well and good. The urgent action that Sir Michael had called for seemed to have been noted by the Government. However, in March 2005 when Sir Michael Bichard published his final report, he identified a six-month delay in producing the business case. By September 2005, only an interim case had been produced, which is not available publicly. We were promised a full business case by March of this year, which would mean that the business case would be more than 12 months late, yet it is now unlikely that the new date will be met.

Perhaps more worrying is the fact that the second progress report of November 2005 revealed that both the time line and the budget had slipped, and that the IMPACT programme might not be in place until at least 2010. The implementation of the first recommendation is now looking less of an urgent priority. However, the Bichard report allowed for some interim measures, one of which was referred to under recommendation 2, which called for a police local cross-check system—a PLX system—to be introduced throughout England and Wales by 2005.

What stage are we at in respect of recommendation 2 and information cross-sharing? The idea was that, if we introduced a PLX system as an interim measure, it would alleviate some of the problems that the police force had experienced. It is important to remember that the PLX system, a local cross-check system, is exactly that. It can cross-check one piece of intelligence against similar intelligence across forces. It is not an intelligence system in itself, in that it cannot deal with intelligence and progress it. It simply flags up where intelligence is held throughout the country. In other words, if my name was put into a police computer in South Yorkshire, the PLX might flag up my name in another county. I hasten to add that that is unlikely, but the system might flag up my name in other forces. The force making the inquiry then has to contact the other force to ask for the intelligence to be forwarded to it. It is a cross-check system. It does not put the intelligence in front of the operator who is putting in the initial entry.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing this important debate. Let us suppose that the police in his constituency did not know who he was, but had a photograph of him. With facial recognition technology, his photograph could be entered into a system so that other forces could identify him without knowing his name. Will the hon. Gentleman support me in my calls for the Home Office to speed up its attempts to introduce a nationwide facial recognition system? Are not the PLX and IMPACT systems the perfect chance to advance that cause?

Mr. Illsley: From my limited knowledge of police computer systems, I think that it would be a great advantage if there was a photograph recognition system. Given the technology that is now available, that cannot be too far away. As will become clear the longer that I talk about the system, even to achieve the intelligence system that was flagged up two years ago, a huge cost and a time scale are involved that have not yet been met even in respect of the more simple aspects of police intelligence. To include a system of photo recognition within the IMPACT technology—an incremental system—could be possible, and different aspects of police intelligence could be added to the system as it improves. However, given my current knowledge of the system that is a long time away.

In his original report, Sir Michael said that the PLX

"offers an interim solution, pending the introduction of the national IT system. Although the PLX is not a substitute for a national intelligence solution, it is considerably cheaper and easier to set up".

Yet, even though it is cheaper and easier to set up, we are still struggling to implement the PLX system, which was looked on as an interim system.

The other problem with the PLX system is that, although it flags up intelligence in police forces other than the force making the inquiry, it duplicates the

[Mr. Illsley]

intelligence. If a police officer in South Yorkshire put my name into the police computer and it flagged up that that intelligence was being held by a police force in, say, Essex, the police officer in South Yorkshire would ask Essex for that intelligence. It would be sent from Essex to South Yorkshire. South Yorkshire would then make a file entry in its system, duplicating the entry in Essex. Therefore, we would have a system whereby, over time, a duplication of the intelligence that is held would be built up around the country as other forces access those pieces of information. That would then require us at some stage to do what is called cleansing the intelligence; we would have to weed out all the duplicated entries. That is a disadvantage of the PLX system.

There is another disadvantage in respect of police forces that are up to date with their procedures. Let us say that South Yorkshire puts my name into the computer and it shows up in Essex, and South Yorkshire then includes that piece of intelligence in its system. In the meantime, if Essex police had had no use for that piece of intelligence after a certain period—12 months or two years, perhaps—it might have deleted it from its system. If South Yorkshire then took me to court and tried to use that intelligence against me, my defence would be the provenance of that intelligence; I would ask, where did it come from and how did South Yorkshire obtain it? South Yorkshire would say, "We got it from Essex," and Essex would say, "Sorry, but we don't have it." That piece of intelligence would have no provenance. It is unlikely that it would be of any use to South Yorkshire if it had been deleted by the original force.

The interim police local cross-check system—the IPLX, to use another acronym—was launched in February last year. The IMPACT nominal index provides a similar function directly to police forces, and the PLX is part of that IMPACT nominal index system. IMPACT is the overarching computer intelligence system; it began to roll out last year. In a parliamentary written answer of 31 January, my right hon. Friend the Minister said that the PLX system had now been rolled out to child abuse investigation units around the country.

Therefore, the PLX system is now available to police forces, but only for child abuse investigation units. That is only one aspect of police work. Although the PLX system has been rolled out and the Home Office is saying that it is ready, it is available only to child abuse investigation units, and it cannot be used for aspects—or modules—of police work such as violence, domestic violence, firearms, custody, other crimes and intelligence, all of which will, hopefully, be part of IMPACT in due course. We are still awaiting the roll-out of the PLX system into all those areas—and, of course, the business case for IMPACT.

Let us now consider some of the costs of implementing this system. In my right hon. Friend's written answer of 31 January, she said, in respect of the limited roll-out of the PLX system to child abuse investigation units, that

"preliminary modelling carried out by the IMPACT Programme last year indicated that using the system and responding to requests for information generated by users in other forces could theoretically require up to 600 staff costing around £11 million per annum across the 43 forces if the INI was deployed to and used to its full extent by, all CAIUs"—[*Official Report*, 31 January 2006; Vol. 442, c. 369W.]

Therefore, the cost merely for the IPLX appears to be £11 million, with, perhaps, an additional 600 staff. We should take into account the costs currently imposed on our police forces, especially in respect of the estimates for police force reorganisation. Some substantial sums are involved, which the forces themselves will have to pay. They have to fund the system; the money will not come down to them from the Home Office.

It should also be noted that what we are struggling to put in place is an interim solution. A system has been operational in Scotland since 1992, and the system implemented there in 1992 has now been superseded by what is known as the Scottish intelligence database.Sir Michael Bichard considered the system in Scotland a possibility. The original Bichard report stated:

"The inability to deliver an effective national intelligence IT capability in England and Wales should be contrasted, unfavourably, with Scotland's performance, notwithstanding the differences in scale."

He was referring to the Scottish intelligence database, or SID, which has been fully operational since 2004.

We must bear in mind that police forces in England and Wales have been considering having a national intelligence system since 1994. Scotland's was fully up and running in 2004. When Bichard first reported, the then chairman of the Association of Chief Police Officers, Chris Fox, wrote to his opposite number in Scotland, Peter Wilson, to ask about the Scottish system and the possibility of rolling it out to England and Wales to satisfy recommendation 1 of the Bichard report. The reply that came from Scotland was that Scotland was happy to assist the police forces in England and Wales, and the system was offered to England and Wales at no cost for the duration of the roll-out. The only costs would be for the hardware to implement it, and for the commercial licence for the company that developed the software. The total cost was estimated to be £55 million with a time scale for implementation of 13 months.

That appears to me to have been good value, given some of the cost estimates that are currently floating about. The Home Office estimate of costs so far for IMPACT and the PLX system is about £163 million. The Home Office second progress report of three months ago stated:

"Full costs of delivering the complete IMPACT programme are still to be finalised and will depend on which delivery option and business approach are selected."

Perhaps more importantly, if the Scottish option had been chosen, by now we would have not simply an interim measure, but the national database that Bichard recommended, and at a fraction of the cost. As things stand, we are years behind on that, and there are estimates that the total cost of that over the coming years will amount to £2 billion.

Why was the Scottish system and that Scottish offer declined by England and Wales? In relation to Scotland, Bichard said:

"At an early stage in determining what they wanted, ACPO asked their Scottish colleagues to provide a high-level project plan outlining an option for implementing the Scottish approach within the police service of England and Wales. It was subsequently agreed that England and Wales would independently develop their own user requirements and business processes to underpin the IMPACT programme."

He went on to say addressing these remarks to the Home Secretary:

"Your officials have pointed out, as indicated in the progress report, that SID provides a system for sharing developed intelligence and would not by itself provide either the wider information-sharing capability for which ACPO has identified a need, nor the modernisation of the Police National Computer (PNC). These are convincing arguments that persuade me to support the IMPACT programme."

If I have one criticism of Bichard it is that he accepted that at face value from the Home Office. He never challenged it or asked for an explanation. There was no explanation as to the evaluation of the SID as against IMPACT, but Bichard took the Home Secretary at his word.

Actually, that was not strictly true. The Scottish system can deal with both evaluated and non-evaluated intelligence. Evaluated intelligence is that which has provenance and can stand up in court. Non-evaluated intelligence is simply intelligence for which there is insufficient provenance or no provenance at all. The Scottish system can deal with both. When the Scottish system was set up, the decision was taken not to include non-evaluated intelligence, not because the technical requirements of the system could not meet that; that decision was taken for operational reasons—Scotland was not prepared to use, or did not want to use, non-evaluated intelligence.

The Scottish system was recently augmented to provide a vetting and barring facility and that upgrade took two days. However, even as an interim measure and unadapted, the Scottish system would be preferable to the current situation. Where is the analysis that was undertaken on the Scottish system? Given that we approached the Association of Chief Police Officers in Scotland with a view to using the Scottish system, where is the assessment that caused ACPO to conclude that the system was not appropriate to its needs? Who made that technical assessment, particularly as there was still no business case available for IMPACT when the Scottish system was rejected?

There is another aspect to the Scottish system that I should mention. Scotland has a much smaller population than the rest of the UK. Perhaps there was a worry that the Scottish system might not roll out well enough across England and Wales because of size factors. However, at 13 months' availability and a cost of £55 million, that system was worth a try, because it is a bit of a bargain, given the costs of the systems that we are considering.

Given the cost of the Scottish system, we could have it as an interim measure, especially as IMPACT is now due in 2010, and perhaps even later. The business case is due to be produced next month, but even that is not certain. The cost estimate for IMPACT is about £2 billion. In England and Wales, we were looking for a system that we would like; we had a bit of a wish-list of what we could put on a computer. That meant that we took our eye off our aim, which is to have a workable system in place. Three police forces in England and Wales are already inquiring into signing up to the Scottish system. Obviously, we face the problem that if enough forces sign up to the Scottish system, they will not want to use the PLX or IMPACT systems in future; they will be tied in to the Scottish system.

There are concerns about IMPACT, too. IMPACT will use an incremental approach, which I have tried to explain. It will take one step at a time, across various levels of police intelligence. The system builds on CRISP, the cross-regional information-sharing protocol. CRISP was designed by Cumbria police force and is being offered to other forces throughout the country. CRISP is an information-sharing platform—not an intelligence-sharing platform—that is reliant on a number of other systems being in place to feed into that database. In other words, CRISP is a sharing platform a little bit like PLX: information has to be fed into it. That information comes from separate sections of police intelligence. The six most commonly quoted are intelligence, crime, custody, firearms, domestic violence and child protection. Those have to be fed in. Those systems have to be in place to feed into CRISP in order for CRISP to be developed as part of IMPACT.

I mentioned firearms. We were promised a firearms database after Dunblane, but there is still no firearms database in this country. That is how long we have waited for the systems to be set up. Like so many other things, the firearms database that we were promised did not materialise.

There are also problems of constant duplication, weeding data, data being left on the system without provenance, and the system needing to be cleaned up. The cost of cleaning the CRISP database has already reached £9 million simply to weed out irrelevant or out-of-date information on it. It is untested and not universally used; I think that 38 out of 43 forces have signed up to CRISP, so some have still not signed up. As I say, some are considering the Scottish system. We are still no nearer to a national IT system, and the more we look into the matter, the more complicated it becomes. Both Bichard and the Home Office stressed in their reports the idea of compatibility of intelligence, and of the whole system working together. That was the whole idea behind the Bichard report in the first place.

There is no definite cost for IMPACT. Not only does there seem to be little will to implement it as a matter of urgency, but it seems that the Government might be trying to distance themselves from the responsibility that they were initially charged with. I note that the Home Secretary, in the most recent statement on the issue, said

"the IMPACT programme . . . is now in place".

That is a bald statement, made in the second progress report. IMPACT is not in place, and it is nowhere near being in place. We do not even have a business case for it. Nothing from Bichard's first two recommendations is in place. Looking at the progress report in detail and at the tables in it, I see that in the fine print the Home Secretary refers to IMPACT 2005, which has apparently been "de-coupled" from the main IMPACT project. So instead of having IMPACT, we now have IMPACT 2005. The small print says that IMPACT has been "de-risked"—whatever that means—and de-coupled, so it looks like there are two IMPACTs.

Why do the Government want to separate the initial steps to developing IMPACT and bring in IMPACT 2005? It looks like the Government now want to use

[Mr. Illsley]

IMPACT 2005—that is, the PLX system that went out live in December, but only to child abuse units—as a way of meeting the Bichard recommendations. Their attitude is: "We have done it; we have got PLX and have met the recommendation. That's over. Now let's go back to IMPACT, which is due sometime never in the future." My fear is that we are looking to say that we have met the Bichard recommendations by putting in place much less of a system than we initially had. If so, that is unacceptable, and we should look at the Scottish system again.

Recommendation 1 did not call on the Government slowly to improve existing pre-Bichard systems over a number of years; no, Bichard recommended providing a basis for central intelligence that could be fully operational as a matter of urgency. We still have not got that. The extent of what is required is now beginning to dawn on the Government and the police forces. We are talking about a lot of money—billions of pounds—and it will take many years to develop the systems, given the complicated manner in which we are going about it.

In conclusion, I ask the Minister to re-evaluate the Scottish intelligence database, and perhaps to publish assessments made at the time—if any were made—of the comparison between IMPACT and the Scottish system. Perhaps she will consider rolling out the Scottish system in England and Wales as an interim measure. Finally, I ask her and the Home Secretary to reconvene the Bichard inquiry and ask it to report again on where we are.

9.58 am

Tim Loughton (East Worthing and Shoreham) (Con): I congratulate the hon. Member for Barnsley, Central (Mr. Illsley) on securing this debate on a topical and important subject that certainly deserves more attention. All of us here are concerned about the subject of child protection and the safety of our children. That has been heightened recently by the revelations about the number of sex offenders and potential sex offenders working in the education system, including in our schools.

We all recall the horrors of the murder of Jessica Chapman and Holly Wells in the summer of 2003, for which Ian Huntley was convicted on 17 December 2003. The Bichard report, which was produced in swift response to the questions that those horrible murders threw up, was out on 14 June 2004. As the hon. Gentleman said, that is some 20 months ago. The public and our constituents are entitled to ask, particularly in the light of recent revelations about the dangers to children from people working in proximity to children, what on earth has happened in those 20 months to procure a system along the lines that Bichard recommended, or an alternative to it. When are we finally going to see some action?

The hon. Gentleman rightly raised a number of questions about what is happening and whether things are on track. There is great confusion about how we secure greater joined-up thinking and co-operation on matters concerning the safety of children. The Bichard report specifically raised concerns about the procedures for sharing information between police forces, and between those forces and other agencies, particularly social services. Recent revelations on sex offenders have revealed a plethora of data and an enormous number of lists of people. The Secretary of State for Education and Skills revealed in her announcement last month that there are at least seven different lists dealing with people who are deemed dangerous to children.

The sex offenders register lists 28,994 individuals, list 99 has 4,045 people and the Protection of Children Act 1999 register, set up in 2000, contains 1,285 names. Yesterday, the Under-Secretary of State for Health, the hon. Member for Birmingham, Hodge Hill (Mr. Byrne), made an announcement about a scheme for the vetting and registration of another 750,000 people involved in social care. We do not have any details about exactly how that will work. Under the Children Act 2004, a database of every child in this country—some 11.5 million children—was set up and is being put into practice. We seem to have an awful lot of information floating around the system. However, the Bichard report highlighted clearly, and recent revelations have reinforced the finding, that that information is either of low quality, is not being joined up, or is not being acted on—or there is a combination of all three things.

The database of children set up under the 2004 Act highlights the problem. A database is only as good as the quality of the information put into it, and its usefulness will be determined only by the effectiveness of the mechanisms and protocols for joining up that information like a jigsaw and acting on it. That process relies on the quality, presence and number of professional staff working in the field. It relies on them to act on some of the concerns that may be flagged up from a database.

The database of children, which seeks to include the names of and basic data concerning 11.5 million children in England, provides nothing short of an overload of poor-quality information. That was one reason that the Information Commissioner described some of the developments in information division and data sharing as

"sleepwalking into a surveillance society".

Who goes on the lists that I have mentioned? Who monitors the quality of the information about the names on the list? Who maintains the accuracy of the names and the information, and who updates it? Where does the buck stop regarding acting on information being procured and brought together to flag a concern that needs to be acted on? In the Bichard inquiry, that is referred to as weeding, reviewing and deleting.

I am concerned that the recent publicity about sex offenders has focused only on schools and teachers. The Secretary of State for Education and Skills has mentioned list 99 and the list created under the 1999 Act. She promised a rigorous review of how the lists worked and on the nature of sex offenders who have a record and may be working in proximity to children. She promised urgently to bring forward some of the recommendations in the Bichard inquiry, although we do not know which ones. However, we have not heard similar promises and guarantees of rigour from other Departments, particularly the Department of Health. What about other professionals working in the NHS? What about social workers, doctors, dentists, nurses, foster carers and youth workers? Potentially, other

people, who may have some form of record contained in some of the lists, pose more of a danger than people working in education, on whom the review has focused so far. Yet the Government appear to be doing very little in all those other areas, which is a great concern.

We need a proper joined-up approach, particularly given the different routes of recruitment for people into those areas, whether through local education authorities, primary care trusts, hospital trusts, social care trusts and children's services departments—there are different structures, particularly in the health service—or through private health care providers. All those organisations employ people who are potentially a danger to children and on whom some input from a national police database is essential in a joined-up approach to whatever other lists we have to use.

There is a question about the use of staff from agencies, which has come up in a number of recent cases. Whose responsibility is it to check the background of teachers, nursing staff or social workers employed through agencies, a great many of whom are employed from overseas? It is much more difficult to check their backgrounds, yet we are hearing little about what measures the Government are taking urgently, or proposing to take, to ensure that all those people are properly checked and vetted, that those who are deemed inappropriate to work with children are not allowed to do so, that everybody is clear that that is the case and that every appropriate person has access to that information.

We have been asking a lot of questions along those lines and the Government have been found wanting. In the House of Lords recently, Baroness Seccombe asked Lord Warner, the Minister for Health, how many people

"who have been cautioned . . . or convicted of a serious sexual offence are"

working

"in the NHS".—[*Official Report, House of Lords*,25 January 2006; Vol. 677, c. 1183.]

Lord Warner had to say that he did not know and gave no assurances as to what steps are being taken to procure that information and to do something about it.

An article in the *Health Service Journal* last month said:

"Known sex offenders could be employed in front-line children's services for up to six months before their records are revealed"

and added:

"Trusts have been using a fast-track system since 2002, which clears recruits against government black lists, but does not cross-reference with either the sex offenders register or local police information."

My hon. Friend the Member for South Cambridgeshire (Mr. Lansley) asked the Secretary of State for Health

"how many individuals whose names appear on the Protection of Children Act list and . . . Protection of Vulnerable Adults list are employed by . . . NHS organisations".

The Secretary of State said:

"The Department does not hold information of the kind requested about NHS and social care employees."—[*Official Report*, 23 January 2006; Vol. 441, c. 1864W.]

The answer to my question to the Secretary of State for Education and Skills about foster carers was that details of individual foster carers are not recorded centrally. Fostering service providers are required to consider a range of information but not necessarily to act on it or to bar people against whom there are serious question marks over their suitability for working with children. We have many concerns about the system not being joined up and there are still too many potential loopholes through which unsuitable people are gaining access to roles that bring them in proximity to children.

There is a great deal of confusion and, therefore, a great deal riding on the findings of the Bichard report—and, more importantly, on the development of some of the recommendations that he makes to join up the services.

There are three main issues. First, will the physical computer system proposed in the Bichard report, or being considered by the Home Office, work? Will it do the job that it is intended to do? Secondly, how will the quality of the information be monitored? A system is only as good as the quality of the information that goes into it. If you put rubbish in, you get rubbish out. Thirdly, will the system encourage and lead to joined-up action by all the relevant agencies and appropriate intervention when required?

I turn briefly to the question of software. Few of us have confidence in the Government's IT procurement programmes; they have form on wasting a lot of money to achieve little. The recent revelations about the £6.5 billion so far spent on an NHS IT programme that is well behind schedule, and that nobody is convinced will deliver, only reinforce that impression.

For whom will this computer programme be designed? As we speak, police force structures are changing compulsorily against many people's will because of the Home Office's determination to regionalise police force structures. Only yesterday we had a debate, in which you took part, Mr. Taylor, on the similar issue of the restructuring of primary care trusts and other health service structures.

Under PCT structures, there is now a requirement that a lead medical person should take responsibility for child protection measures. If we are agglomerating all the PCTs into bigger structures, will there be more lead people with responsibility for child protection? We do not know, but the issue does not get any smaller because PCTs or other health structures are being agglomerated. Will any computer system designed for the police take account of what the police force structure will look like if the Government have their way, or will that system be redundant before it comes into force?

The hon. Member for Barnsley, Central mentioned that the police are planning a national police intelligence system, or IMPACT. It was originally developed by the Police Information Technology Organisation, in which I have very little confidence, given that it completely mauled what was a very good child rescue alert system, based on the American amber alert system. The system was piloted in my own area by Sussex police with a company called Child Rescue Alert. The Minister knows of it because I took a delegation to see her about it. Three years ago, it was up and running and ready to be rolled out nationwide. However, that did not happen; the system was completely sat on by PITO and the

[Tim Loughton]

Home Office. Today we have no equivalent system for alerting the police at an early stage to the disappearance of young children. That is an absolute scandal, and largely down to the internal politics of the Home Office and PITO.

Responsibility for IMPACT then passed to the Home Office. As the hon. Gentleman said, the original estimate—that it would be completed by 2007 on a budget of £160 million—is looking very fanciful indeed. He mentioned the Scottish system. What is being asked for is not rocket science. Alternatives are available now that are not being sought, even as an interim measure. We need to address the problem urgently. That is the big concern. Will the Minister say what firm decisions have so far been taken about the form that such a computer system will take and when we are likely to see it?

The next issue is that of monitoring quality. Putting the names of 11.5 million children, the vast majority of whom are not at risk at all, on a national database of children is a singularly pointless idea. That proposal was put forward in the Children Bill, and I led for our side and argued that we really needed a national database of vulnerable children. The more obvious candidates as vulnerable children, in respect of whom there are concerns about domestic violence,—they may be looked-after children on the child protection register—should be placed on a national database, so that cross-referencing can take place. I also suggested that we needed a national database of people who have caused concern and who work with children, and that that should be properly joined-up and properly linked into a police database system.

We recently heard about the scandal of about 40,000 children whose DNA is on a central database held by the police, even though none of them has committed any offences. At the moment, the Government seem terribly good at collecting information about the wrong people, but not at collecting and acting on information about the people we should be most concerned about. During the debates on the Children Bill, some of us argued that there should be a national database of people whose suitability for working with children caused concern.

It may not be uncommon for foster carers working for an authority in, say, Newcastle—to pluck an area out of the air—to have standards well below those required of foster carers. Their actions against children may not quite have merited a criminal prosecution. Alternatively, there might not have been sufficient evidence to prosecute. Those foster carers may then do a flit, turn up, say, in Brighton and present themselves as potential foster carers to the Brighton unitary authority, which may be desperately short of foster carers. They may then lie about their background and be taken on. There needs to be a national database through which Brighton could, in such a case, automatically cross-check with a national database that would route it back to the director of social services in Newcastle, who would say, "Hold on, you should be wary about taking these people on."

Sex offenders are notoriously good at covering their tracks. I spent an afternoon at the paedophile unit at Scotland Yard. The ways in which paedophiles use technology to cover their tracks on the internet as they download images are incredible and constantly one step ahead of the authorities. That is why it is so difficult to catch them.

Criminal Records Bureau checks have great merit and the Government have relied heavily on them. However, such checks are very soon out of date and present only a snapshot. Many paedophile cases, including those that came to light in my own constituency, have involved people being investigated by police because of suspicions at one school. In the meantime, they had gained employment in other schools in neighbouring authorities. At that point, those people had not committed a criminal offence, but they were under severe suspicion.

We urgently need a joined-up police record system that draws together all the strands of information gathered by the police and that can be accessed by the appropriate people easily and urgently. The people running it should talk to all the appropriate agencies, be they social services, education departments, children's services departments, GPs or the wider health sector. That is simply not happening.

I turn to the issue of joined-up action. The Children Act 2004 set up local safeguarding children boards, a key component of which, as set out in section 10(4)(b), is

"the chief officer of police for a police area any part of which falls within the area of the ... authority".

The police are plugged into that whole system; police input is absolutely essential. The police must share the information among other forces and agencies. However, we are dependent also on the professionals in the field then carrying out the intervention work required. We know how desperately short we are of child protection and social workers in particular.

Also relevant is the issue of confidentiality. We hope that the 2004 Act has made it much easier for the different agencies to talk to each other, share the information and decide who will act on it and whose responsibility it is. One of the ramifications of the Bichard proposals is greater compulsion, particularly on health professionals, to reveal information about minors. We all want to make sure that minors are protected from predatory sexual advances, but there is another side to the issue. I gather that the measure was recently piloted in Sheffield. Many people within the health community there boycotted it because it obliged people working in sexually transmitted diseases clinics—genito-urinary medicine clinics, for example—automatically to report to police if a minor came to them with a sexually transmitted disease and to report details of the partner from whom it had been contracted, if those were known.

If an adult is preying on a 12-year-old or 13-year-old, that will, of course, raise serious concerns. There are procedures whereby people working in the clinics already make a judgment about whether there is a clear danger to the child and whether the case should be reported to the police. Under the compulsion that will apparently be required—this was revealed in the press earlier this week—doctors and other health workers will have to reveal all those details. Some of the implications might be that people will not present at some of the clinics, minors will have sexually transmitted diseases and other problems untreated, and nobody will be made aware that they might be in an inappropriate sexual

relationship. We must take care to get the right balance between confidentiality and ensuring that those people whom it is inappropriate to allow near children are barred from being near children.

As it stands, the whole system is a mess. The Government have been good at setting up new committees, tsars and structures, but all those things must be joined up. They are only as good as the information with which they are provided and the professionals that they have at their disposal to implement what needs to be done to protect children. We need such a system urgently; we need it now, because 20 months after the issues were flagged up clearly in the Bichard report is already too long.

I hope that the Government will give us a clear indication today about when they will get their act together and when we will get some results at long last.

10.22 am

Martin Horwood (Cheltenham) (LD): I, too, congratulate the hon. Member for Barnsley, Central (Mr. Illsley), to whom I am grateful for his clear explanation of many of the issues and much of the terminology relating to this debate.

The broader debate is an upsetting one for those of us who are parents and who think about the risk to our own children. We all remember with sadness what happened to Jessica Chapman and Holly Wells and hope that their deaths might at least have led indirectly to improved safety for other children, such as our own.

It has also been upsetting that this debate, which has a critical need for the kind of clear-headed arguments put forward by the hon. Gentleman, has often been clouded by media hysteria and headlines such as "Pervs . . . rife in our schools". For the record, I do not think that pervs are rife in our schools. It is important that in that kind of climate we avoid a culture of total suspicion about anyone who works with children in any context. We must have the courage to defend civil liberties as the process goes onwards.

It is also upsetting that a £167 million database—the IMPACT system—recommended as a matter of urgency by Sir Michael Bichard, is potentially delayed from even 2007 to 2010. There have been a couple of unfortunate instances of Ministers spinning the delivery timetable. The Secretary of State for Education and Skills said on 19 January that no one thinks that 18 months is excessive for the combining of four computer systems into one. As someone whose professional career has some background in database systems, I would go along with that. However, we are talking not about 18 months any more, but about four years. That seems excessive for what is essentially an information system. Similarly, the Home Secretary said in his introduction to the Bichard inquiry recommendations second progress report in November that the IMPACT system was "in place". It clearly is not in place. It might have achieved some of its milestones but it is not in place on a national scale. As the hon. Gentleman said, there is also the case of the police local cross-checking system, which was supposed to be more of an interim measure and was supposed to be in place by 2005. The implementation has been put back until at least November 2007.

Having said all that, I have some sympathy for the Minister. There is clearly an endemic problem in the implementation of Government IT systems. There is a catalogue of examples: the collapse of the 1999 benefit collection swipe card system, which left £571 million to be written off by the Post Office alone, leaving aside other partners in that system; the probation service system was £22 million over budget and was also late; the 2001 system for speeding up asylum applications had to be abandoned; and, as almost every hon. Member will know, the Child Support Agency's new £456 million system still seems to be contributing to huge delays in sorting out child support cases, and leading to underpayments and to a lack of payments to single parents who are trying to cope with raising their children.

There is an endemic problem and a lack of responsiveness by Government. In my experience, there is responsiveness to problems in the charity and business sector—

Dan Norris (Wansdyke) (Lab): Does the hon. Gentleman not accept that computer system delays, overruns and higher costs are not unique to Government? Such things happen in most well known and well established public sector companies in the UK and in international companies—even in some American companies. This is not unique to Government.

Martin Horwood: I thank the hon. Gentleman for his comments. The problems are not unique, but the question is how we respond to the threats. When I was involved in database projects, I had a rule of thumb that it could more or less be assumed that at some point one would be faced with the threat of the timetable trebling and the budget doubling. Already, the timetable for the IMPACT database looks as if it will double, and presumably at some point we will hear that the budget will exceed £200 million.

The questions is: how do we respond? In a national charity of the kind for which I worked or in business there is an immediate imperative, because such delays or cost increases cannot be afforded. Companies would simply go under in those circumstances. We have to look at remedial action. In the case of increasing complexity, which is one of the excuses for the delays in the IMPACT system, such action might to be to consider whether it is appropriate to stick to a specification based on that or whether it should be based on greater simplicity.

One of the important elements of the IMPACT system appears to be a virtual information network, described in the Home Office document to which I referred earlier as

"providing forces with the ability to interrogate information held nationally via a virtual national information network based on advanced data search and analysis software".

To me, that sounds like a relatively simple element that might deliver a huge benefit. The 80–20 rule might apply: with 20 per cent. of the effort put in, one might get 80 per cent. of the benefit from just that one element. That might not be correct, but the Home Office needs to review whether prioritising the simpler, more effective elements of the system might allow it to achieve considerable progress. That is how business might respond to the situation.

Another possible solution is to add in more resources. In my experience, that is rarely the best solution. If we are facing enormous delays, do

[Martin Horwood]

Government need to consider providing the Home Office with more resources to tackle the problem? There is also the possibility of considering whether we have the right solution. The hon. Member for Barnsley, Central pointed out the speed and cost-effectiveness of the Scottish intelligence database as a possible alternative. It is never too late to ask, "Have we got the right solution or is an alternative staring us in the face?"

It is news to me that the Scottish intelligence database system is capable of incorporating soft intelligence data. If right, that is an important piece of information that the Government need to take on board. As I understand it, one of the principal reasons why the Scottish system was not simply taken as a potential roll-out for the UK as a whole related to that. They need to consider that carefully.

All this matters because, as Sir Michael Bichard pointed out, Humberside may not be alone in its failings in intelligence. That means that Ian Huntley might be far from the only person who slipped through that net. Some of the statements in the Bichard inquiry are enough to make one's hair stand on end. It was stated that there was a

"widespread failure to appreciate the value of intelligence".

Another statement was that there was

"not one single occasion in all of the contacts with Huntley when the record creation system worked as it should have done."

The process of creating records in Humberside's main intelligence system was described as "fundamentally flawed". The guidance and training given to officers were "inadequate". There was

"little evidence of sufficient strategic review of information management systems and no real awareness among senior managers of the scale and nature of the problems".

That might still be the situation in some forces, and it might be allowing people to slip through the net. There are therefore extremely serious issues.

Some things in the Government's approach are, however, to be welcomed. Obviously, we would support all their efforts to improve the situation in the light of Bichard and of recent debates, including, in particular, those directed at the Department for Education and Skills. We look forward to the new measures to ensure that any individual who is convicted of, or cautioned for, sex offences against children will be added to list 99. We also hope that that list will replace the current confusion of lists to become the definitive reference point.

In the House, my hon. Friend the Member for Kingston and Surbiton (Mr. Davey) welcomed the setting up of an expert panel to take all barring decisions. There is a slight risk that that might be seen as absolving Ministers of responsibility and removing the potential embarrassment of taking such decisions, but they will ultimately remain Ministers' responsibility. The involvement of an expert panel under Sir Roger Singleton would be a welcome development. We also welcome the fact that the Government accepted all 31 of the Bichard inquiry's original recommendations and that they have, by our count, implemented 13 and are planning to implement the other 18.

However, important worries are still being raised. The hon. Member for Barnsley, Central referred to the language that is creeping into some of the Government's reports on progress, and I have to say that talk of "de-coupling" and "de-risking" obscures whether progress is being made. The language used in progress reports is important and needs to add to their clarity, not to the confusion.

The hon. Gentleman also mentioned the important issue of the deletion of intelligence, which was a critical failing in dealing with the Huntley case. Intelligence was deleted in Humberside. The issue is not that intelligence was shared with another force, leading to problems over its provenance, but the mere fact that that intelligence was deleted at all. If it had not been shared with another force, it would have been lost altogether, which would clearly be an extremely serious issue. As the hon. Member for East Worthing and Shoreham (Tim Loughton) said, a database is only as good as the information in it, so it is important that we avoid deleting accurate and appropriate intelligence from any system.

As the hon. Gentleman also noted, there are questions whether all professionals working with children will be subject to the same vetting requirements. A lot of attention has been paid to schools, but does that include independent schools, for instance? Does it, as the hon. Gentleman said, include foster carers or NHS social care professionals?

There is the question whether guidance and training will be put in place to safeguard professionals from false and inaccurate allegations. That issue has to be raised in the present climate of sometimes rather hysterical attitudes towards child protection. The rights of the children remain paramount, but the civil liberties of professionals whose careers are at risk are also important.

There is the question, particularly for the Home Office, whether cautioning policy needs to be reviewed in the light of Bichard. Indeed, given some of the examples brought to me by my constituents, I wonder whether there is a case for a general review of cautioning policy and its operation. The Home Office, or perhaps the Home Affairs Committee, might take that up at some stage.

I, too, would ask whether the planned restructuring of police forces is contributing to the delay with the IMPACT system. Presumably, the initial plan was based on a 43-force model and it might now have to be delayed while the police force data systems are reorganised and reshuffled in the new reorganised and regionalised police force model.

The Government therefore have delicate balances to strike and urgent and important work to do. It is important that they should not be criticised for project delays and complexities that would present the same problems to an Administration of any political colour. However, I hope that they accept the urgent imperative to take remedial action where delays threaten to undermine the safety of our children. If they do, they will have our support.

10.34 am

Mr. Andrew Turner (Isle of Wight) (Con): I, too, congratulate the hon. Member for Barnsley, Central (Mr. Illsley) on securing the debate, which follows the

appallingly tragic murders in Soham. The Bichard report illuminated a whole range of poor procedures, poor record keeping and poor professional standards. What struck me most was the blind acceptance on the part of some social workers that it was not only the norm, but acceptable for many of the girls they were supposed to be looking after—especially working-class girls—to have abusive relationships.

I shall not deal in great detail with all the report's recommendations, because the hon. Gentleman focused particularly on the national database. However, I should like to mention three other issues. First, there is the question of overseas personnel who wish to work with children. Bichard found that many countries provide data only on the convictions of those from overseas who work with children and that they provide that data only to the data subject, not to organisations such as the Criminal Records Bureau. There is co-operation with Canada and Australia, and Bichard urged the Government to speed up the development of bilateral agreements with other countries or of EU-wide arrangements. He suggested that EU proposals might be taken forward as part of the UK presidency, and I should like the Minister to tell us whether they were and what the outcome was. Bichard also noted that even if such arrangements were agreed, they

"could take several years to set up . . . Even then the failure to exchange intelligence . . . means a real risk."

He recommended that we engage in discussions to achieve an exchange of intelligence. What is happening in that respect and what are the prospects? There are about 12,000 overseas teachers in this country, and we do not have the same information on them all as we do on teachers who come from this country.

The second issue relates to recommendation 19, which deals with arrangements requiring those who work with children and vulnerable adults to be registered. One recommendation was that parents should be able to check easily whether a potential music teacher, for example, is on a barred list. Sir Michael said that that would be feasible, but a recent parliamentary answer to my hon. Friend the Member for Rochford and Southend, East (James Duddridge) suggested that it is certainly not feasible yet. The Department merely advises parents

"to check the background of home tutors by requesting references and checking a tutor's registration with the relevant General Teaching Council."—[*Official Report*, 24 January 2006; Vol. 441, c. 1970W.]

It also advises them to have an adult present when such home tuition takes place. Again, I ask the Minister when that will be implemented.

Sir Michael said that employers should be notified if new information becomes available about those who are already employed, but it is not clear when that will be implemented. He said:

"I accept that it will not be impossible to implement the barring scheme any earlier than 2007."

The upgraded police computer with the full police local cross-checking system will not be available until the end of 2006, so are those still realistic delivery dates? What are the legislative and procurement milestones? Have they been met? Bichard gave a very clear warning:

"Along with IMPACT, the new barring scheme represents the most difficult challenge arising from my recommendations. The current proposals . . . need to be very effectively project-managed",

but I am sorry to say that there is not a great deal of evidence that IMPACT is being effectively project-managed.

We then come to the question whether to inform police of offences that have been committed, or which it is suspected have been committed, against children. That relates to recommendations 13 to 15, to which my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) referred. Bichard said that he was

"pleased to have been told that this"—

the new guidance to be developed under the Children Act 2004—

"has been brought forward to December 2005."

In other words, it would be available in December 2005. Yet, on Monday, the *Daily Mail* said that health workers spoke as if the guidance was still being developed. It said that they had discretion to contact police if they were concerned for a child's safety, and mentioned the proposed guidance, which would make it compulsory for GPs, social workers and nurses to inform police if a girl of 13 or under begins a sexual relationship, even if she says that it is consensual. Can the Minister tell us whether the target date of December 2005 for publication of the guidance was met, or is the guidance still in preparation?

What will be in the guidance? I emphasise, for the benefit of my hon. Friend, that Bichard said that it is clear that some health professionals are resisting the clearest possible recommendations that either those who commit sex offences should be reported, or the reason for non-reporting should be noted. He also observed that the clarity and lack of ambiguity in the existing guidance is valued by many, especially the police, but added that it was clear that professional judgment was being used to act outside the guidance. He was not saying that everybody should be prosecuted, or even that everybody should be reported; he was saying that the reason for every decision should be recorded. After all, the Children Act 2004 laid down a duty to co-operate for the best protection of young people. While it might be in the interests of one young person that her partner be not reported, it might not be in the interests of other young people that somebody who has a habit of having relationships with young girls should not be reported. Therefore, I hope that that recommendation, too, is followed up effectively in the new guidance.

Finally, I come to the national intelligence system. I will not repeat everything that the hon. Member for Barnsley, Central said so effectively. However, Bichard spoke of the full business case for the programme that was due to be considered by the Home Office investment board in March 2005. Now, we realise that the full business case has still not been published, even though last March the target remained September 2007. With the best will in the world, it is impossible to believe that the project can be implemented by 2007 when the business case is not now due to be set out until March of this year. Bichard was assured that the delay in presenting the final business case to the Home Office investment board would not delay its ultimate delivery. Well, it has now slipped, as hon. Members have said, to some point in 2010, according to the second progress report, so we need to ask not why things have slipped but what the Government are doing to ensure that they

[Mr. Andrew Turner]

slip no further, and what remedial or temporary action they are taking to ensure that an adequate system is in place.

That brings me to the Scottish system, which had the support of the Police Federation and the Police Superintendents Association, albeit not, at the beginning, of the Association of Chief Police Officers. However, as the hon. Gentleman said, it was not at all clear why ACPO did not support the Scottish system, and Bichard did not inquire as to why that was the case. Now, I understand, when police forces in England wish to subscribe to the Scottish system—I thought that one or two had already done so, although the hon. Gentleman says that three are thinking of doing so, including Cumbria and Merseyside—the Home Office advises them not to do so. That is because it has its own scheme in its back pocket, ready to bring out with a flourish one day, some time, near, in the future.

As if "guidance" from the Home Office were not enough, the Government have said that they will pay. Why would anybody else want to take the trouble to prepare a new system or pay for one when the Home Office has promised to come up with the money at some time in the future? The hon. Gentleman started by saying that we are barely any closer than we were 20 months ago. The Scottish system was offered to England and Wales. Can the Minister tell us specifically why it was rejected and, even more importantly now, why it is not acceptable as an interim measure? Why is it unacceptable for English forces to sign up to the Scottish system as an interim measure until IMPACT is available?

I suspect that the answer to those questions is, sadly, the "not made here" syndrome. That is the attitude—held in England in general and the Home Office in particular—that says that if it is Scottish it must be worse. The Government and ACPO want a Rolls-Royce, preferably one built on home ground, but we are being offered a BMW. I do not see that a BMW is much worse in this circumstance, particularly given that it is available today, and I would caution against going for the perfect model—*[Interruption.]* Even if it is German built—we are talking about a Scottish-built model, and I shall not try to compare the two. We should not try to put every conceivable bell and whistle on a system if that means delaying the implementation of the system and leaving children at risk.

We have heard of vanity publishing. I suspect that what the Home Office is indulging in is vanity computing, and I fear that we will be left with yet another example in the long line of Government computer projects that do not work.

The hon. Gentleman made one or two other points, and I shall repeat them very quickly. Who made the decision to rule out the Scottish intelligence database, and when? Do the Government still intend to provide a national firearms database, and when? Will Bichard continue to report on the speed with which IMPACT or its substitute—I believe that it should look again at the SID—is implemented?

However much this Houses tighten the rules, we should never believe that Government action, local or national, is a substitute for parents and, in the case of schools, head teachers, exercising vigilance and good judgment. While all sex offences are serious, some are more serious than others. Thankfully—and we ought to make this clear to parents—

David Taylor (in the Chair): Order. It is important that the Minister be given adequate time to reply.

Mr. Turner: Indeed, Mr. Taylor.

Only a relatively small number of sex offenders pose a threat to children. We must do our best to ensure that we do not undermine the parents and teachers who are doing their best to be vigilant on behalf of their children, because they are the front line in the defence of our children.

10.47 am

The Minister for Policing, Security and Community Safety (Hazel Blears): I congratulate my hon. Friend the Member for Barnsley, Central (Mr. Illsley) on having raised this important issue and, in particular, on having provided the detailed information that has been of such benefit to all Members who have spoken. We have heard some good contributions, and I shall do my utmost to respond to all the issues that have been raised. However, they have involved a great deal of detail, ranging from the computer issue to matters that affect other Departments, including the Department for Education and Skills and the Department of Health. If I do not address every issue, I undertake to give further information in writing.

I reaffirm at the outset that the Government remain fully committed to the implementation of all the Bichard recommendations and to ensuring that the resources are provided to enable that implementation to take place. We do not see Bichard as a matter of simply ticking the 31 boxes of the recommendations. It is important that we implement all of them, but I see Bichard more as a challenge to the police service's management of information and intelligence, and an opportunity to review our business processes. It uses technology as a catalyst to redesign the way in which information and intelligence are shared, in order to enhance the operational capability of the police service—not simply to protect vulnerable people, whether children or adults—and its criminal operational capacity.

The Bichard recommendations—the development of IMPACT and the interim steps along the way—are among the most significant things that have happened to our police service in the past few decades, and I hope that they will provide a firm foundation for the way in which the police service manages information and intelligence and uses its capability in future.

As hon. Members have said, the Bichard recommendations followed from the tragic circumstances of the Soham case. We are all acutely aware of that; it is one reason why we are absolutely determined to ensure, as far as we can, that those circumstances are eliminated from our system. No Government can give an absolute guarantee that a piece of information will not go through the system, but we want to ensure that it is as tight as possible to ensure that that does not happen.

Hon. Members talked about Government computer programmes in general. The hon. Member for Cheltenham (Martin Horwood) mentioned several

computer programmes that we have not delivered on time and to budget, and my hon. Friend the Member for Wansdyke (Dan Norris) said that that is not unique to Government projects and that it happens in the private sector as well. There have been difficulties, but the Government have a good record on programmes relating to the Passport and Records Agency and the Driver and Vehicle Licensing Agency, which now work extremely well. I was pleased to hear the supportive comments of the hon. Gentleman that these matters are difficult to manage and that developments do occur. That is important.

When we first got the Bichard recommendations, the time scale was that we would implement the IMPACT programme by 2007. However, we then set up a programme team and considered the scope of the recommendations, and concluded that if we are in the serious business of not simply providing a technological database but redesigning our business processes and coming up with a new way to manage information, that is a bigger programme that will take longer to implement in full. That did not stop us from saying that we will have a series of interim incremental programmes to ensure that we strengthen the system at every level as we go through to 2010.

We said that there would be an interim local PLX system so that the Criminal Records Bureau can be alerted to information held by other forces, and that was put in place earlier last year. We said that an interim nominal index with which forces could access searches by name against the six business areas of the other forces would be implemented by December 2005, which it was. The system is now available in the child abuse investigation units in each of the 43 forces. It has been put into those units first because child protection is at the centre of our concerns. When we appraise the system towards the end of this month, we will look to roll it out across the other units and offices in every force so that they will be able to search the index across the areas of crime, domestic violence, firearms and child protection. This is the first time that forces have had the ability to search across other force areas. In one case, a family moved to an area and there was some concern about a grandparent who was caring for a child. The force in the area into which the family moved was able to search against that name and to get information.

When a new system is introduced, there is a huge demand to use it, so it is right that we should phase in the roll-out. My hon. Friend the Member for Barnsley, Central pointed out that there will be an increased demand and that 600 extra staff and £11 million will be needed to service that demand. We are talking about a new operational capability that the police have never had before, which they will welcome because it will enable them to have more intelligence and, hopefully, catch more criminals. It will enable them to do the work that they want to do and to protect vulnerable children and families, but it needs to be phased in.

My hon. Friend talked about the Scottish system. I understand that it was considered initially, but was thought by the Association of Chief Police Officers not to be suitable because it is predicated on the use of intelligence rather than information; there is a difference. My hon. Friend rightly said that intelligence is information that has been evaluated and assessed. ACPO wants access to the millions of pieces of information, not just intelligence, that can enhance the operational capability of the police to do the job that they need to do. I am informed that it would be extremely difficult, at this stage, to reprogramme the Scottish database to take information as well as intelligence.

My hon. Friend recognised that the Scottish system deals with a smaller number of forces and a smaller population than any system introduced for England and Wales will have to deal with. We must question whether the use of the Scottish system as another interim measure, at an estimated £55 million, would be a good investment, because it would not bring us any closer to our goals of being able to use all our information across eight business areas, not just the current six, and of shared intelligence. I understand the strength of feeling about the Scottish system, and I know that officials have met the people who are responsible for designing it, so it is not simply a matter of us closing our minds, but there are real difficulties with seeking another temporary, interim solution when we need to build on the current system until 2010 when the IMPACT system is fully operational.

The hon. Member for East Worthing and Shoreham (Tim Loughton) rightly expressed concern about the safety of children and adults, and said that we need a joined-up approach. I hope that I have convinced him that we are trying to have a joined-up approach. It would be relatively easy—I say that, but technology is never relatively easy—simply to have a computer, but if business processes and how information is used are not redesigned, a joined-up approach will not be achieved.

The hon. Gentleman also asked about the quality of information use. In November, we published a code of practice for the police on managing information. We are still working on the detailed guidance that will underpin that code of practice, which will be published by April. The guidance will go into immense detail about how information should be managed and about inputs, because, as the hon. Gentleman rightly said, if we put rubbish in we will get rubbish out. Making sure that all forces and other partners abide by the code of practice on information-sharing is a new development for the police service to ensure that there is quality in how we take that forward.

The hon. Member for Isle of Wight (Mr. Turner) asked about the timetable. The full PLX functionality is due to be delivered by November 2007, and the police national computer will be replaced by 2010, but if we need to make interim improvements to the police national computer, we will consider taking that decision earlier if we can. All these issues will be considered in the business case, which will be fully appraised in March. We are committed to that time scale; I am informed that the business case will definitely come and will be fully considered. No doubt my hon. Friend the Member for Barnsley, Central will press me to ensure that the time scale is complied with.

I can tell from the sense of the debate that hon. Members appreciate the complexity and wide-ranging nature of the steps being taken to implement the Bichard recommendations. I am as determined as any Member in the House that we should make swift progress on this matter because we have to protect the public, but I am also determined that our decisions will be properly considered and measured. We will consider cost, impact

[Hazel Blears]

and value for money, because, as has rightly been said, there is a history of such projects not being delivered in the right time scale or with the right functionality.

The programme is ambitious. Members have talked about the role of Sir Michael Bichard. He has been hugely helpful in getting a sense of momentum behind the programme, but now wants to step back and be an interested observer—I think that is the phrase he used in his report. He has been kept up to date with the launch of the PLX system and the IMPACT nominal index system and he will be kept informed of the development of the vetting and barring system that the Department for Education and Skills will bring forward in legislation in the next few weeks, so he will remain an important factor in this programme. Now that we have the programme team, that is how we want to progress.

I appreciate entirely my hon. Friend's strength of feeling on this issue. He has huge expertise and I have no doubt that in the months and, hopefully, years to come he will continue to have a real interest in making sure that we get the best system for our police service to be able to protect people in this country. I know that he has the highest motives and that he wants to ensure that we get excellent value for money out of the significant Government investment that we will make over the next few years to ensure that the system works.

Meals on Wheels (Lancashire)

11 am

Mr. Lindsay Hoyle (Chorley) (Lab): May I say what a great event it is to come to this Room for a debate? This is the first time that I have taken part in a debate here, and I am happy to serve under your chairmanship, Mr. Taylor. I am pleased to have secured the debate, because it is on the very important subject of meals on wheels in Lancashire. We are also talking about meals on wheels throughout the country, because the danger is that, when one local authority does something to save money, that is replicated by other authorities for the same reason. I thank my hon. Friend the Minister for giving up his time to respond to the debate. We must ensure that we get on the record the situation in Lancashire.

Meals on wheels is a service that works very well in Lancashire, delivering hot meals to pensioners, and usually vulnerable pensioners at that. It is a crying shame that we have to have this debate because there is a proposal to reduce the county council's costs by £1.2 million by withdrawing the subsidy for meals on wheels. I believe that the service provides good value and I would like to think that the council will reverse the decision and ensure that the subsidy remains.

At present, the cost of delivering a hot meal in Chorley is £2.20. In other areas of the county, it is less than that. Of course the service is not just about receiving a hot meal; it is also about the person delivering the meal taking time out to have a chat with the recipient. That is so important. We are talking about the value not only of the hot meal, but of the visit—the value of being able to talk to someone and that person taking notice of the person to whom they are delivering the meal. The person delivering the meal acts almost as a social worker or health visitor, because they check on the well-being of the recipient and if something is not right, that will be reported.

In a county council meeting, someone said that the meals were delivered on the doorstep. They are not; they have to be delivered to the person in the home. I must clear that up straight away. The service is so important that the cost should not matter. Of course we need value for money but, as I said, we are talking about the most vulnerable members of society. It is the people who are genuinely the poorest, the most vulnerable and the least able to look after themselves who need this valuable service. However, the benefit of meals on wheels is not just the hot meals; there is a social and welfare aspect to the service, too.

The meals in Chorley and throughout Lancashire are delivered in general by the Women's Royal Voluntary Service. Age Concern also delivers meals, but in Chorley it is the WRVS that does so. I should declare an interest: my wife delivers meals on wheels in the Chorley area with the WRVS. The WRVS delivers 100,000 meals a year, with 700 volunteers engaged throughout the county. The volunteers do not simply deliver meals; they act as a point of contact, which is so valuable.

I was dragged in to help on a snowy day when people were struggling to deliver meals and I saw that even those who were not taking a meal enjoyed the visit. The fact that people took time out to have a few words with them mattered so much. I have witnessed at first hand

the value of such contact. If someone wants their chair pulled up to the table, the person delivering the meal can do that for them and help in many other ways. We can tell that pensioners like that by how they respond to the service. At Christmas, they give the people who deliver the meals chocolates, because they respect what is being done. They value the service so much.

I wonder how on earth the county council has got itself to the point that it has with the proposal that we are discussing. If we consider what the WRVS does, we see that the issue should not be all about financial savings. In fact, we should be asking the WRVS how it does such a good job and how we can enhance the service. Instead, we hear people say, "There is an alternative. We will employ a company to deliver a freezer and people can have seven meals." The price will be more than the price of the hot meal that they are already receiving: it will cost more for a frozen meal than a hot meal and there will be the running costs for the freezer. Heating the meal, which will also involve costs, poses its own dangers. People may struggle to do so. They will have to cook a meal from frozen and ensure that it is cooked properly. We all know the consequences of not getting that right.

Who will go round and check that things are okay? How much will it cost to check on pensioners and the vulnerable? Will that mean more social workers and more home visits? What if someone does not cook a meal properly? What will be the cost of that? We all know what the consequences will be. All the value that people get from a hot meal could disappear and their nutrition could be affected. There will be a reduction in social contact, which could lead to a deterioration in people's well-being and a subsequent reduction in healthiness. Those are real issues that pensioners in Lancashire will face if the proposal is implemented. Who will carry out regular assessments, which are currently done every day? We have not heard anything from the county council about that.

Of course, when a service begins to be withdrawn, it ebbs away continuously. People may say, "There wasn't much uptake of frozen meals," or, "We still offered a hot meal, didn't we?" The fact is that it will be so much dearer for a hot meal to be delivered that pensioners will not be able to afford it. They will be priced out of the market. Therefore, the proposal should not be implemented and certainly not for the most vulnerable.

In a debate some three years ago, we argued against the closure of county care homes. We were told at the time, "You've got this wrong. The view has changed. People do not want care homes any more. We want to support people in their own homes, which will enable them to enjoy a better quality of life." Three years later, that does not ring true, because part of supporting people in their own homes is ensuring that the hot meals service that they are enjoying continues to be provided. In fact, we should perhaps have been considering how to reduce the cost to pensioners of a hot meal. That would have been a better way forward. Care homes in the county have been closed and boarded up. At the same time, pensioners must have begun to wonder what the county council meant about supporting people in their own homes. I certainly wonder.

I have been challenged on the matter in the press by the county council, which is always an interesting experience. The issue is not only hot meals; there have been proposals relating to libraries and proposals to reduce the provision of educational psychologists and welfare officers. One of the county councillors challenged me to say where the cuts should be made. I did not think that it was my job to consider the budget of the county council, but if it is serious, I do not mind helping out and having a look at the budget for the council. The challenge is to find something to cut, but I do not believe that we should be cutting front-line services. If £4 million can be spent on consultants, perhaps we ought to prune things there. If we are talking about £1.2 million and we are spending £4 million on consultants, perhaps we should reduce that to £2.8 million. That could be a better way forward.

Mr. Michael Jack (Fylde) (Con): The hon. Gentleman will be aware that, since the unitary authorities of Blackburn and Blackpool were created, county hall has remained the same size and the county council has enhanced its estate by taking on other buildings. Perhaps that is where it should be looking, rather than cutting this vital service.

Mr. Hoyle: We should not be cutting front-line services, which is what is happening.

Not only is there the challenge of looking at the budget and finding the cuts, but the other claim is, "It's the Government's fault. They don't give us enough money." I always agree to campaign to get more money and support grants to the county council. I will always support that. That is not a problem. But we must reflect a little on just what the county council has had. In 2001–02, there was a 5.6 per cent. increase in the grant; in 2002–03, a 3.7 per cent. increase; in 2003–04, a 5.4 per cent. increase; and in 2004–05, a 13 per cent. increase. This year, the increase is 3.1 per cent. We all know that the retail price inflation average has been 2.6 per cent.

There has been a huge increase in Government grants—higher than inflation—yet at the same time, from 2001 to now, we have seen a 22 per cent. increase in council tax. Things do not quite add up. Of course I will support the council's call for more money, but we must reflect on how generous the Government have been, as well as recognising that this is one of the highest county council taxes in the country. If the council is collecting extra money—more money from the Government and from council tax payers—the council tax payers will not expect front-line services to be cut. I find it offensive that vulnerable people—our old age pensioners—have to bear the brunt of the cut. They pay council tax as well, so why should they? If we are lucky, we all get old and we would all like the benefit of a hot meal. All that is being put at risk.

The right hon. Member for Fylde (Mr. Jack) mentioned Blackburn. My understanding is that Blackburn is not going to cut its meals on wheels. We have a doughnut, as my hon. Friend the Member for Hyndburn (Mr. Pope) is here as well. Our constituencies adjoin Blackburn. There will be people who live across the street who have a beneficial service. How do we explain that? We cannot. Has the time now come for us to have a unitary authority, if we cannot get the service that we expect out of the county council? That is one consequence that the county council must consider. People do not feel that they should pay such a high council tax and have front-line services cut. The

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question to ask is: "If you're going to cut the service, why can't we have the benefit that Blackburn has and have a unitary authority?" At least the service would still be provided. The money would be collected locally and the service would be delivered locally. We may have to ask that question.

What can we do? I hope that the county council will reflect on what it has done and drop the proposal as a matter of urgency. In Chorley, I have already arranged for a meeting with the primary care trust and the hospital, because there is a consequence for them as well. Hopefully, social services from the county will come along and we can have a meeting to see whether we can ensure that there will be hot meal provision in Chorley at no extra cost compared with the situation at the moment. I feel that it is not my job to get down to that level, but, if need be, I will always ensure that the pensioners among my constituents do not come second to a decision taken by the county council. I hope that the council reflects on that and will help to fund that service in Chorley. That is so important.

Quite rightly, the Under-Secretary of State for Health, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne), is going to sum up. There are things that we must ask for and need to ensure, because this will end up being a health issue if we are not careful. First, what does he see as the benefit from meals on wheels? What does he think it does to help elderly people in Lancashire and across the United Kingdom? I have no doubt that the situation is replicated elsewhere. What does it mean when we talk about supporting people in their own homes? I wonder what his views on that will be.

Secondly, I would be grateful for the Minister's comments on the suitability of frozen meals for the elderly, the additional cost involved in checking up on pensioners to ensure that they can cope with the reheating of frozen meals without support, and the effect that that will have on social services.

Mr. Greg Pope (Hyndburn) (Lab): Does my hon. Friend agree that it is important that Lancashire MPs speak with one voice today, across both sides of the Chamber, in asking the county council to reflect on the decision that it has made and to look again at the issue? We are talking about the most vulnerable people in the county. There is a real opportunity for the county council to have a second look at the matter. Perhaps the Minister will join that call in his response.

Mr. Hoyle: I could not agree more with my hon. Friend. The fact that the right hon. Member for Fylde is here as well shows that this is about not scoring political points but being united politically to send a clear message to county hall that we would like the council to reflect, reconsider and not put the more vulnerable at risk.

Thirdly, what impact does the Minister believe that the increased cost will have on the take-up of meals and the future welfare of individuals, whose health may deteriorate as a consequence, and what will be the extra pressure on the NHS? As we know, the system provides an affordable hot meal for the elderly and the housebound. The increased cost proposed by Lancashire county council will result in a reduced uptake of meals, which will put an extra cost on social services and a burden on hospitals. I hope that, when we have finished the debate and the Minister has summed up, we can get that message across, that minds at county hall will not be closed, and that the council will reconsider and look to preserving those valuable front-line services.

The county council will say that it is always under the cosh and under attack, but that is not the case. It runs an excellent education system. I am very proud of the schools in Chorley and of the education system that is provided by Lancashire county council. However, when the council provides one valuable service, it should not tarnish other services by proposed cuts.

I look forward to the Minister's response. I am sure that he shares the concerns of Lancashire MPs as we unite to send a clear message to county hall.

11.18 am

The Parliamentary Under-Secretary of State for Health (Mr. Liam Byrne): I congratulate my hon. Friend the Member for Chorley (Mr. Hoyle) on securing the debate and thank him, quite profoundly, for giving us the opportunity to discuss this important issue. My view is that we need far more debates such as this in the House, because older people's issues are rising up the agenda, and so they should. We have more people over 60 in this country than under 16. The number of people who are over 85 is forecast to double. That is not just a strategic issue for us as policy makers, but a political issue, because there are four times as many older voters as there are younger.

Meals on wheels is an important component in packages of care that are designed to help people to stay in their own home. Why is that important? It is important because people want to keep their independence for as long as possible and having meals delivered to them at home helps them to do that. There is absolutely no doubt that meals on wheels is an extremely valuable and much needed service. I pay tribute to all those volunteer services in Lancashire, including WRVS and Age Concern, that deliver meals on wheels. They contribute an enormous amount to the fabric of the life of the local community. We would do well to recognise that.

I was thinking about the heart of today's debate and how I could be most helpful to my hon. Friend, so I shall set out two things. First, I shall set out why the issue is important from a policy point of view and then I shall talk about the situation in Lancashire. The policy context begins with the fact that we have made enormous strides in improving health and well-being for older people in this country. We have done that, in part, by tackling age discrimination that once prevented older people from getting health care. We have changed that situation and heart surgery for the over-75s, for example, has now risen from 2 to 10 per cent.—it has increased fivefold. Death rates from diseases that particularly affect older people such as heart disease, strokes and cancer are plummeting. Life expectancy for men and women over 65 is increasing very quickly.

We have done things that have affected the quality of care for older people, such as cutting delayed discharges by two thirds. We have released 1.5 million bed days by

tackling that issue head on. The policy questions begin with this issue: we have added years to life, but how do we now add life to years? That is the question posed by the World Health Organisation.

I want to draw my hon. Friend's attention to three policy areas to consider as he presents the arguments locally. First, in the White Paper on social care and health, we set out a new direction of travel for national health and social services. At the heart of the White Paper is the question of how we shift services much closer to people's homes, so that care is available not just round the clock, but round the corner. Secondly, how do we ensure that health services work together far better with local authorities? That is extremely important, as he knows from his long experience of campaigning on these issues. Thirdly, and this is particularly relevant to his argument, how do we increase investment in preventive health services? We spend far less in this country than our European neighbours on health care that prevents people from becoming ill in the first place. We set out a clear ambition in our White Paper to increase resources for preventive health care.

One incredibly important policy argument concerns the recent report by the social exclusion unit, which considered the views of older people. If my hon. Friend has not seen that, I shall happily send him a copy because it underlines a lot of the arguments he made today. The report shows that almost one in 10 of those aged 65 and over report feeling lonely often or always. The older people were, the more they reported feeling lonely. About 30 per cent. of people aged over 65 do not see friends at least once a week. That is an incredible number. We know that social isolation and loneliness are connected to inadequacy of social relationships.

Thanks to the social exclusion unit, we now know that people often descend into ill health because of a trigger event, such as the death of a carer or loved one, or when someone has to go into hospital. Often, it is the social exclusion that follows that means people are lonely; they do not access mainstream services and their health begins to decline. The White Paper addresses that issue for older people by saying that the NHS and local authorities need to work closer together to invest more money in preventive health care services, so that we can confront that issue head on.

Another policy area is the importance we attach to delivering more care in the home, and my hon. Friend alluded to that. We know that older people overwhelmingly say that they want to live at home, and we also know that people who are getting older have extremely strong views about that. When the Commission for Social Care Inspection surveyed the under-60s, only between 3 and 11 per cent. expressed the desire to move to a care home. More than 90 per cent. said that they wanted stay in their own home for as long as possible. During the past three years, we have seen a steady increase in the proportion of people receiving intensive help at home. The Department of Health has a target of providing care at home for at least 34 per cent. of those supported. At the moment, 65 local authorities are already achieving that target.

My hon. Friend said that the debate is of national significance and he is absolutely right because the target extends nationally. If we consider inner London, for example, all councils are now hitting that target of 34 per cent. of people being supported at home. In outer London, 90 per cent. of councils are hitting that target and we expect the rest of the country to fall in line behind them.

The policy background to this question is a White Paper that says that we must move care closer to home and support people in their home. The social exclusion unit says that tackling social isolation is extremely important, and the direction of travel of policy is to increase the number of people living at home. The question that the local NHS and local authorities have to answer is how those three elements work together.

That brings me to two questions regarding Lancashire county council. First, are we resourcing Lancashire county council sufficiently well, given the agenda that has been set nationally? Secondly, what are the implications for meals on wheels? As my hon. Friend said, we have increased resources for local government significantly. We are in the ninth successive year of real-terms increases in investment in local government. Between 1997 and 2007–08, funding will have increased by nearly 40 per cent. in real terms. In Lancashire, in 2005–06, the adult social services budget was £241 million, which is an increase of about £15 million on the year before. Importantly, there is now a three-year settlement for Lancashire county council, so that it can plan ahead more effectively. In our White Paper, we said that we would ensure that the health service had a three-year budget, so that it is a little easier to make those plans work.

On the issue of Lancashire county council spending on meals on wheels, it is important to say that it has a strong track record of looking after older people. Its social services have received two stars and it has been commended on its performance by CSCI. It has been assessed as excellent by the Centre for Policy on Ageing and it is on track to meet the requirements of a number of public service agreements. I particularly welcome three things: the increase in people receiving direct payments, the increase in the number of extra-care housing tenancies and a 50 per cent. reduction in residential admissions over a five-year period. Clearly, more people are able to stay in their homes, which has big implications for the services supplied to people living at home.

The county council spends just under £1 million a year in providing meals through its in-house service, another £3.2 million in spot-and-block contracts and £2.9 million is then recovered through charges to service users. The council is subsidising provision of meals on wheels to the tune of about £1.3 million a year. The track record is reasonably good because Lancashire provided more meals than any other council in 2004–05 and there are more clients in Lancashire receiving meals on wheels than in any other council area as of 31 March 2005. That is due, in part, to its enormous size—it is an extremely large authority. The Lancashire average is that 22.3 older people per 1,000 receive meals, compared with the English average of 13.6, which is something to be proud of. In addition, as my hon. Friend said, the average cost of the meal is about £2.70, which is quite a way below average. The average cost in England as a whole is £3.30.

I shall write to my hon. Friend on two points of detail relating to costs and assessment. We would expect all assessments of social service clients to take account of whether they can use the meals that they have been given. My hon. Friend is quite right: if we are moving to

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a situation where frozen meals are being delivered, someone cannot just turn up in a truck and give people frozen meals. That is not good enough. We have to ensure that people are assessed on their ability to make use of those meals, which has further implications.

Our direction of travel is to support people in their own homes for longer, in line with their own wishes. We have to be alert to the risks of social isolation, as the social exclusion unit report points out.

David Taylor (in the Chair): Order. Time is up.

Sitting suspended until half-past Two o'clock.

Health Services (West London)

2.30 pm

Mr. Nick Hurd (Ruislip-Northwood) (Con): Mr. Taylor, may I be the first to welcome you to the Chair of what I hope will be a constructive debate?

Few things matter more to our constituents than their health and their ability to access high quality care. Things are going wrong in Hillingdon, and the scale of concern is reflected by the presence in this debate of all three Hillingdon MPs. I am pleased to have the opportunity to share some of the problems with the Minister and other Members whose constituency experience may confirm or contradict a sense of growing crisis in west London health care.

North-west London is suffering from two powerful factors that have come into play at the same time. The first is the lack of any credible strategic leadership. With the proposed reorganisation of trusts, it is a problem that may get worse before it gets better. The problem is not just the lack of a strategy, but the failures to listen to patients and local opinion, to back up an opinion with evidence that people can trust, to send consistent signals on which people can rely and to manage competently.

That leads me to the second factor in play—the financial crisis that grips the North West London strategic health authority and the Hillingdon primary care trust, wrestling as they are with some of the largest deficits in the system. I think that at the six-month point, Hillingdon PCT has a deficit of £25 million, although I am happy for the Minister to correct me. The result is a climate of uncertainty and mistrust in an area where people would be the first to admit that they have been relatively lucky over the years. Health funding per capita has been relatively high, if we can trust the official numbers, and residents have had access to some of the best hospitals in the system. We take great pride in living alongside the genius of Sir Magdi Yacoub and the research and surgical teams at Harefield hospital, as they push the boundaries of knowledge and excellence in cardiac care.

Likewise, the local community is deeply committed to the Mount Vernon cancer centre. Some £2 million a year is raised locally for the hospital and on-site charities such as the Paul Strickland scanner centre, the Sir Michael Sobell House hospice and the Lynda Jackson Macmillan centre. They complement the oncology service superbly. For example, the Paul Strickland scanner centre offers patients some of the most sophisticated scanning equipment in the country.

That pride and commitment have been reflected in a long tradition of fighting for what we value. Some 18 years ago, Northwood residents physically occupied for three months the Northwood and Pinner community hospital to prevent it from being closed. In the modern age, the tradition is proudly maintained by organisations such as Community Voice and Heart of Harefield, which under the leadership of Jean Brett ran such a tenacious campaign to expose the weaknesses in the case for the Paddington health campus—a campaign for which the village of Harefield and all who care about the hospital should always be grateful.

That determination and commitment are about to be tested again, because we face uncertainty on three fronts: first, the future of Harefield hospital; secondly,

the future of Mount Vernon; and thirdly, the fallout from the financial crisis at Hillingdon PCT and the strategic health authority.

I shall start with Harefield, because a key decision is imminent, and there are signs of good sense beginning to prevail, despite what the Minister and colleagues may have read in the *Evening Standard* last week. Harefield is a recognised centre of excellence as a specialist heart hospital. That was recognised by the right hon. Member for Barrow and Furness (Mr. Hutton), when as a Minister of State at the Department of Health, he acknowledged that

"the hospital has been remarkably successful in its development of heart and lung services and has rightfully earned a reputation as a centre of excellence for that specialist work."

It is one of the few hospitals in the national health service whose reputation extends beyond our shores. The team remains—it always has been—at the cutting edge of pioneer technologies such as primary angioplasty, which means that patients can receive surgery at Harefield hospital within 25 minutes of a heart attack.

Mr. David Gauke (South-West Hertfordshire) (Con): I congratulate my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) on obtaining the debate. I entirely agree with his comments about Harefield hospital, and I express my relief that the Paddington basin proposals have ultimately come to nothing.

David Taylor (in the Chair): Order. The hon. Member for Ruislip-Northwood (Mr. Hurd) should be sitting while he gives way to Mr. Gauke.

Mr. Hurd: Thank you, Mr. Taylor.

Mr. Gauke: Is it not remarkable that the Paddington basin proposal reached the stage that it did, with the prospect of it costing taxpayers millions and millions? It had the support of the local hospital trust, strategic health authority and the Department of Health. Was it not the efforts of several hon. Members in this House, including my hon. Friend the Member for Uxbridge (Mr. Randall), who is present today—

David Taylor (in the Chair): Order. Interventions should be brief.

Mr. Hurd: I thank my hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) for that intervention. He is right; it was the intervention, not least of Heart of Harefield and colleagues, that encouraged the National Audit Office to take such an active interest in the project. As my hon. Friend knows, the NAO will publish a report in the spring that, I think, will throw a harsh spotlight on the management of that project.

That the team at Harefield hospital achieves what it does is all the more remarkable given the fabric of the antiquated buildings in which it works. That centre of excellence would have been destroyed by the Paddington health campus project, not least because the staff made it clear that they would not move. That ill-starred project fell over because no credible business case was ever made after six years and £14 million of consultant fees.

The independent review pointed out that the cost was

"dwarfed by the opportunity cost to the nation as a whole, due to building inflation over the long duration of the project."

The same review pointed out that if appropriate risk management processes had been in place, the project would have been halted or terminated on at least six occasions between September 2002 and the end of 2004. The review made 43 separate recommendations about how such projects should be managed in the future.

Sir John Bourn, the Comptroller and Auditor General, noted in a letter to me that the report

"provides a catalogue of missed opportunities; inadequate programme management and fundamental weaknesses."

As a result of requests from me and three other colleagues, including my hon. Friend the Member for South-West Hertfordshire, Sir John has decided to make a value-for-money study of the collapse of the Paddington health campus, which will be available in the spring.

Mr. Gauke: Very briefly, many problems came to light because of the hard-working Heart of Harefield campaigners, as my hon. Friend has mentioned. I put on record in particular the tremendous work done by Mrs. Jean Brett, a constituent of mine, who made great efforts to reveal the weaknesses in the business proposals for the Paddington basin project.

Mr. Hurd: I thank my hon. Friend for that intervention, with which I completely concur.

The Comptroller and Auditor General in the meantime has written to the Department recommending that it take the independent review very seriously and publicly respond to it. May I press the Minister therefore to clarify whether it is the intention of the Department to respond publicly to the independent review, and, if so, when and how?

The Paddington campus is now important only in terms of the lessons to be learned from it. It is time to move on, not least because its collapse has left a strategic void just at a time of uncertainty over short-term leadership in west London health. Royal Brompton and Harefield NHS Trust is stepping up to the plate. The new chief executive, Bob Bell, deserves great credit for his vigorous response to Paddington and the subsequent clinical governance review of Harefield hospital—a response that has the support of local stakeholders and clinical staff.

The message is that, basically, the review is clear that clinical outcomes at Harefield are "satisfactory". What is done at Harefield on bed and bench cannot be replicated elsewhere in the short term. The trust needs two sites. Primary angioplasty, for example, is an increasingly valuable local service requiring cardiac surgery, which in turn feeds into the need for transplant capability.

The review rightly points out the inadequacies of the hospital's infrastructure. The trust believes that that can be fixed in the medium term by spending some £20 million, which it believes it can afford to raise off its own strong balance sheet as a result of its competence in managing its own affairs, thereby making no call on NHS funds. It believes that it can fix the clinical isolation argument by specialist recruitment and the formalisation of agreements with local hospitals.

[Mr. Hurd]

The message seems to be, "Let's get on with it in the interests of patients and medical advancement." It has a powerful logic that needs to be worked up into a credible business plan, and it seems to reflect a view that it is time for a more practical approach, taking medium-term decisions based on what we know, rather than pursuing grand, long-term visions supported by insufficient clinical data. It is time to back the competent rather than the incompetent. It would be disappointing if that logical initiative fell foul of financial crisis management or power-play in the NHS.

I shall close my comments on Harefield by simply asking the Minister to confirm that the Department has no objection in principle to the concept of specialist hospitals, as long as they have the support of senior clinical staff and a robust business plan.

Moving down the road, the story of Mount Vernon hospital has parallels. Again, it is an acknowledged centre of excellence that has achieved great things for 40 years despite its poor fabric of buildings. Again, the hospital enjoys wide support throughout the community. During a bitter public consultation, 75,000 people signed a petition protesting at the proposal to close the cancer centre in 2003. Again, I am referring to a hospital that has to live with uncertainty about its long-term future. It suffers from a persistent lack of commitment from the centre and fragmented ownership, with four separate trusts being involved in service provision and commissioning. Again, I am talking about a hospital that is threatened by the latest vogue of medical opinion that the future does not lie in smaller, specialist hospitals, although there is no evidence that patients have been disadvantaged.

We should remind ourselves of the wisdom of Nietzsche, who wrote

"whichever interpretation prevails at a given time is a function of power and not truth."

Those are wise words. The reality is that we do not know how we will be treating cancer in 10 years' time, but we know that, when the Mount Vernon cancer centre is moved to Hatfield in 2013, as is the current plan, about 1 million people will lose their cancer centre.

Mr. John Randall (Uxbridge) (Con): Can my hon. Friend confirm that, as we speak, the site for the proposed hospital at Hatfield has still not been identified, so not even the planning process can be started?

Mr. Hurd: I thank my hon. Friend for that intervention. He is right that there is tremendous uncertainty about the future of Hatfield, which only compounds the sense of uncertainty and frustration in my constituency about the future of the Mount Vernon cancer centre.

As I said, 1 million people will lose their cancer centre if it moves. The issue crosses borders. The strategic health authority has rejected the option of a walk-in radiotherapy centre at Mount Vernon to replace the oncology centre. It awaits the outcome of yet another review, the access and capacity review. It is expected to send a stark message to cancer patients in Hillingdon and Harrow that, if they suffer from cancer and require regular radio therapy and chemotherapy, they must travel to either Hammersmith or Hatfield.

The Minister should be aware that such a choice is unacceptable for Hillingdon residents. Recently, I chaired a meeting with local stakeholders and it confirmed that view. The intrepid reporters of the *Ruislip & Northwood Gazette* have timed the journeys. To either facility, it is a one-way journey time of between 45 and 90 minutes. Last year, my father-in-law died of cancer. He required regular chemotherapy. It would have been unthinkable for us to accept regular journey times of that length on his behalf. It would have exhausted him. I am sure that the Minister would apply the same standards for her family.

If matters are not okay for us, why should they be okay for the 1 million people for whom Mount Vernon is today the most convenient location? Apart from a trail of broken promises, what most upsets local people is the deafness of the centre to their arguments, and a growing feeling that the matter concerns cost reduction rather than patient convenience and care. I emphasise that, on the SHA's own figure, the demand for cancer services is expected to grow by 50 per cent. between now and 2013. The travel times to Hammersmith and Hatfield are unacceptable. The cancer tsar himself admits that we have a shortage of radiotherapy capacity in this country. Calculations by Community Voice involving 2001 data from the national cancer services analysis team make a strong numerical case for at least three cancer centres in north-west London.

Will the Minister consider seriously the option of an additional cancer centre in outer north-west London by 2013? It could be a satellite facility, spoke-linked to the hub. It could be free-standing. It should include chemotherapy, radiotherapy with oncologists and cancer beds on site treating palliative patients, but not necessarily all cancers. Where can it be located? The infrastructure is in place at Mount Vernon. The hospital enjoys superb community support. There is no hard clinical evidence to argue that patients are disadvantaged at Mount Vernon. If there were such evidence, why would the Department be sanctioning the £20 million investment that is going into the site now? During public consultation, the community would express profound anger if that option were not evaluated seriously.

If there is a better site than Mount Vernon, the community wants to receive a signal that the hospital has a long-term future that is relevant to the community, which gives it so much support. A growing voice asks, "Why not look harder at the opportunity to develop co-operation with another neglected and valuable site down the road, Harefield hospital?"

The final worry concerns the fallout from the general state of financial crisis in our local health institutions. Hillingdon primary care trust causes the greatest concern. All three hon. Members who represent the Hillingdon area recently met the temporary chief executive. It is hard to pin down the truth of what has happened. The special factor concerns the impact of Heathrow, and we should be grateful if the Minister received representations on the matter. However, there is a strong suggestion of overtrading over time and inadequate flows of information.

Can the Minister enlighten us on the current deficit because the numbers seem to swing around? Can she explain the Department's view on what it considers the major drivers of the problem and why it was not controlled earlier? Given that outside help has been called in, will she say when a recovery plan is likely to be proposed and what consultation there will be? Residents are already beginning to feel the fallout. Much valued services have been cut, such as homeopathy, specialist orthodontics, therapy in the community and, most shamefully, therapy in specialist schools.

Mr. Stephen O'Brien (Eddisbury) (Con): My hon. Friend made an important request to the Minister about the current deficit. I hope that she will have the opportunity to gain that information during the debate. Some of the remarks that I have contemplated making depend a little on where we stand in respect of the deficit. If the information is in the room, it would be helpful if it were introduced in the debate earlier rather than when the Minister makes her final remarks.

Mr. Hurd: I thank my hon. Friend for that intervention. Is the Minister in a position to give us an update?

The Minister of State, Department of Health (Jane Kennedy): I do not have the information in my immediate briefing, but I am looking for inspiration.

Mr. Hurd: I hope that the Minister's inspiration is fast in arriving.

It is felt that worse is to come because the trust is fiddling at the margin of the problem, the cumulative deficit. Several questions spring to mind. First, are Hillingdon residents now to suffer as a result of managerial incompetence? Are the Government sending out a firm message that trusts have to trade their way out of the problem or is there scope to discuss some restructuring of the historic debt if the books are balanced in the current year? Can a primary care trust in such a condition really handle the new responsibilities being devolved by the Government?

Dentistry is of particular concern. I accept that that is not the direct responsibility of the Minister, but I should be grateful if she took on board some specific concerns that may be reflected in other constituencies. First, I am led to believe that the Hillingdon PCT dental budget allocation contains a shortfall of £453,000. I should be grateful for her confirmation in writing about whether that is the case and what the Department of Health intends to do about it at this late hour.

Secondly, there is alarming anecdotal evidence about the intentions of local dentists to quit the national health service, due principally to inadequate funding, but also to uncertainty about whether children and exempt adult-only contracts are being offered. Thirdly, it is a symptom of Hillingdon PCT's apparent difficulty in managing the process that no decisions will be taken on the matter before 22 February, six days before dentists are required to make a decision on signature. Fourthly, I perceive cash flow risks for the PCT arising from the new contracts.

I am worried about the flow of incentives. I understand from local dentists that they are incentivised to send in data on treatments because that is how they gain access to NHS funds. However, under the new system, dentists will be sending in data only to allow the system to check how they are performing against contract and to calculate what needs to be deducted from their next gross payment from the PCT. If that is so—I stand ready to be corrected—where is the incentive to send in data on a timely basis? If there is no incentive, does that not carry a cash-flow risk for a PCT that is required to fund the contracted gross monthly revenue until an adjustment is agreed?

We are also worried that any money eventually recovered from inefficient or demotivated dentists will flow back to the Department of Health and be lost to Hillingdon. Is that the Minister's understanding of the position? Even if dentists submit timely returns, I detect significant IT risk arising from the fact that, apparently, every practice will be required to upgrade its software. A recent article in *BDA News* dated 2 February confirms that:

> "Both the major dental IT suppliers agree that it will be difficult, if not impossible, to upgrade every practice before the new contract comes into effect."

Is the Minister aware of how many local practices have upgraded their systems in anticipation of the new contract? Does she accept the seriousness of this IT risk in terms of potential system chaos, and also in terms of compounding the PCT cash flow risks?

As I mentioned, Hillingdon PCT is not the only concern. Redevelopment of Hillingdon hospital was two years in the planning. That is urgently needed to improve the fabric of a hospital that has suffered from persistent problems with hospital cleanliness, but the redevelopment has been called in. The community waits anxiously for smoke signals to emerge from the Department of Health. Can the Minister confirm when we can expect some clarity of intention in respect of that development?

On a smaller scale, the proposed redevelopment of the Northwood and Pinner community hospital has been frozen. Back at Mount Vernon, the plastics and burns service collapsed last week, following a number of consultant resignations. In his letter of explanation, the chief executive of West Hertfordshire Hospitals NHS Trust says:

> "Over time it has become increasingly difficult to maintain the fabric of the buildings to a standard that is acceptable. Staff have become frustrated with the inability of the NHS collectively to resolve these issues."

I have tried to throw a spotlight on what is happening in the part of outer west London that I represent.

Jane Kennedy: In respect of the question that was asked of me, the House might be interested to learn that Hillingdon PCT's deficit in the year 2004–05 was £13,470,000. For the current year, the six-month figure is £25,657,000. That is a significant deficit.

Mr. Hurd: I am grateful to the Minister for coming back to me with those data, which confirm the figures I gave earlier.

As I said, I have tried to throw a spotlight on what is happening in the part of outer west London that I represent. I sincerely hope it is not typical, although I note the comments of my hon. Friend the Member for

[Mr. Hurd]

Hammersmith and Fulham (Mr. Hands)—he cannot be with us as, ironically, our party leader is visiting Charing Cross hospital with him as we speak—who wanted to raise the ongoing huge deficit at Hammersmith Hospitals NHS Trust, which is running at £37 million, the second largest in England. My hon. Friend tells me that the effect of that is the axing of 200 beds in the trust, 300 redundancies and thousands of operations being postponed. Therefore, it is clear that the situation in Hammersmith at least is also very serious.

I hope that the Minister will respond to my questions and be able to reassure me that the future of health services in my constituency and the London borough of Hillingdon is not as bleak as it appears to be. Labour came to power singing, "Things can only get better." All I can do is quote to the Minister from the front page of today's *Ruislip & Northwood Gazette*; the headline of an article on dentists deserting the NHS is, "You're Having a Laugh!"

Several hon. Members *rose—*

David Taylor (in the Chair): Order. Four Back Benchers are seeking to catch my eye, and about 37 minutes remain before I intend to call the Front-Bench speakers. If that fact is reflected on, we will get to hear from more Members.

2.53 pm

Mr. Andrew Slaughter (Ealing, Acton and Shepherd's Bush) (Lab): I congratulate the hon. Member for Ruislip-Northwood (Mr. Hurd) on securing the debate, and on his trenchant presentation of his concerns about his constituency's local health service. However, I congratulate him less on his concluding remarks on the Hammersmith Hospitals NHS Trust, which I intend to address at length, and about which he does not, perhaps, have such expert knowledge. He should not believe everything that the hon. Member for Hammersmith and Fulham (Mr. Hands) tells him about that.

I have the privilege of having two PCTs and two hospital trusts covered by my constituency. Although not all the hospitals in those trusts are within my constituency, they are all used by many of my constituents. I should begin by saying that in each of them I have encountered only the highest standards of clinical care, innovation and research, and I pay tribute to all the staff—professional and otherwise—at the Hammersmith, Charing Cross, Ravenscourt Park and Ealing hospitals, and at Hammersmith and Fulham PCT and Ealing PCT.

The Hammersmith Hospitals NHS Trust is under scrutiny, and for some good reason. I shall address the majority of my comments to that. As the hon. Member for Ruislip-Northwood said, his comments and mine coincide with a visit by the Leader of the Opposition to one of the hospitals in that trust. In reading for this debate, I have learned about the real performance achievements of the trust's hospitals, and the serious concerns over the deficit and the future of some facilities at Charing Cross hospital. I must also say that there has been a great deal of black propaganda about what is said might be planned. So far as I am aware, no decisions have been taken in respect of closing or moving any facilities. In fact, the contrary is the case; there is a continuing commitment to all the hospitals that my constituents use. I hope that the Minister can give me some reassurance on that.

I do not know which of those areas—the achievements, the genuine concerns or the black propaganda—the Leader of the Opposition will address during his visit today. I can only conjecture; my sources within the trust say that when his office contacted them, it did not at first know why he was going, and then said that it was for world health month. That might be right, but the fact that he planned a half-hour visit to a major teaching hospital, and that the clinician he requested to see is the father of the leader of the local Tory group, suggests that the purpose of his visit might be the last of those categories—propaganda. *[Interruption.]* I am shocked, as is my hon. Friend the Member for Hayes and Harlington (John McDonnell), but that happens from time to time.

The Leader of the Opposition has extended his visit, and I hope that now that he has done so he will see the genuine achievement of staff and management at that hospital in ensuring that—my hon. Friend the Member for Brentford and Isleworth (Ann Keen) had direct professional experience of this in the past—we have teaching hospitals of excellent standard. We should be proud of them, and we should continue to be. I believe that the Leader of the Opposition told the *Health Service Journal* yesterday that politics should be taken out of the health service. Let us hope that starts with his visit to Charing Cross hospital today, but frankly, from the information I have gleaned, that does not seem to be the case.

Let me talk a little about the achievements before going on to the concerns. It is important to do so, because unless one understands how the health service is being run in west London, it is difficult to see the problems in perspective. The Government are presiding over the largest ever increase in health service funding—a doubling so far, and a tripling by 2008. A substantial amount of that is going into the hospitals that serve my constituency. All those hospitals have achieved the waiting time strictures, such as those of 13 weeks for out-patients and six months for surgery waiting times.

Mr. Peter Bone (Wellingborough) (Con): Regarding the six-month maximum wait guarantee, is the hon. Gentleman satisfied that that has not increased average waiting times for operations?

Mr. Slaughter: It is my understanding that the average waiting time for operations is about eight weeks. It comes somewhat ill from Opposition Members, whose party presided over a health service in which one in 10 people waited two years or more for operations, to criticise this extraordinary achievement of bringing waiting times down over the past seven or eight years, a trend that is continuing. In accident and emergency services, 98 per cent. of people wait for less than four hours and the general waiting time is far less than that. There has been a sea change in the service that my constituents receive from hospitals in the area. Whatever Opposition Members say, that is the real-

time, every-day experience, and I contrast that with the now abandoned patient's passport, which, nevertheless, was the policy written up only some 12 months ago—

David Taylor (in the Chair): Order. May I bring the hon. Gentleman back to the topic of the debate, which is the provision of health services in west London?

Mr. Slaughter: I am grateful to you, Mr. Taylor; I should not be provoked into bringing politics into the health service in that way.

As I said, all the local hospitals are meeting targets. Let us look at the improvement in the performance of the Hammersmith Hospitals NHS Trust, for example. In the past year, it has treated 13 per cent. more emergency cases, 9 per cent. more elective cases, and 7 per cent. more out-patients. Quite extraordinary amounts of investment are going into such improvements, and into Charing Cross hospital, too. No doubt I will have the pleasure of accompanying the all-party kidney group—of which the hon. Member for Uxbridge (Mr. Randall) is co-chair—to Hammersmith hospital next week to visit the new £40-million west London renal and transplant centre. It is the largest such centre in Europe and has 200 beds. It is a state-of-the-art facility available to all in west London. Notwithstanding that, dialysis and other local services are continuing at Charing Cross hospital and other hospitals in the area.

That combination of concentrating large investment and expertise on particular sites and still having local services available—as was suggested in the recent White Paper—is exactly the sort of development that I welcome. I hope that that will continue in the health service of west London.

Significant investment continues to be made in Charing Cross hospital. There are new lineal accelerators, a new 72-hour day-and-stay surgery unit, new research facilities, and new mental health services. Quite possibly, there will be an emergency clinical decision centre on the site, too. That gives the lie to accusations that Charing Cross hospital is under threat and will close. There is continued, large-scale investment in that hospital, year on year.

Ann Keen (Brentford and Isleworth) (Lab): On that point, I worked at Hammersmith hospital in 1993, when the Conservative party was in power. The then Secretary of State for Health talked about the future of Charing Cross hospital in market terms, saying that we should let the market decide what would happen to it. That was very different from the discussion taking place today, in which we are consulting the wider public and health professionals in general.

Mr. Slaughter: I am grateful to my hon. Friend. She is tempting me back into politics, because she and I remember a concerted campaign fought in the late 1980s and early 1990s to save Charing Cross hospital. That was not a Labour party campaign, but a campaign by all parties—although not the Conservative Government—and, particularly, local residents. The site was cynically going to be sold off simply because no investment was being made in the health service at that point. That contrasts with the amount of investment now.

Of course, I pay tribute to Imperial college, which is a major funder and bringer-in of private funding. The Hammersmith Hospitals NHS Trust, which includes the Hammersmith and Charing Cross sites, has £28 million going into the construction of a clinical imaging centre that is to be completed this year. Also, £63 million from the Medical Research Council is going into research facilities on the Hammersmith site. Those are sums of money and facilities that would make many trusts around the country green with envy.

I have concentrated on the Hammersmith Hospitals NHS Trust, but I should mention the Ealing Hospital NHS Trust; the managing director asked me to point out that it is making a surplus at present.

John McDonnell (Hayes and Harlington) (Lab): A surplus!

Mr. Slaughter: Yes, a surplus. I know, the terminology is interesting. Some £14 million of investment—the largest single investment for that hospital ever—has been made in Ealing hospital in the past 12 months. It has a new cardiac catheter laboratory and a new magnetic resonance imaging unit; it has refurbished wards; and it has firmly dealt with its previous problems. That is the story in west London and across the health service in this country.

I will limit the length of my contribution as you suggested, Mr. Taylor, but I shall now come to the real problems and put them in some sort of perspective. There is a substantial deficit in the Hammersmith Hospitals NHS Trust, but let us not be fooled into thinking that it is a permanent feature, or that the deficit per se is affecting services. The deficit is controlled to the extent that, month on month, the core trust at Hammersmith is breaking even; there is no accumulating deficit.

The deficit is hugely enhanced by the issue of Ravenscourt Park hospital. I do not have time to go into that subject in detail, but I know that the Minister is aware of the issue. The problems that there have undoubtedly been with that hospital have turned a manageable deficit into a very large one, and clearly that needs to be dealt with. I draw that to the Minister's attention, if indeed I need to do so.

The problem has to be dealt with quickly, not least because it distorts the position of the Hammersmith Hospitals NHS Trust and makes the problems there seem far greater. Also, it allows for a great deal of mischief-making about the link between the deficit and the future of services on the site. As far as I am aware—and I would be grateful if the Minister answered this point—there is no such link. Savings are being made through efficiencies, without loss of health services. To someone with a local government background like mine, that is a familiar trend. It may be somewhat newer to the health service; I do not know. Improving patient care and discharge times for orthopaedic and other injuries has meant that substantial savings of some £20 million are being made this year without any loss of service. That is the context. Nevertheless, there is an accumulated deficit, and that needs to be dealt with. I am pleased to say that the Government have intervened by putting KPMG into hospitals to help address that point.

[Mr. Slaughter]

I hope that it is clear that it is wrong to associate that temporary problem with the long-term future of facilities on the Hammersmith and Charing Cross sites.

In conclusion, my constituents are looking for the following assurances from the Government. They want to know that there will be a continuation, and indeed improvement, of the excellent facilities on the Hammersmith, Ealing and Charing Cross sites. The latter serves a large number of people in the south of my constituency. It has been my local hospital all my life; all my family have been treated there, and some, sadly, died there. In fact, my uncle designed the electrical systems for the hospital, so there are long associations for me.

Everybody in Fulham, Hammersmith and Shepherd's Bush knows the Charing Cross hospital well. It was an NHS site long before the current buildings were there. The site is in the middle of a substantial, quite deprived population area and is accessible. It is an excellent facility and it must stay there, and investment in it must continue. I think that that view is held by all parties. The White Paper model looks for services to be available locally and to be accessible, and that must be right. That is what is provided by the hospital sites, and by other sites in my constituency.

I am delighted that the Hammersmith and Fulham primary care trust has plans for a new collaborative care centre, bringing together diagnostic day surgery and substantial general practitioner practices. That will be adjacent to the White City estate, on the old leisure centre site. A planning application is due to be made very shortly. That is perhaps one of the first examples in the country of how the White Paper proposals will come to fruition. All those are excellent developments, but they must be preserved so that future generations can benefit from the accessibility and the high standard of care provided by hospitals and other health facilities in west London.

Several hon. Members *rose—*

David Taylor (in the Chair): Order. That is 20 more minutes gone, so there are 16 minutes left and three speakers. I call Mr. John Randall.

3.9 pm

Mr. John Randall (Uxbridge) (Con): Thank you, Mr. Taylor; I shall endeavour to be extra brief. First, I congratulate my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd), not only on obtaining this important debate but on a speech that was such a tour de force that I really can be brief, as he has already touched on most of the issues.

Hillingdon is a living example of taking politics out of the health service; that is represented by the fact that we three Members representing that borough are here and pretty much singing from the same hymn sheet. It is pretty immaterial to us and our constituents who is in power, as long as they are delivering the services. I pay tribute to the Government for putting money into the health service, as I believe all Governments have done; the problem is what is happening to that money, as we see with the deficits in the PCT. There is no question but that the PCT has a great deal of resources, but we are facing a problem with the deficit.

As my hon. Friend the Member for Ruislip-Northwood said, we are far from convinced that the PCT has got a grip on where the money is going. If it cannot understand where the problem is, I find it difficult to understand how it will rectify it. I was a little disappointed to see that, however capable he is, the gentleman acting as chief executive was doing it as a part-time job with a neighbouring PCT that also had a deficit. That situation has been changed, but in the meantime, while we try to appoint somebody else—I speak with certain business experience—things could be getting a bit out of control.

In the meantime, my constituents and all of us in Hillingdon have problems with services that are labelled as low priority and are being cut. There are problems with district nurses, getting people seen by an incontinence nurse and with therapy, special schools and orthodontics. I will not go on about dentists, but the *Uxbridge and West Drayton Gazette*—published by the same group that publishes the *Ruislip & Northwood Gazette* and the *Hayes & Harlington Gazette*—is all about dentistry and related problems faced by people. That is a real issue. The hon. Member for Hayes and Harlington (John McDonnell) has been active on that matter. We have all met local dentists. There is a pressing problem, which we must look at.

We want Hillingdon hospital to be rebuilt. The Government were going to do it with a PFI, but that has been called in and I am not surprised. I have reservations about PFI, but if it can be done properly, that is great. We might just sneak out one advantage while this matter is being looked at. I have asked the Department to consider, because of the slippage of time regarding a PFI, whether it might be possible to look again at re-siting the hospital on the RAF Uxbridge site due to be vacated by the MOD. That suggestion has not been dismissed by the strategic health authority.

That site would be much better for everybody in Hillingdon. It would be a wonderful transport centre. Everything would be good about it. There was just the problem of tying it in and not wanting to lose the money that the Department of Health was putting forward, while, at the same time, having to wait for the MOD to vacate. This might be the very moment. It is a once-in-a-generation opportunity. Something positive could come out of the situation. I urge the Minister to consider that.

My hon. Friend the Member for Ruislip-Northwood said a lot about Harefield hospital and Mount Vernon. I back him entirely on that and have done so in plenty of other places, as anybody can read. Just before Christmas, I asked the Prime Minister if he could find out why Health Ministers did not take part in the independent review of what went wrong with Paddington health campus. He said that he would look into that. He wrote me a letter, which just told me that Department officials took part, but not why Ministers did not. I wrote back to say that he had not quite spotted what I was after and found out he had passed the matter to the Department of Health, However, I have not heard anything for a while. If there is any way of stirring that up, I would most grateful if the Minister could do it.

A letter from a local ambulance driver addressed to the hon. Member for Hayes and Harlington and I came across my desk the other day. It is important, because it has implications all across London. I will not name the gentleman, because I did not have time to clear the use

of his name, but he is asking me to bring the matter up with the relevant Ministers, so I am sure that he will not mind. The letter is to do with the

"policy in the London Ambulance Service to respond to calls with a single manned car (fast response unit) rather than in the first place send an ambulance".

I am sure that many of us have seen the motorcyclists as well. Although that policy has some potential in the crowded streets of London, it is also possible that there is an agenda, with the trusts wanting to meet their response times.

I do not expect anybody to be completely conversant with my constituency, although the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Slaughter) spent some time there a few years ago. However, two Sundays ago, I saw some vehicles sitting across the Swakeley's roundabout all day. I wondered what they were; I thought that the local police had put them there because they looked a bit like police cars and that would get people to slow down on the A40. Although I am a layman and do not know, that did not seem a perfectly good use of resources.

There were some repercussions. I think that I shall write to the Minister about this matter, which could have been severe and very serious indeed. I should like the Department and the Minister to consider this, because there is sometimes a danger that managers will get carried away trying to meet the targets. That should be looked at urgently.

I shall conclude my remarks, because I am anxious to hear from the other two hon. Members who wish to take part. I say to the hon. Member for Ealing, Acton and Shepherd's Bush that with regard to the visit next week he has mentioned, I am afraid that his business managers have made it difficult to go on any visits next week.

3.16 pm

John McDonnell (Hayes and Harlington) (Lab): Can I enter this debate in the spirit in which the three hon. Members representing Hillingdon work together, relatively objectively and co-operatively? I congratulate the hon. Member for Ruislip-Northwood (Mr. Hurd) on securing the debate.

I was elected in 1997. I was a member of the Hillingdon health emergency campaign, which was involved in the occupation of Northwood and Pinner hospital. I slept for six weeks in Hayes cottage hospital; well, I picketed it to save it. I was never sleeping. When I was elected, we inherited a system whereby three cottage hospitals—Harlington, Hayes and Uxbridge—had been closed. Hillingdon hospital was also in decline. There had been a lack of investment and it was in a poor physical condition. Despite some investment since then, I think that we all agree that the area needs a new hospital.

The surgeries in my constituency were largely decrepit—they were largely converted houses—and provided appalling conditions in which people worked and patients were treated. There was a staff crisis in terms of recruitment and retention. Since then, we have had investment on a scale never seen before and we appreciate that. In my area, I have opened three new medical centres; I enjoy opening things. Cedar Brook, Hesa and the Townfield medical centres area are flourishing. GPs' practices have been refurbished throughout the constituency. We are attracting more staff now, including health visitors, GPs, nurses and so on. We still have the problem that a large number of GPs are retiring within a limited period; we still have that challenge.

Although we lost Hayes cottage hospital, it was reopened as a nursing home and we are now investing in a blood transfusion service on-site. We are still campaigning for a community hospital in the area. I notice that in the White Paper we now go back to the commitment to local community hospitals. We will be knocking on the Minister's door for some investment on that.

We have a proposal for the PFI scheme for Hillingdon hospital. I agree with the hon. Member for Uxbridge (Mr. Randall). I am not supportive of PFI schemes, but if this is the way to secure the money fair enough. However, there is a blip in terms of the Treasury review of the PFI, and this could be an opportunity not to delay the scheme, but secure it and consider an alternative site. I agree that the RAF site might be available, as long as we can get our act together and synchronise with the MOD.

We have had a flood of investment on a scale never seen before, and I congratulate the Government on that, but sometimes they have to put their hands up to mistakes. I have to say that Harefield and the Paddington basin were a catastrophe. It is best to at least understand how Government got there, admit the mistake and move on. The way to move on is exactly as the hon. Member for Ruislip-Northwood said and exactly as Jean Brett, who was campaigning, said.

I remember John Wilkinson, when he was the hon. Member for Ruislip-Northwood, predicting on a platform, which we all shared, that eventually this scheme would collapse because of bureaucratic inertia and its impossibility. We need to return to investment at Harefield to secure the site, because it is such a site of excellence. I agree with what the hon. Member for Ruislip-Northwood said about Mount Vernon. There is potential to build on existing strengths. We need to look again, but to be honest about the mistakes that we have made in the recent past.

I turn to the issue of the PCT. Given our understanding and the figures that the Minister has given today, it looks as if the problem involves about £30 million. I place on record my tribute to the hard work done by the previous, transient chief executive, Graham Betts, who took a hit for that deficit and resigned. He was an excellent chief executive who managed the system as well as he could and won the admiration of his staff. He was caught in a dilemma partly set by the Government, because of the issues around targets, and partly due to our need to learn lessons about the structures and systems required to ensure adequate control of overall expenditure.

The issue for the PCT is that it is carrying a £30 million deficit. We were advised that by the end of the financial year it could be taken down to about £22 million, but that there would be a historic carry-over of more than £22 million to the next year and probably beyond. That would mean that the whole system being dragged down year on year. I agree with the hon. Member for Ruislip-Northwood that we

[John McDonnell]

should consider restructuring the deficit. My view is that at some point the Treasury will have to write it off, because its is so large that otherwise it will encumber the decision-making processes of the PCT in the long term.

It looks as if the deficit has been caused partly because the influx of new money has laid down a new range of access points and pathways into care, but there has been inadequate triaging and assessment of how those pathways will link up, particularly at the local hospital. As a result of that, the hospital is building up an excellent service and treating large numbers of patients. The primary care trust has to pay for those patients but has no control over them. Many staff on the ground believe that elements of the service are using it as a simple referral point, partly to overcome their own heavy work loads and partly to shift some elements on the budget.

We need to consider how to change the systems to ensure the management of that budget in future. Indeed, we are doing so; that is why the hit squad went in. We shall never secure that adequate management if we have a continuing deficit on our backs of more than £20 million—or anything between £10 million and £20 million—during the next few years. The three Members who represent the Hillingdon area would be happy to meet the Minister to go through the detail and ascertain what further assistance, such as restructuring the deficit or writing it off, could be given to the PCT.

The issue of Heathrow airport was raised earlier. I welcome the opportunity for the three Members who represent the Hillingdon area, with representatives from the primary care trust and the local authority, to meet the Minister to talk about our special problems in respect of Heathrow. A cost burden falls on our shoulders because visitors and others enter via Heathrow, fall sick and sometimes need intensive support and care, particularly in cases that involve mental health problems.

The cost of that falls on the local primary care trust, the local health service and the body responsible for mental care in the area. We also have Harmondsworth and Colnbrook detention centres, which have quadrupled in size during the past five years. All those costs fall on our local area. We would like to meet the Minister as we believe that we have a justifiable case for special assistance to be provided to our local area to overcome those problems in respect of Heathrow.

At the moment, the problem that needs to be addressed is specific to the PCT. However, I commend the Government for their investment in our area. The staff on the front line have risen to the challenge. Many members of the community appreciate that, and we do not want that reputation to be tarnished in any way by this currently intransient problem.

3.24 pm

Steve Webb (Northavon) (LD): I congratulate the hon. Member for Ruislip-Northwood (Mr. Hurd) on securing this debate and on how he introduced it. We have heard several knowledgeable contributions about the situation in west London. I should like to reflect on the level and pattern of provision for that area, and on the issues that have been raised, in the context of national policy.

By way of apology to the two Front Benchers, I should say that, in the interests of the provision of dentistry in west London, I shall shortly run down the corridor to vote in the Committee that is considering delegated legislation on NHS dental services. The majority of those who have contributed so far will be pleased with how I shall vote in the Division. I hope that they will not think it a discourtesy that I shall not see the end of this debate; I undertake to read the contributions that the two Front Benchers make after I have gone—although I am not sure whether the Minister will be as gracious.

The hon. Member for Ruislip-Northwood properly paid tribute to the international reputation of Harefield hospital, and I am pleased to echo that on the record. The hospital clearly has problems that need to be addressed, but he is right to say that the Heart of Harefield Campaign has done a tremendous job. We need to value our centres of excellence and our specialisms because they are the way of the NHS. Increasingly, the all-purpose district general hospital is under threat. The sense is that more is going to be done in the community.

The hon. Member for Hayes and Harlington (John McDonnell) mentioned the possibility of not exactly reopening but revisiting the idea of community hospitals in his area. There will be those hospitals and the high-tech specialist regional centres, but I am not sure what the Government's vision is for the all-purpose hospitals in the middle.

The centres of excellence clearly need to be maintained. The hon. Member for Ruislip-Northwood talked about the future of Mount Vernon hospital and his personal family experience of it. For many of us, our experience of hospitals in our area is shaped not only by our professional role, but by personal experience. I was pleased to hear that he saw a place for such provision; he mentioned three cancer centres across the area.

There is a danger of always trading off one constituency against another. For example, we might not want to lose a facility, but no doubt Hatfield wants to gain one. It is important to establish the optimal provision from a clinical point of view. There is a danger in saying, "I want something that is world famous and world renowned and I want it at the end of my street." A degree of realism is needed. I was interested in the hon. Gentleman's idea of using Mount Vernon as a hub, with some satellite or spoke provision. We need to do such creative things to balance the desire for high-quality local services with the fact that inevitably there will be only a limited number of centres of excellence.

I agree with the hon. Gentleman that, when there is consultation on the future of cancer centres such as Mount Vernon and more generally, the broadest possible range of options must be presented to the public. In my experience, there is increasing scepticism about consultations, which are seen as being stitched up before they begin. The hon. Member for Wyre Forest (Dr. Taylor) referred to them as "Blue Peter" consultations—"Here is something we prepared earlier"—that the public are expected to rubber-stamp. Clearly, consultations need to be comprehensive and

not rule out options before they begin. Critically, decisions about the future of services in west London, as elsewhere, should be about the priorities of the people in the area, informed by the guidance of the clinicians, whose judgment needs to be respected.

My worry about the whole Paddington basin scenario, and a lot of what we have heard today, is the difficulty of following the thread to who was responsible. In too much of what goes on in our health service, it is hard to pin responsibility and accountability on anybody, particularly anybody whom we could vote out if we did not like the way they did things. Many more decisions about the strategic health framework for a local area such as west London need to be made by locally accountable people—not by Whitehall or unelected and unresponsive health authorities.

The PFI review was mentioned in the context of Hillingdon hospital, although schemes around the country are on hold for the same reason. From what we have heard this afternoon, it appears that there might be a silver lining and that at least the option of an alternative site might be explored. That ought to be seriously considered. However, I share the scepticism of the hon. Member for Uxbridge (Mr. Randall) about PFI, although I accept the practical comment from the hon. Member for Hayes and Harlington: it is the only game in town.

Many of us have to swallow our judgments on such things sometimes. However, the delay is not helpful to anybody, and I hope that the Minister will put on record a clear statement—I shall read it tomorrow—on where the Government are up to on all this. Is the review just routine? I have tabled questions on the subject, and the suggestion was that the review was just to check things through. Is the review more fundamental than that? When will it be resolved? Who is considering it? We need to know, and the people of Hillingdon clearly need to as well.

The hon. Member for Ruislip-Northwood asked whether certain dentistry issues are unique to his area. I think he knew the answer; as he rightly suspects, they are far from that. We have concerns about the implications of the new contract. I genuinely do not know whether he is being too harsh on his PCT for its delay. In many cases, PCTs can move only as fast as central Government have allowed them to. The situation of his PCT may be extreme, but the fact that, as we speak, we are voting down the corridor on regulations to bring in new personal dental services contracts makes me think that central Government have more to do with the delays. His PCT might not be helping, although I do not know about that.

Where do we go from here? The critical point must be to address the issue of deficits. We have heard a plea for them to be written off. We have all got local deficits and we all think that it would be nice if that were done. If that happened in aggregate, it would not be clear where the money would come from. My judgment is that trusts need far longer to adjust where there is financial imbalance. The manic pace of reform and the constant revolution that is creating the instability must be addressed. It might be that trusts need to adjust and that better financial control is needed. Doing all these things rapidly and at the same time is not a rational way to manage the process.

Debates such as this are helpful because rather than dealing in generalities we are dealing in specifics. Many of the specifics that have been raised in a constructive and cross-party manner illustrate broader points about national policy and the instability that the constant reform is creating, not only in west London, but in the NHS as a whole.

3.31 pm

Mr. Stephen O'Brien (Eddisbury) (Con): I am delighted to have the opportunity for the first time to serve under your chairmanship, Mr. Taylor.

I congratulate my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) on securing a debate that is important for him, his constituents and those who are equally affected by the issue. It is also timely, given the pressures of decision and the pent-up demands and concerns that exist. I thought his speech was particularly eloquent and discerning. It is clear that he has been unflinching in holding the health service to account at a local and departmental level on behalf of his constituents.

We all know that my hon. Friend is a doughty campaigner for Harefield hospital and for Mount Vernon and its cancer centre. I, too, would add our party's tribute to the Heart of Harefield campaign and Jean Brett, and, equally, to all that has been going on at Mount Vernon, which is also world renowned.

I think that my hon. Friend is the first person who has put on record, at last and through Nietzsche—as he says, it is power not truth—the real definition of the word "spin". We have sought that for a long time.

It was equally powerful to see the three hon. Members who represent the area working in such close harmony on the issues. Such an approach needs to be taken on behalf of constituents and their interests, if we are to be genuine as politicians in saying that we want a patient-led NHS rather than a politics-led one. I hope that many will follow the example that has been in evidence in this debate.

My hon. Friend rightly emphasised that the cuts that the strategic health authority is making in his area are not, as everyone would wish, as a result of patient choice or strategic health planning. We can all understand the pressures, but they are more of a simple knee-jerk response to the deficits that are faced in the NHS, especially the one created by Hillingdon PCT.

I am glad to have the opportunity to cross swords with the Minister, although that phrase does not seem particularly appropriate given all that is being said. We had our first engagement yesterday, in the debate on the Floor of the House about PCT restructuring. Many of the points made then are wholly appropriate to today's discussion. There was a lack of conclusiveness about yesterday's debate because for some reason, which I fail to understand, the Government did not agree with the official Opposition's motion, which would have helped us reach the answer. There was a small exchange during the debate.

At month six of the current financial year, Hillingdon PCT was predicting a year-end deficit of £25.6 million—that was helpfully confirmed by the Minister—which is almost double the 2004–05 outturn. Some £25.6 million represents 9.1 per cent. of its annual turnover. We do

[Mr. Stephen O'Brien]

not know how high the figure has risen since then, as the Secretary of State, having published the figures once this year, is sitting on the updates.

Interestingly, the Royal College of Nursing recently estimated that the expected deficit across the NHS has risen from approximately £800 million in month six to £1.2 billion gross now. By that reckoning, it is not unreasonable to suppose that Hillingdon PCT could be facing a year-end deficit of £30 million—a figure mentioned earlier—or £35 million.

That is important because the strategic health authority's recent board paper gives a month seven figure. It shows a marked drop in the deficit, which is why it is so baffling. We must ensure that we are talking about the right figures. There are consequences of the deficits, about which we debate endlessly and about which Opposition Members rightly seek to hold Ministers and the Government to account. There seems to be a serious threat of implementation of a series of front-line patient service cuts. I accept that it might be that an extract does not necessarily tell me whether I am looking at a gross or a net figure. However, the board paper gives a month seven figure of £12 million.

We must try to get a handle on the matter. The Government have refused to publish more estimates of the NHS financial position—I know that it is an uncomfortable position for them. They said it was

"not appropriate to publish the data"—[*Official Report*, 31 January 2006; Vol. 442, c. 469W.]—

I simply ask the Department to consider carefully revising that. Many of our debates will be hugely dependent in terms of the options and the outturns on the real expectation of the figures. If the Department is working from one set of figures because it has internal, private information and we are examining another set that it has published at month six, we are in grave danger of having a false debate. That would be of no benefit to anybody's constituents.

We must ask ourselves where the deficit has come from. In no small part, the problem has been caused by the disaster that was the Paddington health campus. The hon. Member for Hayes and Harlington (John McDonnell) mentioned a catastrophe. We eagerly await the National Audit Office's report on the fiasco. In the meantime, some fairly severe criticisms can be levelled at the North West London Strategic Health Authority, the Department of Health and the Treasury.

If fault, or if a cause, is found in the design and implementation of policy, that would be the fault of Government. What flows from that is that the damage should not be visited on the constituents of my hon. Friends the Members for Ruislip-Northwood and for Uxbridge (Mr. Randall) or of the hon. Member for Hayes and Harlington.

There is a thing in Government called the Contingencies Fund, albeit funded by the taxpayer; it is still taxpayer cost. It does not exist only for unpredicted events that need to be funded. Anyone who has been in business—my two hon. Friends to whom I referred have—knows that it is a valid and important self-insurance policy. The self-insurance should be used when the promoter of a policy has found that it is the cause of the fault. Blame should not always fall on the PCTs so that local people take the rap for a design fault by central Government.

As my hon. Friend the Member for Ruislip-Northwood referred in depth to the report, I will just pick out a couple of themes that run through it and apply them more generally. In addition, the Liberal Democrat spokesman, the hon. Member for Northavon (Steve Webb), is absent, which is understandable as he needs to vote further down the corridor; I fully support that.

The independent review panel directly criticised the North West London SHA by saying:

"The extent of the problem (overcapacity in the SHA) was already becoming evident during 2004 . . . yet this was not used as an opportunity to fundamentally reassess the project's continued relevance".

Instead, the SHA again unquestioningly signed off the outline business case.

Such an attitude in SHAs across the country has led to the imposition of turnaround teams, at vast and avoidable cost to the taxpayer. The taxpayer has to fund the turnaround teams because of the complete failure of the people who have been employed, also at taxpayers' expense, by the NHS to performance manage—their single task. If they failed at that, they should be sacked so we would not have to pay twice. Such a situation has happened in trusts up and down the country—we know which ones. The SHAs have failed time and again in their performance management responsibilities. Clearly, as we have often argued, they should be scrapped. You and I, Mr. Taylor, had an exchange on the Floor of the House yesterday on that very matter. If they are not up to the task and have no other function, we can see no justification for retaining them.

The Treasury and the Department of Health are each partly responsible for the fiasco. The Chief Secretary to the Treasury had concerns about the project as far back as October 2003, and that led to an independent review, which was not followed up. In January 2005, a Department of Health official wrote to the trusts inviting them to consider project termination, but that, too, was not pursued. I salute the hon. Members who are here today for their concern, and their measured criticism of a very sorry chapter, when they could well have been shrill.

The trusts received different signals from different parts of the Department of Health about whether new space standards for beds were mandatory. According to the independent review panel, the project was also undermined by uncertainty about payment by results. At least that uncertainty has been resolved, albeit with effective stealth cuts for PCTs and acute trusts, as tariff increases beyond the rate of allocation increase. Stealth cuts in funding lead to cuts in patient services, as yesterday's press release from the six NHS organisations in Gloucester recognises. They face, as they put it, "difficult choices" over the coming months—a clear euphemism for cuts in patient services.

Uncertainty is a common theme in today's NHS. The hon. Member for Northavon made the valid point that that is causing deep instability, which is evident in the ongoing debates about drugs, practice-based commissioning and reforms of adult social care. It is especially apparent in the farce of PCT restructuring, a

departmental initiative with direct bearing on the provision of health services in west London. Nobody in the profession—apparently nobody in the Department, official or Minister—has a clue what the function of the new PCTs is to be, so to talk about restructuring now is farcical. Not only is the situation creating uncertainty among health professionals; it is seriously hampering joined-up local government, because social services and other council agencies involved in health have no idea who or what they might be working with in the near future.

Jane Kennedy: I hope that the hon. Gentleman acknowledges that in London the proposed primary care trust will remain coterminous with local authorities, as I said yesterday. The main influence in London was the benefits to local people from that coterminosity. I hope that he will accept that that is the case.

Mr. O'Brien: I certainly accept that. However, I am conscious that the west London area is not far from the edge of London, and that is where the knock-on effect is creating uncertainty. The one thing that can be said about a health economy is that it does not fit easily between the convenient lines that Whitehall Departments might like to draw for it. While that might be a challenge, it should not be a driver for how services are provided.

Most gallingly for the taxpayer, no responsibility seems to have been taken for the colossal waste of money: £14 million of taxpayers' money was spent on the Paddington health campus project—a sum dwarfed by the opportunity cost to the nation as a whole, due to building inflation over the long duration of the project, which was itself a consequence of unproductive effort. Let us hope that, once the Public Accounts Committee has looked into the National Audit Office's report, which we hope will be published at Easter, the Secretary of State will be prepared to give a proper account of what went on. She should acknowledge that on this occasion the Government have made a mistake, and accept the consequences, so that local patient services are not cut.

It is not only Hillingdon that has accrued a huge deficit. Among others, Hammersmith hospitals trust is running at a deficit of some £36 million, which the Prime Minister has acknowledged, although he is inclined—I suspect that the Minister might reflect his habit in her response—to shift the blame for such deficits back to the PCT, rather than recognising the accountability of Government. I hope that I demonstrated what would be my approach when we discussed the matter yesterday on the Floor of the House. In response to a parliamentary question from my hon. Friend the Member for Hammersmith and Fulham (Mr. Hands), the Prime Minister said that the obligation to correct the deficit

"applies to not only the Government, but the trusts, which must provide proper financial management"—[*Official Report*, 11 January 2006; Vol. 441, c. 282.]

We would agree with him if only the trusts did that, but the Government's structures do not foster proper financial management. Leaving aside the fact that they continually decide on structures before they have sorted out functions, they seem incapable of holding officials accountable, so we have chief executives conveniently resigning or suffering from ill health while deficits balloon.

The problems in west London will not be solved until the institutional problems in the NHS are solved. North West London strategic health authority has presided over the biggest PFI disaster so far, and it continues to drag its feet over the future of health care in north-west London. No plans have been published and there has been a complete abdication of commitment to public or patient involvement, even though it appears to be considering various options. That stands in stark contrast to the fact that we know west London to be a most active area, in which patients and public continually make successful and admirable efforts to ensure that their views are heard. The hon. Members representing them here today have demonstrated the same commitment.

Changes in hospital structure should be driven by genuine changes in demand, not bureaucratic plans. Until the Government realise that and pass that knowledge down to their administrative bodies, we cannot hope for anything other than a continuation of the crisis and its inevitable conclusion—cuts to patient services.

3.46 pm

The Minister of State, Department of Health (Jane Kennedy): It is a pleasure to be here under your guidance and leadership, Mr. Taylor. I am sure that you will join me in wishing the right hon. Member for Witney (Mr. Cameron) a successful visit to Charing Cross hospital where, no doubt, he is receiving treatment for the wounds that he received today at Prime Minister's questions.

I join all hon. Members who have spoken this afternoon in congratulating the hon. Member for Ruislip-Northwood (Mr. Hurd) on having secured the debate. I know that he feels strongly about the issue. He spoke forcefully about what he perceives to be a lack of leadership and a lack of willingness to listen to local concerns, which was a theme of contributions this afternoon. I want to respond directly to some of his points. I acknowledge the strength of the international reputation of the clinicians who work at Harefield hospital. Indeed, I join with those who pay tribute to all NHS staff who work in the area. I know that they are committed to improving the quality of local services.

I also acknowledge that the historical lack of investment in Harefield hospital has resulted in poor facilities and a long-standing uncertainty about its future. That lack of investment goes back over a long period. Failure to reach a definitive decision about the future of—for example—surgical services at Harefield will lead to a further decline in morale, with the inevitable loss of commitment to the trust. That would, in turn, threaten the quality of clinical services. The current uncertainties stem from 2004, when the Royal Brompton and Harefield NHS trust contacted the strategic health authority because of concerns about the surgical services provided at Harefield. The trust was concerned about the persisting discrepancy between the respective post-operative wound infection rates at Brompton and Harefield. That is something in which I have an interest, and I was glad to be able to read about it in the briefing for this debate.

[Jane Kennedy]

In addition, there were reported differences between the two sites in early survival rates following coronary artery bypass graft, surgery and aortic valve replacement. There is also a recognised difficulty in accessing appropriate sub-speciality support for emergency conditions arising in Harefield patients following surgery. All those matters are serious, and it is appropriate that we take time to consider the options for improvement. Hon. Members will know that a 90-day review has been undertaken by the Royal Brompton and Harefield trust of the short-term issues raised by the clinical governance report and the long-term development of the service. That report is due shortly and it would not be appropriate for me to comment on it while I am awaiting its results.

Broadly, I agree that we need to base decisions about the future of important hospitals such as Harefield on whatever should lead to the provision of the best service to patients. I am more than happy to receive representations from hon. Members—I always am—about any concerns arising from the discussions that are taking place locally.

The hon. Gentleman talked about Mount Vernon cancer centre—

Mr. Randall: I am grateful to the Minister for giving way, and for her offer. Will she also agree to meet representatives of Heart of Harefield?

Jane Kennedy: In my time as a candidate and as a newly elected Member of Parliament, I became used to working closely with the kind of groups that have been described. I well know how dedicated local volunteers can be when campaigning for improvements in local health services, and I would be happy to meet a delegation if hon. Members wanted to bring one.

The burns service at Mount Vernon is housed in temporary buildings. I know that it is a complex site; the hospital is a general acute hospital, but housed there are the West Hertfordshire Hospitals NHS Trust's burns and plastic surgery services and the cancer services provided by East and North Hertfordshire NHS Trust. I accept the point made by the hon. Member for Ruislip-Northwood about the complexity of such service configurations.

The Bedfordshire and Hertfordshire strategic health authority feels that the condition of the buildings means that they are not suitable for the delivery of 21st century care. The hon. Gentleman probably agrees on that point. A project board is considering a short-term replacement build and where it should be, and is receiving representations from the Bedfordshire and Hertfordshire SHA, the North West London SHA, Hillingdon and Harrow PCTs and Community Voice. A lot of discussion is going on, and I assure hon. Members that I take a close personal interest in that debate.

One of the biggest reviews of how and where health services are delivered to more than 1.9 million people in the capital is being carried out by the North West London strategic health authority. Notwithstanding the criticisms that have been levied today, I believe that is the appropriate place for these discussions, although I am following them closely.

The hon. Member for Ruislip-Northwood asked about the financial position at Hillingdon PCT. I said that I would receive representations on such issues. He asked detailed questions about dental allocations and raised concerns about dentistry. Rather than spend time today trying to answer questions about an area on which I am not most expert, it is better that I should write a detailed response to him. However, I agree that it is desirable that there should be a clarity of intent regarding the development of services in west and north-west London.

The hon. Gentleman asked about specialist trusts. We support the development of specialist trusts and recognise that the UK's reputation of being at the leading edge of health service developments, new treatments and new medication comes from the quality of our specialist services. Indeed, I have a specialist trust in my constituency in Liverpool—a cardiothoracic centre. There is no animosity in the Government toward specialist trusts. The challenge that faces the NHS in west London is the same as that facing the NHS anywhere: not only how to maintain the clinical excellence and the services that are being provided in a rapidly changing environment, but how to do this in a way that maximises access and convenience to patients.

What patients really care about is not how many beds are available to them locally, but that they can get high-quality care when they need it. It is worth me saying this, and I like saying it, so I shall take the opportunity to do so: under this Government, waiting lists are at a record low. The NHS is not in the crisis that it is too often portrayed as being in. Waiting times for operations have fallen to a maximum of six months, and 97 per cent. of people who go to an accident and emergency unit, even in west London, wait for less than four hours either to have their treatment determined, to be admitted to hospital or to be sent home. Death rates from heart disease are down 27 per cent. since 1996 and death rates from cancer are down 12 per cent.

It is important that we recognise that bed numbers will decrease overall as the NHS uses beds more efficiently and provides more care closer to home, but where we need more beds, there are more beds. The number of critical care beds is 35 per cent. higher than in January 2000. In an environment in which NHS spending has more than doubled since 1997, bringing more doctors and nurses and better facilities, the intention of Government policy is now to bring about a similar revolution in the quality of care to that which has taken place with the quantity of care.

Following the termination of the Paddington health campus scheme, the North West London SHA is undertaking a sector strategy review. Health services cannot remain static; they must change to meet medical advances and developments in clinical practice, as well as the wider interests of patients. The review is in its early stages. I understand that it aims to develop a 10 to 15-year strategy for health services in north-west London. Those services need to be not only high quality, but accessible to the patients who need them, in line with the recommendations of the recently published White Paper.

As the hon. Member for Ruislip-Northwood is aware, many of the buildings that we are discussing provide health care in poor quality conditions. Almost a third of them were built before 1948, when the NHS was set up.

I am talking not just about the facilities at Hillingdon, but about those described by my hon. Friend the Member for Ealing, Acton and Shepherd's Bush (Mr. Slaughter), which serve his constituency. Patients have the right to expect that health services will be provided in modern, fit-for-purpose facilities. That is why the strategy that is being developed considers options that will enable local services to be delivered in the best possible way.

Hon. Members asked several questions, which I shall seek to answer now. My hon. Friend the Member for Ealing, Acton and Shepherd's Bush asked about the finances of the Hammersmith Hospitals NHS Trust. I have received representations on many such matters since taking responsibility for services in London. The Under-Secretary of State for International Development, my hon. Friend the Member for Harrow, West (Mr. Thomas), regularly speaks to me about such issues in the corridors. He would want me to remind hon. Members of that.

The Hammersmith trust has worked hard to identify how it can reduce its costs while treating more patients and maintaining high clinical standards. I seek to reassure colleagues that where there are deficits, the work of the turnaround teams is not to cut services simply to make financial savings. I applaud the approach of the Hammersmith trust, which has worked hard to identify how it can reduce its costs. In the past 18 months, doctors, nurses and managers there have improved efficiency by reducing the length of stays, minimising inappropriate referrals, undertaking more day surgery, developing and implementing innovative care for patients, reducing dependence on locum and agency staff, better bed management, reducing hospital-acquired infections and more effective prescribing. They have also sought to maximise income from additional activity where possible. All those results are real improvements for patients.

Mr. Stephen O'Brien: My only argument is why it takes consultants to do that. Surely the Minister must be accountable for why, when the SHAs were created, people with the skills to do that were not appointed to them.

Jane Kennedy: The hon. Gentleman might not have heard what I said. This has been going on for 18 months; the Hammersmith hospitals trust has been working to grapple with its underlying financial problems for 18 months. All the steps that I listed have been to the benefit of service delivery and patients, so he is wrong to say that it has suddenly happened.

Mr. Hurd *rose—*

Jane Kennedy: I shall give way; we have one or two minutes left. The deficit is persisting, which is why I think that the turnaround teams will help Hammersmith to understand the underlying problems.

Mr. Hurd: I am grateful to the Minister for her constructive approach to the debate—

David Taylor (in the Chair): Order. We now come to the next debate.

Electricity Pylons (Southerham)

4 pm

Norman Baker (Lewes) (LD): This probably qualifies as the most obscure Adjournment debate that I have had the pleasure of introducing in my time in the House, but the subject is important locally. Let me state clearly at the beginning that my objective in initiating the debate is to secure the removal of a highly intrusive electricity pylon in a prominent place in the area of outstanding natural beauty outside Lewes at Southerham in my constituency—a pylon that the Department of Transport, a predecessor to the present Department, caused to be put there, and which intended works to the A27 between Southerham and Beddingham provide an opportunity to remove.

In 1974, a need was identified to provide a temporary diversion of an underground cable. I am talking about the moving of a 132,000 kV cable to facilitate the then A27 Southerham bypass. Seeboard—the South Eastern Electricity Board, as it then was—suggested a permanent overhead diversion. That was unanimously opposed by the local people and by the relevant local councils: Lewes district council and East Sussex county council. Seeboard then took the only available course, which was to publicise a temporary diversion. Notice of the diversion appeared in the *Sussex Express & County Herald* on 7 February 1975, and the statutory notice from Seeboard included the following paragraph:

> "The diversion is temporary and is necessary to facilitate the construction of the proposed Southerham By-Pass road and will be removed within one year of completion of road construction works."

That was the official notice in 1975. Thirty-one years on—the anniversary has just passed—we are still waiting for the pylon to be removed. The powers that be, notably the Department of Transport, let us down, because that pylon is still there.

I have always recognised—it was recognised at the time—that moving an underground cable or having an underground cable rather than an overhead one was more expensive. It can be 11 to 15 times more expensive. However, even in those days, when environmental awareness was less than it is now, there was a strong desire in the local population to have the cable undergrounded because of the picturesque views of the downs and the special nature of the landscape there.

The cost of alterations to the electricity network and the reinstatement of the underground cable were to fall to the Department of Transport. That was quite proper, as it was the Department of Transport that caused the cable to be moved in the first place. The estimated cost in 1976 of removing the temporary pylon and reinstating the underground line, as was promised in the statutory notice in 1975, was £84,000. What happened next was less satisfactory and caused some unhappiness. We are talking about a predecessor Department under a previous Prime Minister and regime, and about something that happened a long time ago, so I am not criticising this Minister; I hope he takes that as read.

On 11 February 1977, Seeboard's wayleave officer for the Sussex area, Malcolm Hearn-Grinham, who is still one of my constituents, I am happy to say, and who helped me to prepare for the debate, was instructed to attend a meeting at East Sussex planning department in

[Norman Baker]

Lewes. He was not briefed on the subject of the meeting beforehand and assumed that it concerned a proposed wood pole overhead line elsewhere in his area. However, on arriving at county hall, he was surprised at the seniority and number of Department of Transport representatives at the meeting. It was made clear to him at that point that the subject of the meeting was highly confidential.

The meeting was to inform Mr. Hearn-Grinham, and through him Seeboard, that the Department of Transport intended to retain the overhead line at Southerham, notwithstanding its promise and the statutory notice, which had been published in the local paper not long beforehand. As the relevant Electricity Act required consents from landowners, occupiers and the Secretary of State for Energy to alter the current temporary consents, only Seeboard could carry out the required negotiations, and Mr. Hearn-Grinham was sent away to do so under instructions, in effect, from the Department of Transport. He protested at the meeting that the proposal was completely out of the question. It was contrary to the statutory notice and he had met with uncompromising objections to the original diversion proposals from the landowners and the local authorities. Mr. Hearn-Grinham also pointed out that Seeboard had nothing to gain by retaining the overhead line, except bad publicity and problems in PR terms, and that organisation was, of course, part of the state at that time. He said that it was unacceptable to put Seeboard in that position, but he was told away to go and do it. He reported the details of the meeting to his senior engineering manager, who referred the matter to Seeboard headquarters.

It is clear that the decision to overturn the statutory notice and the temporary pylon originated from the Department of Transport, and the clear motive in doing so was to save the £84,000 that it would have cost at the time to reinstate the underground line. An official notice was published to overturn the previous notice. It was published not in the local paper but in a paper that circulates in an entirely different area, which was an attempt, in my view, to prevent local people from knowing that a U-turn was about to be undertaken. The notice was published in the *Mid Sussex Times*, which circulated, at the nearest point, about 6 or 7 miles north of Lewes and was not the paper in which the original notice appeared. As I said, I believe that what occurred was deliberate.

On 28 April 1977, a representative of Strutt & Parker, the chartered surveyors representing the trustees of Firle estate, on whose land the pylon sits, approached Seeboard's Sussex engineering group to discuss the conversion of the terminable wayleave covering the temporary overhead line to a permanent easement. The standard valuation principle for overhead line easements applied by the electricity supply industry is based on 20 times the annual wayleave payments. That formula takes into account rental, compensation for loss of crops and so on. In this case, the easement value for the section of overhead line and pylons to be included in the easement, based on the standard formula, would have been £2,900. The Strutt & Parker agent was not prepared to grant Seeboard an easement for that "very low sum" and said that he had been informed—he did not say by whom—that a far higher figure would be offered. That was contrary to the standard formula and contrary to Seeboard policy.

In the event, negotiations were presumably carried out by the Department of Transport, not by Seeboard, and the easement was completed to the sum of £9,750 by Seeboard's legal department and the money reimbursed by the Department of Transport. In other words, the figure of £2,900 was multiplied by three or three and a half to get to the figure that was finally paid out. Of course, for the Department of Transport, a sum of less than £10,000 represents considerably better value than one of £84,000, which is what it was previously committed to in order to reinstate the pylon as an underground cable.

It is clear to me that the Department of Transport participated in, and almost certainly instigated, what can only be described as a grubby act designed to save money at the expense of the environment. It was prepared to go back on its publicly agreed position, stated in a statutory notice in the local paper, and, it seems, to offer what amounts to a bribe to the local landowner to accept a higher amount of money than would otherwise have been the case for the pylon to remain in situ.

That was a long time ago and no one can hold anyone who is in office now in any way responsible for what happened, but I do argue to the Minister that the Department for Transport, as the successor body to the Department for Environment, Transport and the Regions and various other incarnations of the Department, has a moral duty to remedy the historical injustice. I argue that the A27 works that are planned by the Government—which, incidentally, I by and large support in the proposed configuration; I thank the Minister for that—present an opportunity to right a historical wrong. The area of land in question will be subject to the A27 works.

Let me outline the actions that I have taken since all this became apparent. I wrote at the end of 2004 to the Highways Agency. I wrote again on 4 April 2005 to Ing Fischer at the Highways Agency. He is a splendid officer, by the way. He is off to Kent and I am sorry that we are losing him. He has been exceedingly helpful and very efficient in his job for the agency. I also wrote to Vincent de Rivaz, the chief executive of EDF Energy.

On 18 May the Highways Agency looked into the issue and came back with the information that EDF, as a successor body to Seeboard, had provided an estimate of £1 million for undergrounding the cable. The Highways Agency said that the A27 budget, as constructed, would not cover that sum, but it was sympathetic and said that it would refer the matter on to the Department for Transport for further consideration. EDF said that essentially it was not its problem and I have some sympathy with that. It is merely undertaking what it is required to do. It said that the overhead line and tower in question are fully operational and therefore it has no interest in moving them and I understand that position.

The £1 million quoted is not an accurate figure and has subsequently been revised downwards to £800,000. It took no account of the opportunity savings that the A27 works present, nor did it take account of the fact that ducts were already in place under the relevant

bridge and were put there to enable the underground cable to be reinstated. That work has already been done. I can confirm that the ducts are still under the bridge, waiting for the underground cable, 31 years on. I wrote back to EDF in July and had a meeting in August. EDF subsequently wrote to me and said:

"We would be happy to undertake relocation of this equipment if . . . funded to do so by the Department for Transport".

That may not surprise the Minister, but that is the official position that it has set out.

In parallel, I wrote to the Secretary of State for Transport setting out the position and asking for the Department for Transport to take a sympathetic view, given the history that I set out in my letter. I received a response from the Minister of State about a month later. He referred to the figure of £1 million, which, as I have already said, is inaccurate. He also referred to money from the Office of Gas and Electricity Markets that might be used to provide for some undergrounding of cables in AONBs. Although I was grateful for that information, I felt that there was no attempt to recognise that the Department for Transport has a moral duty in this matter, given the history that I have set out. I do not think that the Minister will dispute that history, although perhaps he will. If he accepts the accuracy of what I have said, there is a duty on the Department for Transport to be helpful and to try to remedy the problem.

In pursuit of the Ofgem money, I wrote to the South Downs joint committee, which has responsibility for advising on these matters. I received a response from the planning officer, Nathaniel Belderson, on 19 January, just two or three weeks ago:

"I agree that the pylon . . . does have a detrimental impact on the AONB and would support the principle of its eventual removal."

As the Minister may be aware, the issue was raised at the recent public inquiry into the A27 works between Southerham and Beddingham and the proposed scheme there. It was raised by one of my constituents, Sy Morse-Brown. I will be interested to see whether the inspector takes that on board in his final report. Perhaps the Minister will say when he expects that report to be published.

The pylon should have been removed 30 years ago. That was the undertaking given by the predecessor Department, the Department of Transport. It was not removed because of dealings by that Department to avoid its responsibilities and to save a small amount of public money. In doing that, it left an electricity pylon that is a scar on the landscape, is in a temporary and, in my view, not terribly stable position—it is on the edge of a cliff—and is visible for miles around. The Government have properly laid great stress on AONBs. I do not know whether the Minister has seen the pylon, but I know that his boss has because he was down to look at the road scheme. The pylon is ghastly. It is probably the worst example of a pylon that I have seen in a sensitive landscape. Aside from the issue of justice, that is why I wanted to raise the matter today.

The pylon needs to be moved and the A27 works provide the opportunity to do that. Will the Minister seriously consider what the additional costs would be of removing the pylon as part of the A27 works? The EDF figure was worked out on the back on an envelope. It has already been reduced by 20 per cent. after being challenged. Workmen on the site might need to move the pylon slightly anyway as part of the works. It is only right for the pylon to be moved at that juncture, as part of those A27 works. If it is not moved as part of those works, the cost of leaving it there and dealing with it later will be even more enormous. Dealing with it later may also cause disruption to the highway and it is important that we have a free flow of traffic along the A27.

EDF says that it will not provide the funding. After all, why should it? I have some sympathy. I would like it to make a contribution out of good will, but I cannot really argue that it should. EDF is not responsible for the pylon's being there. The only moral duty it has relates to caving in to Department of Transport pressure in the 1970s, rather than standing up for what it believed was right, but, apart from that, it does not have a responsibility.

The South Downs joint committee believes that it is unlikely that money will be forthcoming from Ofgem, although that may be one of the hopes that the Minister holds out. The letter from the planning officer says:

"Due to the cost of undergrounding 132Kv lines such as the one at Southerham it was agreed by the steering group that the current allowance effectively ruled out such lines as it would equate to one pylon per AONB and the cost per kilometre would exceed the guidelines set by Ofgem."

Ofgem's guidelines allow lesser lines to be undergrounded, but they do not deal with major lines and therefore there is little hope that, in the foreseeable future, Ofgem will deliver the undergrounding of the line from the money set aside in its budget of £7.7 million for such purposes. However, I hope that it will and I suppose that that is the backstop position if the Minister will not help.

Money can be found for undergrounding lines. The Minister may be aware of a recent announcement relating to the Olympics, which I happened to pick up from *The Sunday Times*. The article states:

"The £70 million award . . . is the first stage of a £200 million project that will see more than 50 huge pylons—some higher than City Hall and which dominate the skyline—removed from the area."

It seems that there is money from the public sector for some pylon removal, where appropriate. I am happy that pylons are being removed in east London. I hope that that helps the Olympic project and makes it more viable. However, if pylons can be removed from east London, they can be removed from AONBs in sensitive locations in East Sussex. The Minister and his Department have a moral obligation to help to ensure that that removal takes place.

4.18 pm

The Parliamentary Under-Secretary of State for Transport (Derek Twigg): I congratulate the hon. Member for Lewes (Norman Baker) on securing the debate, which is on an issue of great concern and interest to him. I am, of course, aware of the environmental sensitivities surrounding that area near Lewes, which lies in an area of outstanding natural beauty, scheduled to become part of the South Downs national park. Indeed, the preparation work on the A27 Southerham to Beddingham scheme, which he has welcomed, has

[Derek Twigg]

been undertaken with regard to national park designation, although the final decision has yet to be taken.

The south coast multi-modal study recommended in 2002 that the section of the A27 from Southerham to Beddingham, between Lewes and Polegate, should be a dual carriageway. However, Ministers considered that the environmental effect that that would have on the landscape was too severe and, in 2004, decided that the important safety scheme to remove a high-risk level crossing should be scaled down to a single carriageway, with two lanes westbound and a single lane eastbound. We have now been able to take forward a scheme through the draft orders stage, to a public inquiry. It has a reduced environmental impact on the area of outstanding natural beauty while still providing the safety benefits.

Environmental considerations have been at the forefront of our thinking on that scheme and that includes the issue of the pylon carrying the electricity supply cables at Southerham. The hon. Gentleman will appreciate that we have to consider costs. The costs we have heard about today vary between £800,000 and £1 million. The costs attached to diverting the 132 kV overhead supply carried to the pylon are still sizeable, and high in relation to the £18.3 million cost of the A27 scheme.

There are also a number of competing cost pressures on the Highways Agency's targeted programme of improvements. The improvements proposed to the A27 do not affect the existing cable route, so the agency does not need to divert the supply, and it does not need to move the pylon that carries it.

I am not in a position to comment further on whether the diversion of the cables underground should be undertaken. The public inquiry into the A27 improvement proposals finished in early November last year. Southerham residents appeared at the inquiry, gave evidence to the inspector on the issue and asked him to recommend that the diversion underground should be provided. The hon. Gentleman asked about the timetable. We should receive the inspector's report before the end of February, and we anticipate the decision of the Secretary of State some time during the spring. I cannot confirm the absolute time scale, but that is roughly what is envisaged.

Norman Baker: Will the Minister, as a matter of procedure, confirm whether the debate will be drawn to the attention of the inspector? Is that proper procedure?

Derek Twigg: I am not aware that we would normally do that, but I shall check and get back to the hon. Gentleman. *[Interruption.]* I have just been passed a bit of information that says, "No". As I said, the inspector's report is currently awaited and the Secretary of State for Transport and the Deputy Prime Minister will be jointly responsible for taking a decision. The hon. Gentleman will know that I cannot pre-empt the need for Secretaries of State to consider and to weigh carefully the report's recommendations.

The hon. Gentleman talked about the history, but it is worth putting on record some more information from the Department for Transport's point of view. The events took place around 30 years ago. The 132 kV underground cable at Southerham was diverted overhead on a temporary diversion to enable the construction of the eastern end of the Lewes bypass. It is also known that the temporary diversion was subsequently made permanent through due process and that the decision to do so was unsuccessfully challenged in the early 1980s. The permanent diversion is therefore now legally in place.

As I said, Ministers have to decide formally on any recommendation made by the A27 inquiry inspector, but the cables and pylon now form part of the permanent route that does not need further diversion. Furthermore, I am informed that the supply company, EDF Energy, does not have any operational reasons for diverting the supply.

The hon. Gentleman referred to the fact that Ofgem has a scheme of grants to be used to place overground cables underground when there are environmental gains to be made. Although the Highways Agency and EDF have no current reason to divert supply, I am aware that together with the South Downs joint committee, which is the authority responsible for this area of outstanding natural beauty, they continue to be involved in the pursuit of possible grants for the work. We have given proper consideration to the issue of the Southerham pylon and we are aware of the environmental sensitivities locally, as evidenced by the scheme we have developed for the A27 between Southerham and Beddingham.

We can only speculate as to what the intentions might have been 30 years ago. The cable diversion route has now formally been made permanent. It does not need a further diversion as part of the current road proposals, or for any operational reasons of the electricity company. To return to the hon. Gentleman's point about the inquiry and the inspector, the inspector cannot review any evidence after the closure of the inquiry, but the debate will be taken into consideration as part of the Secretary of State's decision. In the light of what I have said, and the inquiry, we shall have to wait for Ministers' decisions based on the inspector's recommendations.

Norman Baker: The Minister's response is reasonable, but if he accepts the logic of my position, he accepts the historical accuracy of my version of events. He has not queried that in any way. I hope that he would accept that the Department has a moral duty to deal with such matters. It is not simply a question of a permanent pylon being there that I want to be moved; the pylon is there because of the Department of Transport's improper behaviour 30 years ago. That is what I want the Minister to address. Will he look into the version of events I have given?

Derek Twigg: I understand the concerns the hon. Gentleman has expressed about what happened in the past. We have asked to see whether any other documents are available but, as I pointed out, that is not possible.

Before I conclude, I would like to return to what happened in the past. I understand the point that the hon. Gentleman makes but it is not possible to know exactly what reasons were behind the decisions made in the 1970s

to make the temporary diversion permanent without the information we talked about. Unfortunately, the records from the mid-1970s relating to the statutory undertakers diversions required for the Lewes southern bypass no longer exist. I am also informed that EDF has no details from its predecessors either. It is reported that in the 1970s the cost of diverting the cables underground was £84,000. At that time, that was a significant sum, so it may be reasonable to assume that that was taken into account in coming to a decision, but because the information is not available, it is not possible to say whether that was the only, or deciding, reason.

Foodstuffs (Embedded Items)

4.26 pm

Mr. David Drew (Stroud) (Lab/Co-op): I am delighted to start a few minutes before my allotted time, but I do not intend to keep the House longer than is necessary. I am also delighted to see my hon. Friend the Minister, and I believe he will have some interesting things to say. I make no apologies for reminding the House that I raised a similarly topical debate on this matter in January 2000. It shocked me to realise that that took place six years ago. We have not made a great deal of progress, but I hope that we can now do so.

Not long ago, the European Parliament's scientific and technological options assessment unit ran an inquiry into the risks posed by the practice of selling chocolate eggs containing small component toys. I do not intend just to talk about chocolate eggs but they are the best-known and, I think, the worst offenders. The inquiry was broken up by a group of MEPs who were, sadly, working under the auspices of at least one manufacturer. There is no doubt within STOA that the disruption was associated with that manufacturer. One member of STOA, the late and greatly missed MEP, Phillip Whitehead, who solidly supported what we were trying to do, was personally threatened. That is totally unacceptable behaviour.

In a meeting at the Department of Trade and Industry, officials admitted to a leading medical consultant that they were reluctant to take action on those products because of fear of legal reprisals by manufacturers. However, the official statistics suggest that there have been few incidents of harm caused by embedded items in foodstuffs, so it would appear that they do not have that much to worry about. I shall go on to say that there are more incidents than we would care to imagine throughout Europe. There have been some interesting recent statistics relating to such incidents.

The manufacturers and many others within safety and consumer bodies in the UK and across Europe know that there is a hole in those statistics, and how they are counted. In the UK we have now discontinued the home accident surveillance system survey, which I am very sad about, and in other member states statistics are based on small-scale samples of accident and emergency departments. If a case has been referred to another hospital, or has been resolved at home or in a doctor's surgery, it will not feature in the figures. We have been collecting details of incidents throughout the EU, and the full picture looks very different from the one painted by HASS and its counterparts. Throughout Europe, there have been more than 100 incidents—many of them unreported—associated with chocolate egg products alone in recent years. Other products could be mentioned for which no statistics are kept.

One medical school estimates that there could be as many as 2,000 incidents throughout the EU every year. Almost 40—some fatal—have been reported in the UK. Recently, the work of the European Child Safety Alliance has been brought to my attention by people who continually lobby me on the issue. I did not know

[Mr. David Drew]

about the group until comparatively recently. From Brussels on 20 January, it called for urgent action, saying:

"In a statement sent to the EU Emergencies Committee 18 January 2006, a request has been made for a thorough risk assessment, better warnings and an assurance that toys contained in foods are sufficiently large to avoid any risk of causing children to choke."

The report talks about 2,000 child injuries in the EU each year, which confirms the numbers that I was talking about.

In a letter that was copied to the Gloucestershire trading standards department, one parent wrote:

"I was washing up in the kitchen when my eldest son, who is 7, came rushing in and shouted that his younger brother, who is 4, couldn't breathe. I found him turning blue with his eyes bulging. I opened his mouth and saw half of a Kinder egg blocking his air passage. I was unable to remove it with my fingers so I performed a Heimlech manoeuvre and it flew out of his mouth . . . I dread to think what might have happened if my son had been by himself."

That is one parent's testimony.

I have sent questionnaires to all UK accident and emergency departments—an exponentially larger survey than HASS used itself. The 145 returns—a significant return, I think everyone would agree—revealed 10 episodes involving ingestion or an injury from toy parts in chocolate eggs, and experience of 16 episodes not involving hospital treatment. Some 60 per cent. of respondents—consultants—believed that the association of chocolate with toys made it more likely that the child would place parts of that toy in his or her mouth.

There is a lot more evidence, much of it compiled by unimpeachable bodies such as the Swedish Consumer Agency. It suggests a strong case for the reassessment of the risk posed by chocolate eggs, toy products or similar products—a risk described by the Royal Society for the Prevention of Accidents thus:

"The two factors in estimating risk, viz. severity and frequency, put products such as chocolate eggs containing small plastic pieces in an inner casing (all presenting a choking hazard) well outside the level of safety that the legislation demands in our view."

I invite anyone who has had any involvement with the issue or has their own children to consider what is involved with those products. We asked my hon. Friend the Member for Pontypridd (Dr. Howells), in a previous life when he had the responsibility that my hon. Friend the Minister has today, to consider Kinder eggs in particular, and he was somewhat taken aback by the nature of those products. They contain very small items that can be put in a child's mouth. The taste and smell of the chocolate would cause the child to do so. Sadly, in one case a child in this country died as a result of swallowing the capsule.

I should like to summarise briefly the regulatory requirements applicable to those products. Article 2 of the directive on toy safety states:

"Toys may be placed on the market only if they do not jeopardise the safety and/or health of users or third parties when they are used as intended or in a foreseeable way, bearing in mind the normal behaviour of children."

The directive requires manufacturers to meet "relevant national standards" based on "essential safety requirements", and to submit toys—it obviously dates back—for "EC-type examination". UK standards are set out in BS EN 71, which incorporates the European harmonisation standards in relation to, for example, mechanical and physical properties. Essential requirements cover toys, and their component parts, that are clearly intended for use by children under 36 months. They must be of such dimensions to prevent their being swallowed and/or inhaled. Toys, their parts and packaging must not present risks of strangulation or suffocation.

Such matters are the subject of a live debate in the European Union, with discussions on the Toys (Safety) Regulations 1995. Will the problems that I am identifying also be discussed because there is a particular problem with hybrids—foodstuffs that are also toy products?

Annex 2 of the directive sets out essential safety requirements, the general principles of which state that the users of toys must be protected against risks of injury to health, when toys are used as intended or in a foreseeable way, bearing in mind the usual behaviour of children. It covers the risks that are connected with the design or construction of the toy, or which are inherent in its use and cannot be eliminated by modifying its construction, without altering its function or depriving it of its essential properties. It states that the risk present in the use of the toy must be commensurate with the ability of the users and their supervisors to cope with it.

I refer now to eggs and other products on the market. Manufacturers will contend that they are satisfied with the conditions for Comformité Européene approval, citing article 5, which states that, if an article carries CE certification, it can be assumed to satisfy the requirements. The tests to establish mechanical or physical safety include a truncated cylinder test, which is satisfied if the toy cannot completely fit into a cylinder corresponding to the diameter of the trachea. However, given the number of incident reports that I shall call on my hon. Friend the Minister to check, it is arguable that they have been shown to be inadequate, not in a laboratory, but in domestic and hospital conditions, and that they should be subjected to review.

There are prima facie grounds for article 6, which allows for references to the emergencies committee when a member state or the Commission considers the CE standards do not entirely satisfy the essential requirements to be invoked. Of the 100-plus cases that I have mentioned, there were only two where the victims were under 36 months old. The emphasis is placed on not allowing the products to be consumed by children of that age or younger.

Our concerns are shared by the Consumers Association, the Trading Standards Institute and the Royal Society for the Prevention of Accidents. They fall within the general principles, as it would be reasonably foreseeable that children might place the toys or their container in their mouths and that is normal behaviour. Given the foreseeability of risk and the limited ability of intended users to cope with it, manufacturers are under a duty to take all reasonable steps to limit that risk. Some have done so. For example, Nestlé withdrew its chocolate egg/toy product and Cadbury changed its Yowie product for UK release—it has now been withdrawn—to a solid toy and enlarged capsule to meet the worries voiced by ROSPA and others. However, the market leader, Kinder, has refused repeatedly to do so.

Despite representations from consumer and child safety organisations throughout Europe, officials concluded at a meeting convened by the European Commission on 23 January that they could not do anything under the existing toy safety directive and that the general product safety directive was the appropriate instrument by which to take action. Given that the GPSD does not apply when sector-specific legislation, such as the toy safety directive, is in place, it represents something of a fudge. I say to the Minister that, at the very least, there is a need for clarification of where the different directives stand. We have been round the course before. I mentioned the matter six years ago and the issue will continue with the threat of fatalities, but more particularly at a minimum level, with the threat of injury to children.

That sets out the case. In light of that, I call on the Minister to undertake his own research to establish whether it is likely that these products have a more serious risk profile than has been suggested by official national statistics, and how many attempted domestic ingestion incidents there might have been where no reference to a practitioner or hospital was involved. That highlights a key point. It is no good counting just the hospital statistics. We need to look at the totality of child choking incidents, and that is difficult to do because we no longer formally count them. If the Minister maintains that the general product safety directive is now relevant, I hope that he will not be averse to the Food Standards Agency running a fresh review to look at the reported incidence.

It comes as no surprise that the remaining manufacturers have refused to modify their products. They have carried out a very effective—if not somewhat robust—lobbying campaign at EU level. However, it remains perplexing that regulators have apparently sat on their hands when they could do more. The Department of Trade and Industry banned flavoured rubbers, and it banned toy bolas balls on the evidence of only a couple of cases of mild bruising. If it was so proactive in those cases, why has it failed to do more in this instance? It could go to the EU to make sure that it is one of the leading lights in demanding a tightening up of the directives. There is confusion over which directive applies in respect of these hybrid products.

We would not be having this debate at all if we were in the United States. Such hybrid products are banned there. There is no truck with those who sell those products—millions of them—to young children, given the number of choking incidents. I will carry on in this vein until we at least get clarification and a toughening up of the standards, and I hope the DTI will take the lead in that.

4.42 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): I am delighted that my hon. Friend the Member for Stroud (Mr. Drew) raised this debate in the way that he has. As he has outlined, he has considerable experience on this issue, and I do not doubt for one second his sincerity in attempting to bring it to a head. However, I think we will disappoint him in respect of some of his reasoning.

At the start of my hon. Friend's speech, he made reference to issues involving the European Parliament's scientific and technological options assessment unit, and to Mr. Phillip Whitehead, a former Member of this House who was a good friend of all of us. He was a prominent MEP specialising in consumer protection and competition. It was my great pleasure to have worked with Phillip on many occasions on issues affecting consumers and competition policy. I am not aware of the issue around the meeting with the DTI that was referred to and of what took place, but I do not doubt that it happened, and that is not how we would want things to move forward.

The debate gives us an opportunity to discuss my hon. Friend's concerns about embedded items—particularly toys—in food in the wider context of the Government's policy on consumer and toy safety. The UK is one of the safest places in Europe for consumers. My Department regards this as an important issue and is working to improve the situation by ensuring that the regulation of consumer safety is suitably robust and—importantly—proportionate. The effectiveness of the toy safety regulations is an integral part of that agenda. Our children deserve the highest level of safety and the regulations and safety standards for individual toys are in place to ensure that toys are safe for purpose.

The DTI is fully aware of the concerns about the supply of inedible products in food, and particularly about toys in chocolate eggs. The deaths of the small children that were associated with those products are a tragedy. However, there was no evidence to suggest that the association of the toy with the chocolate egg was a contributory factor in the fatalities. In two cases, the deaths occurred a significant time after consumption of the egg. The important issues are that the toys in food comply with the toy safety regulations on the safety standards for toys and that the packaging is marked with the appropriate warning labelling.

My hon. Friend has been actively interested in the issue of embedded items, particularly toys in food, for a number of years. He raised it in parliamentary questions, in correspondence with me and my predecessors, and under a ten-minute Bill in 2002. He has also had several meeting with officials from the Department of Trade and Industry and with manufacturers' representatives. I hope that he is fully aware of the seriousness with which the Department and others have considered the matter.

The deeply regrettable incidents to which my hon. Friend referred occurred a number of years ago. I believe that current measures under the Toys (Safety) Regulations 1995 are sufficient and appropriate for dealing with the potential risks of all toys, including current products. Manufacturers have taken steps to improve the visibility of warning labelling on their products and have made changes to improve the safety of the toys included in the products.

Research previously commissioned by my Department provided no evidence to suggest that toys marketed in the way mentioned pose a greater risk to children than other small toys or toys with small parts. Again, there is the question of proportionality. The DTI research on choking incidents among children under four analysed non-fatal and fatal cases over a 10-year period between 1986 and 1996. The research established that the main causes of choking in under-threes are sweets, coins and food. After the age of three, choking accidents drop sharply. Research showed that, over that 10-year period, toys were involved in about 60 per cent. of non-fatal

[Mr. Gerry Sutcliffe]

choking incidents, which is about 166 cases, and about 4 per cent. of fatal accidents, which is seven cases. That compares with 106 fatalities involving food. Although there continue to be reports of individual incidents, there is no new research showing that the products present a greater risk than other small toys. However, I will be interested to look at the evidence that my hon. Friend put to us.

The leading manufacturer sells 10 billion chocolate eggs every year across the European Union. More than 1 billion are sold in the UK alone, so given the volume of products sold, if these products were a greater risk to children than other small toys, there would be a body of evidence of a demonstrable risk. That body of evidence does not exist. In fact, a recent study proves the opposite: a European survey on foreign body ingestion conducted in 2005 found that 73 per cent. of objects ingested by children aged 0–14 were of an organic nature, while only 26 per cent. were of an inorganic nature. Only 4 per cent of accidents, fatal and non-fatal, involved toys, and only 0.4 per cent. of accidents involved food products containing inedibles; there were no fatalities.

I take the view that the toys supplied in chocolate eggs or other food products are no different from other small toys. All toys must comply with the stringent requirements of the Toys (Safety) Regulations 1995, which require small toys or toys with small parts to be labelled as unsuitable for children under three. Local authority trading standards officers have the power to take action if they consider a product unsafe. The meaning of "unsafe" extends to the absence of clear warnings and/or instructions. Further measures or restrictions would be disproportionate.

Mr. Drew: My hon. Friend will be aware—I am sure that his officials will brief him on this—that the problem with trading standards services taking action is that they need enormous resources to see that action through. I accept that the cases are historical now, but they are not historical elsewhere in Europe, where cases keep coming up. I am sure that they could and will affect the UK unless we do something. Trading standards are taking on the very biggest, and the very biggest have to get their act together, as do the rogue elements out there. Does the Minister agree that that is a problem?

Mr. Sutcliffe: I hope that my hon. Friend takes what I say in the right spirit. As Minister with responsibility for consumer affairs, trading standards is a subject on which I want to concentrate. I have worked with the Trading Standards Institute on a range of issues. We need to take a better look at how trading standards are resourced across the country, and how trading standards services fit into the requirements and requests of consumers. The whole focus of our consumer strategy is to empower consumers so that they know their rights, and to have the right regulatory regime in place to deal with enforcement issues. Also, we have to look after the companies that do things right and tackle the rogue companies that do not. My hon. Friend makes a fair point about the role of trading standards, but I have to say that this particular issue has not appeared high up on the agenda in my discussions with the TSI, although I am sure that I can have further discussions with the TSI on that.

We believe that the enforcement of consumer safety regulations, including for toys, is robust. Systems are in place not only nationally but across the European Union to notify enforcement authorities of products that fail to comply with safety standards. Any risk or hazard relating to any toy quickly comes to light and remedial action is taken to ensure that it is withdrawn from the market. Additionally, as a Minister, I have the power to issue a prohibition notice, banning products that present an immediate risk to consumers. That power is used sparingly, as a proportionate response based on evidence of potential harm. It has been used only once in the past 10 years, when my predecessor, Melanie Johnson, banned yo-balls in April 2003.

As my hon. Friend said, the European Commission considered toys in food and concluded that, although such products could constitute risks, those risks were no different from the ones associated with small toys, or any toys incorporating small parts. It is important to remember that no toys are risk free. It is to be hoped that consumers are now more knowledgeable about the risks of small parts, and of leaving small children to play unsupervised with toys with small parts.

This issue, and the need for further measures related to toys in food, has recently been discussed by European member states and the European Commission as part of the review of the toys safety directive. The Commission's view remains unchanged: in the absence of any body of evidence of risk, toys marketed in that way do not pose a greater risk to children than other small toys, and the current measures in the directive are sufficient. At the moment, I share that view.

To summarise, the Department's policy is to empower and to protect consumers. I believe that regulations put in place to ensure the safety of consumer products are robust and effective, particularly in the area of toys in food.

I understand my hon. Friend's concern about the issue. He has meetings with officials at the Department. I am not against that happening again. I am certainly not against meeting trading standards officers, and the institute itself, to discuss many of those issues.

Mr. Drew: Would the Minister include in such a meeting the officials who are making representations in Brussels? They are crucial. I sympathise with him, because he does not have the authority to redesign those products. Only Brussels can do that through the directive. It would be useful to know what formal representations are being made to the EU by the Minister's officials.

Mr. Sutcliffe: In answer to that direct question, a technical experts meeting took place on 13 January to discuss the draft text of the new toy directive. The meeting included a specific discussion about toys in food, but that discussion did not lead the Commission to change its mind. Again, the evidence required was not there and had not been submitted by anybody asking for further restrictions. Therefore, there is some difficulty in terms of the communication to the technical experts. Subsequently, the Commission came to the decision that my hon. Friend talked about in his speech.

I do not want to be complacent about these issues. If there are real risks, we have to consider them and the proportionality of our response. On the current evidence, we believe that the regulations are robust and proportionate. However, I am sure that my hon. Friend will continue to raise the matter and to provide evidence, which we are happy to consider, as we have done over time. We may agree to disagree on this occasion, but that does not mean that the door is locked shut if evidence is forthcoming. In that spirit, I hope that my hon. Friend accepts my explanation.

Question put and agreed to.

Adjourned accordingly at seven minutes to Five o'clock.

Westminster Hall

Thursday 9 February 2006

[MR. ERIC ILLSLEY *in the Chair*]

Sexual Health (HIV/AIDS)

[Relevant documents: Third Report from the Health Committee, Session 2004–05, HC 252, and the Government's response thereto, Cm 6649.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Cawsey.]*

2.30 pm

Mr. Kevin Barron (Rother Valley) (Lab): First, let me say that I was not party to either of the reports that are relevant to this afternoon's debate. My diary has also, to be perfectly honest, been under pressure from other quarters in the past few days. As a result, I shall not speak for too long. I shall, however, deal with some of the general issues that are common to the report that was published in 2003 and the one that followed in February 2005.

The 2003 report was entitled "Sexual Health" and concluded that there was a "crisis" in that area. The subsequent report, which is on the Order Paper, expressed concerns that the crisis was showing no, or very few, "signs of abatement", with rates of sexually transmitted infections, including HIV, still rising and long waits for sexual health services still quite commonplace.

Since the Committee's first report, sexual health has risen up the agenda, and that has been reflected in numerous areas. They include the specific public service agreement targets on improving sexual health by 2010, on which I think the Committee had an influence. Another is the maximum waiting time target of 48 hours for access to sexual health services. That was one of the Committee's recommendations, which the Government said would be implemented by 2008. Given that the first month of 2006 has just ended, there is not that long to go. Funding of £300 million has also been targeted at improving sexual health.

However, despite those renewed efforts, which some people might say are in their early days, the impact of attempts to tackle the crisis in sexual health and to increase capacity in services has not yet been realised, and the number of sexually transmitted infections of all categories continues to rise. Only approximately half the people who contact sexual health services can secure an appointment within 48 hours, and there are serious concerns that primary care trusts are diverting sexual health funding into managing deficits and what they believe are priority areas.

As I suggested, approximately half the people who use sexual health services cannot get an appointment within 48 hours. Access to sexual health services is seen as crucial to halting the spread of sexually transmitted infections, because research suggests that many people remain sexually active while waiting for diagnosis and treatment. The 48-hour target is clearly sensible, but it must be met as soon as practicable if we are to stop the increase in sexually transmitted disease.

A recent study conducted in a Leeds hospital concluded that there was still a huge volume of unmet need for sexual health services. The hospital's research showed that, in one working week, 72 per cent. of patients could not be offered an appointment. The research concluded that sexual health clinics would need to triple their current capacity before the 48-hour target could be met. Clinics are under tremendous pressure, and we need some thoughts from the Minister and the Department about where things are going. Will clinics be able to increase their capacity to the levels that that research predicts will be needed to meet the 2008 target?

The real question, which many organisations involved in sexual health matters have asked, is where the money is going. The Select Committee on Health warmly welcomed the extra funding earmarked for sexual health last year, but it was a bit concerned when it received evidence that that funding had not reached its destination. Although the evidence is anecdotal, some people believe that PCTs are siphoning the funding off for what they call more pressing priorities. There is increasing evidence that the problem is worsening in line with the worsening financial situation in the national health service. There are anecdotal reports of PCTs forcing sexual health services to cut back services and posts to address deficits.

I have recent research that endorses those anecdotal accounts. My hon. Friend the Member for Calder Valley (Chris McCafferty), who is the chair of the all-party group on population, development and reproductive health, sent me a survey carried out by the Family Planning Association. The survey looked at the local delivery plans that PCTs had produced in answer to the issue of how to meet the 2008 target. The survey was done in August and September last year and was published last month. It said:

"While the majority of Local Delivery Plans produced by PCTs mentioned the 48 hour ... access target, only 30 per cent. on average of these plans mentioned targeted planned investment in sexual health services which would need to be made in order to increase capacity. The plans also demonstrated that without central targets/ Public Service Agreements ... aspects of sexual health such as abortion, contraception and HIV are less likely to be prioritised by the PCTs."

My hon. Friend the Minister will no doubt be aware of that survey. Does she or the Department have any comments on it?

The White Paper "Our health, our care, our say: a new direction for community services", which was published last week, mentions rapid access to sexual health services. It says:

"The management of STIs should be developed and expanded in community settings and general practice. The voluntary and business sectors can also play a key role as they are in the national chlamydia screening programmes and the 'Chlamydia Screening in Boots' pilot."

A case study in the White Paper shows the benefit of screening in places outside the normal district general hospital annexe. The thrust of the White Paper is that it is essential that such services move out of designated clinics into community settings so that people can receive screening and advice earlier than they would have in the past. People are likely to feel easier about going to the GP or even into a Boots chemist for certain types of screening than they would about going into a clinic annexed to a district general hospital. Can my

[Mr. Kevin Barron]

hon. Friend give us a steer on what GP training is likely to take place to allow services in the community to be expanded in line with the White Paper? As an aside, we all talk about the new GP contract, which has now been signed and delivered, but did any part of the renegotiation aim to make GPs better at giving advice on sexual health issues?

Sex education in schools is another of the issues that is raised in both Health Committee reports, although it is not in the White Paper—probably for obvious reasons. It is often said that prevention is better than cure, and that is true. Both the Committee's reports into sexual health recommended strengthening sex education in schools by making it a statutory element of the national curriculum, but the Government have so far rejected those recommendations. In December, however, press reports suggested that the Government's own advisory bodies were due to recommend such an approach, along with other measures to strengthen sex education. I recognise that sex education is not in my hon. Friend's direct portfolio, but it is clear that such matters flow into one another. The Government claim that they work across the piece—in many areas, they do—and not down the stovepipe in one individual ministerial area. Therefore, I would like to know exactly what discussions she is having with the Department for Education and Skills about sex education.

A brief by the Family Planning Association—now the Family Planning Service—makes an additional point to the debate and to the recommendations that were made by the Health Committee in both of its reports. It states that the Qualifications and Curriculum Authority has launched new teaching and learning materials for personal, social and health education teachers in November 2005. Those materials will help teachers who wish to teach sex and relationship education, but they do not make comprehensive SRE compulsory.

Of course, the teaching of SRE remains patchy across the United Kingdom. As parents have the right to withdraw children from classrooms, it can be patchy even within a school. We are not debating such issues here, but I have firm views about whether that should be allowed.

None the less, that is the current situation in education. Obviously, that patchy provision cannot continue for ever if we are to attack increases in sexually transmitted diseases. The FPA brief states:

"High quality SRE does not make young people more likely to have sex. In fact it can lead to them starting to have sex later, especially when linked to confidential advice services. High quality school based SRE has also been found to contribute to meeting government public health priorities, such as achieving a reduction in teenage pregnancy rates and prevalence of sexually transmitted infections".

Those are the findings of the FPA, the NHS and many organisations that have considered the matter. The constituency of my hon. Friend the Minister, like mine, has high levels of teenage pregnancy. Such issues must be taken on in education. They should not be negotiated on the street corners of the communities that we represent.

I shall briefly open up just one other area. My hon. Friend will have known that I was planning to raise this issue, which was discussed in last year's report. In fact, half the report was about HIV treatment—not screening, but treatment—of people who are in this country but not residents of this country. Phrases such as "health tourism" are used. We are all familiar with the fact that behind every case of HIV/AIDS is a potential human tragedy. Many people in this House, from all parties, are as worried as I am about people who are not able to get treatment when they are found to be suffering from HIV/AIDS.

I would like my hon. Friend the Minister to say a few words about the issue, particularly on the basis of the comments in last year's Health Committee report, which discussed not only the human tragedy but the fact that we do not know how many people in this country are in the category that does not get treatment for HIV/AIDS. We know about the people who do, as they are in the system awaiting decisions on asylum claims. It is something that worries me and many other people in this House, and I hope that my hon. Friend can say a few words about it at some point in the debate.

I shall sit down now. I know that I have the right before the end of the debate to ask to say a few words more. That is not my intention, unless I have further questions, but if my copious notes become interesting during the rest of the debate, I may exercise that right at some stage.

2.44 pm

Mr. David Amess (Southend, West) (Con): As the new Chairman of the Health Committee, the right hon. Member for Rother Valley (Mr. Barron), said already, he was not the Chairman at the time when we prepared the report. Indeed, there are very few of us left who contributed to it. Some of our colleagues unfortunately lost their seats. One of them died. One reappointed colleague, the hon. Member for Bristol, North-West (Dr. Naysmith), hoped to speak this afternoon, but he is not well. He was keen to make a contribution to the debate.

If you will allow it, Mr. Illsley, I wish to go into a bit of detail about the report. In one sense, the Minister will not be blamed for anything I say—she was not the Minister at the time when we prepared the report. As far as the Select Committee is concerned, all we want to know from the Minister is what action has been taken on our recommendations.

Perhaps the fact that we are even able to talk about these matters means that some progress has been made, although I did think at one point that members of the Select Committee tired a bit of the constant detail of sexual diseases. There was only so much that we could take. The Government have a big challenge on their hands, as attitudes about sex have changed dramatically, certainly since I became a Member of Parliament. The fact that a programme such as "Big Brother" is no longer a side issue—it seems to be at the heart of everything, and the sexual activities on it are rather important—seems to suggest that we are really living in Roman times. There is a big challenge for the Government in deciding how to address these issues.

My hard-working researcher has included a note that I am to say that I am very interested in the sexual health of my constituents. I will not be putting that in a newsletter. I simply say to the Minister that I and the other Members who drew up the report became

concerned following visits to various centres throughout the country about the services that are available. We can all make the argument that there has always been a problem, but I am an optimist. There are Members in this room who were not on the Health Committee. I am delighted that they want to speak, and I have no doubt that they will contribute to the solution side of the equation.

The Medical Foundation for AIDS and Sexual Health was commissioned by the Department of Health to conduct a two-year study of genito-urinary medicine services throughout the nation. It was to include a comprehensive questionnaire to extract information about facilities, length of appointment per patient, capacity increases and primary care trust funding. The Select Committee was disappointed with the evidence provided by the then Public Health Minister, who told the Committee in February 2005 that the Department had received the report only "a few days ago". That statement contradicted a memo that the Committee received from MedFASH, which confirmed that it had submitted the report in December 2004.

The Public Health Minister made that statement, which disappointed the Committee, for one of two reasons. Perhaps it took seven weeks for the deputy head of the Department's sexual health policy branch to realise that the Department had received key data from a report that it had itself commissioned. If so, that would indicate that at the time the Government did not have the issue at the top of their priorities, despite the fact that the Health Committee had already done a report on associated matters in 2003.

The other possible reason why the then Minister seemed reluctant to give straight answers to our questions was that the information held by the Department would not have cast the Government's policies in a good light. Perhaps the Minister will come up with a different reason for the way in which that evidence session turned out, but the lack of frankness was disappointing.

I now turn to the waiting period and implementation of the 48-hour timetable. Increasingly, the capacity of clinics is being overrun by the demand of patients. A clinician, Professor Kinghorn, who gave evidence to the Committee inquiry, reported that sexual health clinics were not receiving the funding they had been promised. He also highlighted the fact that as waiting times lengthened, there was a greater likelihood that an infected patient would simply ignore the problem, consequently opening up the chance for continued infection of the sexually active public.

Advocates from the British Association for Sexual Health and HIV also provided evidence suggesting that regions that experienced extended waiting times were also those associated with something that is now common knowledge: increasing rates of chlamydia, gonorrhoea and syphilis. I also received research from the chairman of the all-party parliamentary pro-choice and sexual health group. I am not noted in the House as being a pro-choice MP, but the chairman kindly sent the information and I could not resist using it, particularly as it mentions funding shortfalls in my constituency of Southend, West. The chairman tells me that only 22 per cent. of people in my constituency received an appointment within the GUM clinic appointment target of 48 hours. We are all interested in our own constituencies, and I would be grateful if the Minister had a word with the appropriate people with responsibility in Southend, West to see if that situation could be improved, because 22 per cent. is not good at all. Perhaps the Minister will say that it is unusual compared with waiting times in the rest of the country.

GUM clinics are, more often than not, located in portakabins. When the Select Committee went on a visit, we were shocked to learn that such clinics were housed in portakabins. These confined working conditions, according to the consultants we spoke to, are not really conducive to a high-level service, causing increased waiting periods that mean infected individuals may be sexually active in the meantime. Even if one is being fair, the strategic health authority's allocation of £15 million to fund GUM infrastructure has proved not to be enough by any stretch of the imagination.

I now turn to the Government's programme for education of the general public. Education campaigns were necessitated by the increase in the number of people seeking treatment from sexual health services since the Government came to power in 1997, and they are certainly effective in prompting those with symptoms of sexually transmitted diseases to seek advice. It is certainly commendable that the public are demonstrating healthy responsibility, but that has also served to put a heavy burden on the capacity of the sexual health care providers to treat this increasing number of patients. The Government have increased education campaign finances, which has led to more people wanting those services, but somehow funding for education is disproportionate to the amount of money being spent on the facilities. Demand is being stoked up and there is a complete disparity in the physical delivery of the services. I hope the Minister will have something to say about that.

The £300 million allocated for sexual health services is very welcome, but it remains to be seen how effective the breakdown of funding will prove. Will the sexual health care facilities be able to cope with the increase of patients caused by this education campaign? Will funds for dilapidated clinics reach them before some of the buildings literally collapse—and I am not exaggerating? Will PCTs use the money according to their priorities rather than the recommendations given by the Government? I suggest that there is a disparity in this case, too. Are the funds an addition in real terms to the money allocated to sexual health care services?

Evidence suggests that even with the financial allocations thus far, sexual health services will fall short of meeting the Government's targets for 2007. It is vital that sexual health facilities receive the money allocated to them. The Government want PCTs to deliver their priorities, but PCTs must not strip clinics of funding in order to attend to more pressing priorities given by the Government. That was mentioned in the evidence given to the Committee by the British Association for Sexual Health and HIV.

Other than the necessary funding for the basic management of sexual health services, money needs to be allotted for research and development in an attempt to find cures and vaccines for various sexually transmitted infections, which we would all welcome. Sanofi Pasteur MSD has developed a vaccine called Gardasil that would fight HPV—human papilloma virus—preventing cancerous lesions and warts.

[Mr. David Amess]

Implementation of such a vaccine would save GUMs copious amounts of time and resources, allowing medical professionals to focus on what they are supposed to.

I come to screening for chlamydia. The Committee was advised that there were 89,431 new diagnoses last year, and the Government must do something to address this very serious situation. Perhaps the Minister will explain what the programme will involve. I urge her to do all she can to eliminate the ubiquitous usage of an unreliable test when the technology exists for a completely accurate methodology. We certainly need to supplement the screening programme with a call-and-recall system targeting specific at-risk groups.

The Government argue that the national chlamydia screening programme is targeting men by offering screening in places such as colleges, sports facilities and offices. However, there need to be more measures to ensure the proactive role of men in testing. As we know, women are the likelier of the two sexes to be tested and treated and they will only be subjected to a further threat of re-infection by the large percentage of sexually active men who do not get tested. There you are, Mr. Illsley: I am prepared to blame men for something in this part of my address.

The Men's Health Forum, for which the hon. Member for Dartford (Dr. Stoate) does a huge amount of work, has implored the Department of Health to continue striving for better methods and locations to reach out to young men to get tested for chlamydia. As the Minister knows, there is a huge reluctance among young men to come forward. It has also urged the Government to direct PCTs to assign top-tier priority status for sexual health improvement and chlamydia screening, which is an absolute imperative.

The new general practitioner contract fails to move sexual health to the forefront of general practitioners' work. In reality, there are no incentives offered for general practitioners to address sexual health or to improve the quality of the services currently provided. General practitioners, as we all know, are paid according to a system of quality points. There are no points available within "essential services" and there is only one "additional service" point for having a written policy on responding to requests for emergency contraception and one for having a policy on pre-conceptual advice. With 1,050 quality points available, is it any wonder that general practitioners are not falling over backwards to provide services that are worth only two points? There is absolutely no incentive whatever.

The Family Planning Association has entreated the Government to supply a clearer delineation of the services that general practitioners are to provide and which category they fall into—essential, additional or enhanced. The FPA testified before the Committee that certain general practices were declining to offer sexual health services because it had not been clarified whether they were essential services. Certain services are categorised as essential, while others are additional and still others are enhanced. If the Government are to tackle the sexual health problems faced by the nation, all sexual health services need to be afforded priority status by the Government, primary care trusts and general practitioners. There is no sense in the fact that a woman can obtain contraceptives to prevent pregnancy as an additional service, but can receive condoms to prevent sexually transmitted infections only as an enhanced service. I do not understand that. There needs to be not only top priority for sexual services, but widespread co-operation and a combination of services.

At present, there are 86 per cent. fewer GUM consultants than the Royal College of Physicians recommends. Those experts are crucial to the effective running of sexual health clinics to provide the optimal service to patients in need. Preparations need to be made for doctors, nurses and other medical providers to meet the massive projected increase in sexual health patients in the next three years. The Government must develop a comprehensive training programme for those individuals to cope. That programme should not be exclusive to clinicians, but should also apply to primary care physicians.

The Government need to be more robust in researching and analysing the effects of new policies in sexual health. They also need to exert more pressure on primary care trusts to follow through on sexual health services. More expertise is needed to appreciate the scope of the sexual health crisis that the nation is facing.

I pay tribute to the hon. Member for Walthamstow (Mr. Gerrard), who is not in his place. He has done a huge amount of work on HIV/AIDS policy. I can remember a time—and this was during my time in the House—when most hon. Members had never heard of HIV. Lord Fowler started an advertising campaign that was very effective at the time. Perhaps, as a nation, we have become a little complacent. I have been advised that there is a 20 per cent. annual increase—

Jim Dowd (Lewisham, West) (Lab): On that point, when the Committee considered the matter, some people said that the advertising campaign was a great failure and a waste of money—largely because what it said did not happen—but I think the hon. Gentleman will recall, as will others who were on the Committee at the time, that we took the view that it was, on the contrary, one of the greatest successes of public advertising ever, precisely because people did modify their behaviour. That was particularly true among the groups most likely to suffer. However, we also discovered that, over time, because the threat did not materialise, people assumed that it had gone away and reverted to dangerous behaviour.

Mr. Amess: The hon. Gentleman makes an excellent point. When we first saw the advertisement—I think it involved tombstones—we were all shocked by them, but gradually attitudes changed. I hope that the Minister will reflect on the Committee's discussions on the effects of advertising.

With a 20 per cent. annual increase—53,000 new cases annually in the UK—preventive measures must be taken urgently. I know that the Government have a very difficult task, but I simply ask again: is this matter a priority for them?

I will try to be brief, but I want to say something about health tourism, about which the Chairman of the Health Committee made a few remarks. The Government have

provided no substantial evidence of widespread immigration to the UK to obtain the national health care services that we provide. The research that has been provided shows instances of short-term foreign patients, especially pregnant women, seeking the maternity wards and natal services of our hospitals, rather than of people such as HIV and AIDS patients seeking long-term care.

A recent survey of migrants by the Terrence Higgins Trust, which I think everyone respects, showed that 75 per cent. of individuals diagnosed with HIV waited at least nine months before seeking testing or treatment, and a third waited at least 18 months for similar services. I would like to hear from the Minister how the Government will try to address that.

I know that the Government are concerned about the effects on immigration of an open-door policy for people from overseas obtaining health care treatment, but our present policies are much more stringent than those of some of our closest European neighbours. For instance, France allows medical treatments to be obtained by anyone who can prove residence in a territory or dependency for three months or to anyone whose native land does not provide the medical treatment sought. It seems that an individual seeking health care services would prefer to go to France for that reason alone.

The complexity of the regulations that determine which people from overseas are eligible for medical treatment leaves those regulations open to misinterpretation. Treatment is denied to those termed "failed asylum seekers", but that is not a comprehensive term because denials can be subject to appeal, as the Minister knows from her Home Office experience. There is serious cause for concern that those eligibility requirements will negatively affect ethnic minorities and foreign individuals who are seeking legitimate asylum.

The complexities also raise questions about who the onus for implementing the changes lies with: is it primary care trusts, physicians, nurses, overseas patient managers or, dare I say it, receptionists? It would be simply unethical for a doctor to refuse treatment outright to an ill individual who sought assistance. That raises the question of how a medical professional would even be aware of the residential or asylum status of a treatment seeker. Sexual health patients disclose only a minimal amount of information, because such cases are extremely confidential. The House will recognise that that is an inherent problem with the regulatory practices, because a medical assessment is necessary to ascertain how serious a patient's condition is. Even if they are to be denied treatment because of failed residence status, it is very feasible that, on examination, such an individual could qualify for one of the few exemptions provided. Overseas patient managers testified to the Health Committee about the reluctance that they have experienced when attempting to attain access to foreign patient information.

Not only have the Government perhaps not delivered the statistical information about the true depth of the problem of health tourism but they have not really provided a comprehensive map of how to implement the regulations that they have imposed. The regulations are intended to ensure that taxpayers' contributions go to rightful patients, yet no cost-benefit analysis has been conducted by the Government to prove the regulations are worth while.

HIV/AIDS is the only sexually transmitted disease that is left off the list of communicable diseases for which the NHS will provide treatment under the guise of a public health threat. Dr. Evans of the Health Protection Agency told us in evidence that the high cost of HIV treatment was the only reason for that. Should we not aim to protect the public against all threats? I think that we should. By not initially treating people from overseas who have HIV, the Government are leaving themselves open to spending more in the long term on treating people who are unwell. Regulatory practices that deny medical treatment to people from overseas will act as a deterrent to testing.

My final words—to the great relief of the House, no doubt—are as follows. I should not underestimate the challenge that the Government face, but I am an Opposition politician, so I am going to. This was and is an excellent report, and from the Committee's point of view, I simply ask the Minister this. Can we please have answer to the question about how the Government have delivered so far on our recommendations? There is a problem, and all of us recognise that it needs addressing urgently.

3.12 pm

Chris McCafferty (Calder Valley) (Lab): I congratulate the Health Committee on its timely and comprehensive report on developments in sexual health. As chair of the all-party group on population development and reproductive health, I should like to speak about those aspects of the report that are of interest and importance to my group and to my constituents—STIs, family planning services and abortion services.

In 2001, we welcomed the UK's first national sexual health and HIV strategy. It was the Government's response to the country's declining sexual health, outlining the Government's sexual health agenda for the next decade. It acknowledged for the first time the clear relationship between sexual ill health, poverty and social exclusion. It was expected that the strategy would improve and modernise sexual health and HIV services throughout the country.

Issues of particular concern were the increase in STIs, including HIV infections, high teenage pregnancy and abortion rates, the silent issue of sexual dysfunction, the long waiting times in genito-urinary medicine—GUM—clinics, and the lack of consultation and adequately trained staff to provide comprehensive and high-quality counselling, treatment and care. Targets were set to reduce STIs, HIV-acquired infections and unintended pregnancies, and mechanisms were established to address disparities in abortion services throughout the country.

The importance of open access to GUM services to improve access and offer appointments within 48 hours was stressed, and it was recommended that the work force throughout a range of sexual health and HIV services should be trained to work in integrated sexual health service networks. It was also recommended that contraceptive services should be easily available and provided for all those who needed them. It is of concern that five years later, the Health Committee described the current situation as "a continuing crisis".

STIs continue to rise, with screening for chlamydia missing 30 per cent. of infections, and waiting times for sexual health clinics have, if anything, deteriorated

[Chris McCafferty]

further. Research has shown that clinics need to triple their capacity if they are to meet Government targets to see and treat patients within 48 hours by 2008. Access to clinics appears to remain better in London than in most parts of the country, but it varies widely elsewhere. The BBC "Panorama" programme drew our attention in October last year to the fact that only 7 per cent. of clinics in the UK can offer a routine appointment within 48 hours, and that there was an average waiting time of between seven days in the south of England and 28 days in Northern Ireland.

The increase in STIs and the increased waiting times and poor tests cause great distress to many women, men and couples. Long-term infertility and subsequent infertility treatment is of particular concern, with its high cost to the NHS and low success rate. Despite those obvious problems, funding that is earmarked for sexual health services does not always reach its targets, as my right hon. Friend the Member for Rother Valley (Mr. Barron) has already pointed out.

According to research by the British Association for Sexual Health and HIV, some primary care trusts are using cash that has been allocated for sexual health to pay for their deficits. A Family Planning Association survey of PCT local delivery plans showed that although the majority of plans mentioned the 48-hour GUM access target, only 30 per cent. mention the targeted and planned investment in sexual health services needed to increase capacity. I should be grateful to hear from the Minister what mechanisms the Government may be able to put in place to ensure that that practice is prevented, and that PCTs prioritise sexual health and spend the money necessary to develop proper services.

The Committee noted in its report how much of its evidence emphasised the importance of improving sexual health services, but that once a young person needed to visit a clinic for sexual health problems, we had missed the boat. Therefore, surely the most important issue is relationship and sex education in schools and at home, with information and education provided via television, radio and other modern technologies; information and education to equip young people with knowledge, skills and values for life; and knowledge that can raise their confidence and self-esteem, and enable them to make safe and informed choices and develop strong and positive relationships throughout their lives.

It is critical that we improve our sex and relationship education. It should be a compulsory part of the national curriculum to ensure that it receives adequate priority. We need specialist teachers to teach sex and relationship education, and young people's health services must be integrated in schools.

I was pleased to note the recommendation that the Department for Education and Skills issue specific guidance for schools, stipulating that by 2007 all personal, social and health education—PSHE—and sexual and reproductive health lessons must be taught by specialist accredited PSHE teachers, rather than unqualified form tutors, and that they should build links with sexual health clinicians, including community nurses and GPs. They could contribute usefully to sex and relationship education. Perhaps incentives for GPs to promote sexual health services are an option for consideration.

Primary schools that effectively plan and deliver age-appropriate PSHE would be confident of their children moving on to secondary school and young adulthood with the knowledge and skills to fulfil the five national outcomes in the Children Act 2004, which are being healthy, staying safe, enjoying and achieving, making a positive contribution and achieving economic well-being.

Contraceptive and abortion services are largely neglected sexual health services, as one of the Health Committee's reports in 2003 highlighted. I draw hon. Members' attention to my two early-day motions on contraception and information technology, and NICE and contraception, which have both enjoyed wide support in the House.

Better and greater choice need to be offered and made available to all clients, especially young people. I would be interested to know the result of the audit of contraceptive service provision carried out in 2005 according to the health White Paper, as well as information on central investment to meet gaps in local services.

I hope that GPs and family planning contraceptive provisions were included in the audit and I would be interested to know, as would many colleagues, when the long awaited UK sexual health campaign will start its advertising. As my hon. Friend the Member for Lewisham, West (Jim Dowd) said, older Members will remember the very successful campaign that was launched in the early 1980s. It would be great to see something like that but more appropriate to the 21st century.

Integration of services is important so that if a variety of sexual health services is not available under one roof, they must at least be linked. PCTs must recognise the links between contraception, abortion and STIs, including HIV transmission. The all-party group on population, development and reproductive health recently published a report, "The Missing Link", on linking sexual reproductive health and rights and HIV/AIDS services in the developing world. Part of that report may be of interest to the Minister as many of the recommendations apply equally here in the UK.

Abortion is one of the main elements of a modern, comprehensive sexual health system. Even with the best intentions and the most reliable contraceptives, women and girls still face unintended pregnancies. Prompt access to abortion services and counselling is paramount to reduce the distress and complications caused by late abortions. The Government's White Paper does not discuss abortion services, but it is important that access is speeded up.

I agree with the Family Planning Association and the independent advisory group on sexual health in their recommendation that the target to ensure that all women have access to abortion within three weeks of their first appointment with their GP or other referring doctor could be more ambitious. As well as being best practice in quality of care, an average reduction in delay of 10 days from referral to abortion would increase the proportion of all abortions carried out at less than 10 weeks to 71 per cent. In economic terms, that would

represent a saving of up to £30 million. PCTs should strive for an average reduction in waiting times from three weeks to two weeks from first appointment to termination.

I want to touch on confidentiality for minors in relation to family planning and abortions and the Abortion Act 1967, which was a great gift to the women of Britain. I was pleased to note that Mrs. Axon lost her challenge in court, which would have undermined a competent minor's right to confidentiality and consent to family planning and abortions. However, young girls and women still face many problems and obstacles when they seek an abortion. Under current law, the decision on abortion entitlement rests with a woman's doctors. They have immense powers of discretion, but no one knows better than the woman herself when and if she is ready for motherhood. Deciding to terminate a pregnancy is incredibly difficult for anyone and women must have the right to decide that for themselves. They need help and counselling, but the ultimate decision must be theirs, at least in the first three months of a pregnancy.

How much better it would be for everyone, especially women, if universal access to education, information and services, especially for young people, were available in an age-appropriate way from an early age so that every young person was empowered to make choices, had the benefit of being able to make choices, and could protect themselves from unwanted, unplanned pregnancies and sexually transmitted diseases, including AIDS.

I look forward to hearing what the Minister has to say on those issues, which are hugely important to young people in this country.

3.25 pm

Dr. Richard Taylor (Wyre Forest) (Ind): I shall try not to be too repetitive, but the right hon. and hon. Members who have spoken have covered much of the ground that I intended to cover. However, there remain a number of things to say.

First, the 48-hour target is well worth aiming for and essential. I draw the Minister's attention to a recent report in the Journal of Sexually Transmitted Infections which looked at one particular GUM clinic in, I believe, Leeds. During the week that it quoted, it required 626 appointments when it had only 181 slots. It worked out from other figures that it probably needed about three times the current number of doctors and nurses to cover such demand and to reach the target by 2008.

Reference has already been made to other situations for GUM clinics. I believe that the right hon. Member for Rother Valley (Mr. Barron) mentioned Boots. On the back page of *The Sunday Times* this week was a tiny cartoon on the Government's idea of having GP surgeries in supermarkets. The doctor was sitting behind his desk near the check-out and above his head a notice said "Six symptoms or less". I thought that was super, but it made me think that the supermarkets would be an ideal place for GUM clinics. Everyone goes to supermarkets and everyone who needed to could go to a clinic without it being noticeable. I do not believe in private health care terribly much, but it might help the system out of a crisis if GUM clinics were opened up to private providers as a temporary measure.

Money has been mentioned and the original White Paper "Choosing Health" stated in heavy type:

"We are committing new capital and revenue funding to tackle the high rate of STIs in England. This will support modernisation of the whole range of NHS sexual health services, to communicate better with people about the risk, offer more accessible services to provide faster and better prevention and treatment, and deliver these services in a different way."

I am not decrying the £300 million, which is a splendidly generous offer. What bothers me is how it was divided up and where it has gone to. The Health Committee asked the then Minister about that and were rather suspicious that, as has been done before, the Government were announcing the same money more than once. We asked whether it was entirely new money and the Minister said:

"This new funding is largely part of PCTs new allocations and is additional to what . . . they would otherwise have received."

My memory is that the allocations were announced before the £300 million was announced, so it must have been £300 million that was being announced twice.

If that is divided up, one wonders exactly how much was earmarked and actually went to sexual health. There should have been £80 million for the acceleration of national chlamydia screening. Did it go there? There should have been £50 million over three years for the new sexual health campaign and there should have been £130 million over three years for modernisation of GUM services. We know that some PCTs have deficits and there must have been an awful temptation to put some of that money towards deficits. I do not know whether the Minister can give any answers about the scale of that.

We tried to get a little further in our evidence session with the then Minister for Public Health. We wanted to know whether there was any compulsion about what is in a local delivery plan. The Minister said that there is compulsion. She went on to say that

"the local delivery plan has to include coverage of how they"—

a PCT—

are going to meet the sexual health needs of their population and they will be assessed on their performance against that".

I presume that the Healthcare Commission does the assessing. I wonder whether there have as yet been any assessments that could tell us whether PCTs are getting such coverage in their local delivery plans and whether they are achieving their objectives. That would be helpful.

I shall deal briefly with work force issues. Everyone gets pretty fed up with different specialties of the medical profession saying that they need more neurologists, dermatologists, radiologists, psychiatrists or whatever it is because they do not have enough. The specialty that we are discussing is not one of those cases. There are desperate shortages in this specialty and it must have more help. I was going to say that the Government response was the usual claptrap. That might be unparliamentary language, so I will not say it, but the response did emphasise that the numbers of consultants and nurses had increased, which is Ministers' usual response. Let us unpick that and talk about full-time equivalents. I understand that the number of full-time equivalents increased from 458 in 1997 to 662 in 2004. For consultants, the figure went from 222 to 298. That was in the course of seven years. We are only

[Dr. Richard Taylor]

just beginning to tickle the surface of the sort of increases that are genuinely needed. This is not a question of specialists shouting for their own specialty; there is a genuine need.

The hon. Member for Southend, West (Mr. Amess) referred to the GP contract and how essential it is to have better rewards for providing those services. They are essential, although I think that they are only called additional services at the moment.

Chlamydia has been mentioned and I would like to know about the uptake of the new test. What proportion of testing does the new test account for as opposed to the old test?

Several hon. Members talked about education. The Select Committee recommended strongly that personal, social and health education and sex and relationship education become a statutory part of the national curriculum. The Government response stated:

"Sex and relationship education is a statutory part of the curriculum."

It seems to me an entirely false differentiation to separate PSHE and SRE, because they overlap entirely. I cannot see why they are not combined as part of the national curriculum. I would love to know the reasons for and against that.

Perhaps the most crucial part of the report relates to charges for overseas visitors in respect of HIV and AIDS treatment. I was sorry for the Minister because she did not have with her the medical advice and expertise that she needed. She was rather confused about the importance of treating HIV/AIDS early, from the point of view of limiting the risk of spread. She accepted that we treat tuberculosis early because we can cure it and we limit the risk of spread, but she did not seem to understand that that same reason is crucial in respect of HIV/AIDS. If we reduce the viral load, we reduce the infectivity.

I asked the Terrence Higgins Trust for an update on any changes since the report, and the letter that I received began:

"I set about writing a briefing"—

about changes—

"but I'm afraid I had to abandon the attempt as there was so little to put in it . . . The Government have made one small concession in the intervening months. Now, people who are tested and diagnosed with the virus while waiting for their asylum application to be considered can access subsequent treatment, which they can begin at any time. Previously, someone had to begin taking medication before their asylum application was turned down to qualify for continuing treatment. If someone was diagnosed before their asylum application was turned down they often felt under pressure to start taking anti-retroviral medication early, even if they did not need to at that stage, in case their virus progressed after they had left the asylum system."

We heard of cases in which people had started treatment not knowing that they were going to be charged. As soon as they learnt that, they defaulted and disappeared and thus there was a chance of their spreading the infection even further.

The 1987 AIDS campaign has been mentioned. There was the famous advertisement with the slogan "Don't die of ignorance". The phrase used about smoking was that it can "seriously damage your health". The current phrase for AIDS publications for the people should be something such as "Delaying your visit to the GUM clinic can seriously damage your health". For the Government, it should be "Delayed access to the GUM clinic can seriously damage the nation's health".

I shall finish with the conclusion of a letter that the Terrence Higgins Trust sent to the Health Committee about HIV/AIDS treatment for asylum seekers and visitors. It stated:

"The answer to unfounded attempts to settle in the UK is an effective immigration and asylum system which deals with cases promptly and fairly, welcoming those whose claims are accepted and supporting the humane and efficient removal of those whose claims fail. The use of healthcare as an instrument of immigration policy is unacceptable. The withdrawal of accessible life-saving treatments does not speed up removals, it hastens deaths. We are simply arguing that while people are here they should be treated well—we do not think that is too much to ask."

3.38 pm

Dr. Howard Stoate (Dartford) (Lab): In 2003, the Select Committee described a crisis in sexual health. As we have heard, it recommended the introduction of a maximum waiting time of 48 hours to access sexual health services—a target adopted by the Government in the public health White Paper. A 2005 Committee report examining what progress had been made found that rates of sexually transmitted disease had continued to rise and that waiting times for clinics had, if anything, got worse rather than better.

The Committee also discovered, rather disturbingly, that funding earmarked for sexual health services had not always reached its target. Because of that, it recommended that the Government should monitor closely progress on delivering on the 48-hour target, and conduct an audit to ensure that the extra investment promised for sexual health actually reaches the clinics, which urgently need to increase their capacity, as we have heard.

We heard from the hon. Member for Southend, West (Mr. Amess) that the new GP contract has failed to provide adequate incentives for GPs to promote sexual health services. The Committee recommends that the Government review the GP contract with a view to giving much higher priority to sexual health and that, also, a dedicated sexual health training programme should be established for GPs and practice nurses. The Minister will be aware that the GP contract has had some updates this year, with alteration to the quality and outcomes framework for points. Some welcome changes have been made. However, I believe that an opportunity has been missed. It would, I am sure, have been possible to put sexual health further up the agenda for GPs and practices, to ensure that the epidemic was better controlled.

I am happy with some of the contract changes. Certainly, my past call for points to be available for obesity has been recognised. The availability of points for better mental health care and for management of chronic renal disease is also welcome. I believe, however, that the Government could have gone further and included sexual health strategy within the points, and that most GPs would have risen to the challenge if the contract had been structured in that way.

Chlamydia has been covered to an extent in the debate already. It is now the commonest sexually transmitted infection in the UK, with nearly 90,000 new cases in 2004.

It predominantly affects young people; 68 per cent. of diagnoses in 2004 were of people under 25. Data indicate, rather alarmingly, that approximately 10 per cent. of young women and men between 16 and 25 in this country are infected with chlamydia.

It is easily treated once it is diagnosed. In fact, a single dose of antibiotic is effective in nearly 99 per cent. of all cases, and the experts do not even recommend follow-up. Once the one-off dose of the drug of choice for the condition, azithromycin, has been given, eradiation is virtually guaranteed, and there is therefore no need for follow-up. That is obviously very welcome, because it improves compliance and concordance with treatment, but it is worrying that the drug is not being handed out in enough cases.

The problem with chlamydia is that it is asymptomatic in 70 per cent. of women and 50 per cent. of men, so it often goes undiagnosed. It might be thought that if it has no symptoms it cannot be all that serious, but it has significant long-term effects. A problem that may affect women who catch it asymptomatically is that if they catch it more than twice it sets up an auto-immune inflammatory response in the fallopian tubes. Over time that causes irreparable scarring of the fallopian tubes, leading inevitably to infertility. In fact, chlamydial infection is the commonest cause of infertility in the country.

Not only does infertility cause couples significant heartache; it causes significant health problems. Scarring of the tubes increases the risk of ectopic pregnancy, which can be fatal. It certainly leads to major surgery and a lot of hospital admissions. The problems that couples must go through, such as long-term in vitro fertilisation, infertility testing and, sometimes, difficulties in obtaining infertility services and the accompanying drugs, add an enormous burden—not just in the family's distress, but in the cost to the health service.

The Government could save significant money simply on infertility treatment services, by directing money at a much earlier stage to chlamydia screening services. We can save money by transferring it in the right direction. No one wants a reduction in the money available for infertility services, but I believe that the pressure on those services would be reduced. I have seen evidence that a chlamydia screening programme would in five years reduce its incidence to about 10 per cent. of its current level. It is not a long-term project. A relatively short-term approach to screening for chlamydia could reduce the risk of the infection in the community by such a huge margin, in only a five-year period, that at the end of that time it would be possible to reduce the level of screening, because of a falling away of demand and need. What I am describing is one of those situations in which a relatively small amount of money up front can have a beneficial long-term effect. The cost will be contained, not continuing.

It has been suggested that an opportunistic screening programme such as the one that the Government have introduced for chlamydia may pose particular problems in screening young men, as young men generally attend health services far less frequently than young women. People who have been involved in the health services, in particular, will know that young men are a difficult target to reach, and that it is difficult to carry out opportunistic screening of young men.

The Government's response to the Health Committee report of 2005 argued that the Department did target young men for chlamydia screening. However, the only evidence that the Department could offer to show that the national chlamydia screening programme actively targeted young men was the fact that screening was offered in such places as colleges, sports facilities and workplaces, and that a pilot of chlamydia screening in pharmacies would be implemented. I am pleased that the Government have agreed to roll out the national chlamydia screening programme nationwide by April 2006, but its effectiveness will depend on its success in encouraging men to come forward for testing. It would be unfortunate in the extreme if the programme were to succeed in testing more women, only for them to be reinfected by men shortly afterwards.

I certainly take issue with the hon. Member for Southend, West, who blamed young men for the problem. I do not believe that blame has any place in the matter. Young men are simply not aware of the problem. They are often asymptomatic. I think that blame is the wrong approach. If young men feel blamed, that is more likely to force them away from services than to get them to come forward. We need a no-blame culture. Perhaps we should treat sexually transmitted infection as one of those things that happens—just like catching colds, which are transmitted from person to person. It would be equally pointless to blame someone on the tube for causing your cold. What we need is a service that puts no stigma on the infection and treats it as simply something that can be caught from someone else, just like common warts or any number of other things. We must treat it in that light, removing stigma and blame and all the overtones that go with sexually transmitted infections. Then we are much more likely to encourage the right group of people to come forward.

The early results of the screening programme show that a step change is needed in testing men for chlamydia. The annual report of the national chlamydia screening programme for 2004–05 stated that only 12.5 per cent. of those screened were men—a very small rise from 7 per cent. in 2003–04. Again, we are reaching only a small proportion of the men who potentially are at risk. Part of the reason for the low take-up is the locations at which screening is offered. Last year it was offered at 539 family planning clinics and general practices, but at only 195 young person's clinics, military bases, prisons and universities.

Just as an aside, I want to note a strange fact about the military in this context. Although soldiers are more likely to catch sexually transmitted infections, there is far less stigma attached to that in the military. If a young soldier goes to see his MO he will be told, "Oh, you've got it too, have you?" and be handed the treatment with no stigma at all, whereas the approach is quite different in the general population. Paradoxically, although soldiers' behaviour is not the best in relation to catching such infections, they get treated rather more appropriately, and with less stigma and fewer associated problems.

Much more work needs to be done to increase the types of venue at which screening is offered, particularly to include those where men are likely to be present. We must look hard at how screening is marketed to men. I understand that the Department hoped that making chlamydia testing kits available in pharmacies—initially

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in Boots in London—would increase the number taken by men. The early results are not encouraging. Those from the first few months of the pilot show that 79 per cent. of the kits were given to women and only 21 per cent. to men. A lot more thought needs to go into how the kits are advertised, displayed and made available in pharmacies, to increase the number of men who are tested.

The Men's Health Forum, with which I work closely in my capacity as chair of the all-party group on men's health, is engaged in several projects aimed at increasing the number of men tested for chlamydia. A pilot study in the area covered by the Telford and Wrekin primary care trust, for example, tested 400 people, of whom almost 80 per cent. were male. That result was achieved by partnership working with the NHS and local communities, the use of male-friendly promotional materials, free self-test kits and the availability of treatment at local pharmacies.

The Men's Health Forum believes that if that success is to be repeated throughout the country PCTs need to give chlamydia screening a far higher priority than they do at present. A recent survey of 2005–08 local development plans found that 23 per cent. did not even mention chlamydia. It also suggests that the Health Protection Agency should do more to develop and disseminate examples of best practice on the targeting of men for chlamydia testing.

Although men use services when they are referred and once they feel that they have been given a reason to use them, they are more reluctant to seek ad hoc advice about health concerns from their pharmacists and GPs. Many pharmacies now have space for consultations, but many men take the view that pharmacies are women's places and they are often slow to take advantage of those services. The same is often true of GPs' surgeries. We therefore need to do more to make those services more appealing to men.

That view is supported by the results of a survey on men, run by the Men's Health Forum, to inform its submission to the Government's consultation, "Your health, your care, your say". In response to open questions about health services, men said that receptionists should

"make you feel welcome and entitled to be there and not that you are just wasting their and the doctor's time as usual."

They also said that

"you do not bother to go back because you do not want to appear mardy and labelled as a 'typical man'. An image in society that exists and gets reflected in GP consultations."

There is another quote:

"The system and the environment feel like they have been set up for women so it feels like you are sitting in a ladies' hairdressers".

Genito-urinary medicine clinics must be made easier to access. Besides ensuring prompt treatment, a speedy service helps minimise onward transmission, reduces complications, and allows quicker tracing and treatment of sexual partners. GUM services must be more effectively and proactively marketed to men so that there is wider knowledge of what is available and a dispelling of myths, particularly about some of the diagnostic tests for sexually transmitted infections.

It is also important to recognise that the present problem of overstretched services is rooted in the shortages of specialist staff, poor resources and lack of investment. Such structural problems must be addressed without delay. The GUM clinic based at Darent Valley hospital in my constituency has an excellent reputation, but it has been overwhelmed by referrals from patients from across north Kent and south-east London, where the GUM service is not so well developed. Therefore, my hospital, which has a well respected clinic, is the victim of its own success. Because it is popular and accessible, it does far more work than it should, as it takes on people from far and wide outside its immediate area.

I suggested to the chief executive of my trust that he should send the bill for treating people from outside the area covered by the primary care trust to other PCTs. Can the Minister tell us whether that is a practical proposition? I think it would be quite easy to collect patients' postcodes and send on the bill for the services they receive. My hospital could expand its services if it had the money to do so, but it is impractical for it to provide these services to people across south London and north Kent from within its current budget, and its clinic suffers as a result.

Consideration should also be given to a change of name: "genito-urinary medicine" is a medical term that is not understood by many. We used to call GUM clinics "clap clinics" when I was a medical student, and I am not sure that things have moved on much since then. A survey in 2000 by the Men's Health Forum and the Doctor Patient Partnership found that only half of adult men knew that a GUM clinic provides sexual health advice and treatment. Other sexual health services, such as family planning clinics, should be made more male-friendly, and we should investigate new ways of delivering information to men, particularly utilising media that men are more likely to use, such as telephone services and websites. There is also a role for outreach services to places where men often feel more comfortable, such as workplaces, pubs, barbers' shops and working men's clubs.

We also need new training for health professionals. There is mounting evidence that many men are discouraged from making best use of health services by a generalised feeling that their needs are not understood. That difficulty could be especially marked in respect of sexual health, which is a sensitive subject that touches to the very heart of many men's sense of their masculine identity. It is therefore essential that training programmes for doctors, nurses and other health professionals include components that encourage the development of skills specific to working with men and encompass the respectful treatment of all sexual orientations and cultural values—something else that is often lacking.

There have undoubtedly been improvements in sex education in recent years, as a consequence of the national healthy school standard and other initiatives. However, school sex and relationships education—SRE—is still undervalued, and in some parts of the country teachers still receive inadequate training or support. Although young men have been identified in official policy as needing a new approach, the SRE that is delivered is still generally too biological, and too biased towards female reproduction, and it rarely

targets young men's needs. It too often fails to provide young men with the information they require, or to explore what it means to be a man. There is also insufficient support in schools for adolescent boys struggling to come to terms with a sexual identity other than heterosexuality; the bullying of gay adolescents remains common.

As a consequence, many men grow up without basic knowledge, awareness or skills in respect of sex and sexual relationships, or any acceptance of diversity. Much of the information that is available to young men is from less than reliable sources, including friends, the media and pornography. Consequently, many young men still adhere to what could be called the traditional male model of sex, believing, for example, that "men should always be ready for it", or that sex is about performance rather than fun and pleasure, that contraception is a women's issue, and that only straight sex is normal sex.

However, there have been some successful health promotion projects targeted at young men. I should like to talk briefly about the Health of Men project in Bradford. Professor Alan White of Leeds Metropolitan university has been evaluating its work. That lottery-funded healthy living centre takes a public health approach to work that it delivers in barbers' shops, community centres, pubs and other places where men of different ages from the different groups in Bradford spend their time. The primary aim of Health of Men is to be a network of individuals and groups that encourages and facilitates the development of health-promoting and illness-prevention services that are accessible and attractive to boys and men.

As a result, the team sees a mix of races that broadly reflects that of Bradford. In 2004, Health of Men saw more than 6,000 boys aged 0 to 15 years, nearly 4,000 men aged 16 to 64, and more than 400 men over 65 years of age. One place it visits is a youth centre, and it takes a different approach to working with the boys about health. That is reflected in the comments from those at the youth centre about their Health of Men worker:

"Yeah, he's like laid back a lot more and he talks to you like a normal person".

Another comment was:

"He treats us with respect".

Someone else said, "He's different" from teachers. And another quote is:

"He's not a teacher, he's sorted".

Health of Men also works with older men at a dominoes club, and with working-age men, including refuse collectors.

Mr. Barron: Before my hon. Friend became an MP, he spent most of his time as a health professional in the primary sector. In view of the comments he has just made about a mismatch in sex education—it involves not just young men, but young women as well—does he agree that we ought to make the case for health professionals to go into schools to teach sex and relationships, rather than leave that to teachers who also have to cover the broad span of education? Perhaps health education should be taught by health professionals, and not be an add-on to somebody else's profession.

Dr. Stoate: I could not agree more with my right hon. Friend. That is the right approach. Teachers are not necessarily experts on all issues. Health issues are predominantly the province of health professionals.

I have strongly argued for a long time that we need far more school nurses. I would like there to be one full-time school nurse for each secondary school, and one full-time school nurse for at least every three or four primary schools. At present, we have one full-time school nurse for each 14 schools—and in some places there are none at all. That is unacceptable. I have visited different parts of the world, and I was particularly impressed with one place in America; there was a secondary school in a difficult and deprived area which had a health clinic that was staffed full-time by nurses. Students could drop in at any time they wanted during the day—they were even allowed time off lessons to go and see the nurses. There was a far more rigorous approach to health education for young people, and there was a noticeable reduction in unwanted pregnancies and sexually transmitted infections. The young people were far better equipped to deal with such problems. My right hon. Friend raises an important point: teachers are not necessarily the right people to discuss these issues, particularly in respect of health and sexuality. Such matters are better left to trained professionals.

I wish to finish by referring to another successful men's health project. It is in Preston, and it has been run by the PCT's men's health development manager, Carol Kubicki. The project is largely funded by neighbourhood renewal fund money and single regeneration budget money. Its part-time team of nurses and outreach workers engage with different groups including the homeless, Asian men and African-Caribbean men. They go into pubs, places of worship and community centres. In Preston, the PCT also commissions voluntary sector organisations to provide group work with different communities of men, to give the men involved an opportunity to improve their skills and confidence around health issues and to discuss topics in a secure environment. Some of the men have even produced their own information resources, including a calendar. Unfortunately, projects such as these, which are properly funded and staffed, are few and far between. Most public health professionals in PCTs simply do not have sufficient resources or manpower to implement comparable schemes in their areas. In most cases, they are only able to fund small, time-limited, projects involving only a few staff.

I have given this topic a good run around. I have tried to point out that different models could be used. What is required is a co-ordinated approach with—I hate to say this to the Minister—more resources specifically targeted at what I believe is a very important area of health. However, I also believe—this is better news—that if we invest money up front in these services, and create a better climate with more openness and a greater likelihood that people will come forward for testing and treatment, the long-term results could be significantly better, with great savings for health care and significant

[Dr. Stoate]

reductions in heartache and anxiety for people with long-term health problems, particularly those to do with infertility.

3.59 pm

Laura Moffatt (Crawley) (Lab): It is a great pleasure to follow my hon. Friend the Member for Dartford (Dr. Stoate), with his particular expertise and his focus on men's health. That subject is often forgotten in this House, so it is important that we have heard about it this afternoon.

I have taken an interest in sexual health and HIV for many years. That interest first started when I was a nurse on an isolation unit. When we looked after the very first people who were able to give a name to their condition, we did so in isolation. That is a measure of how far we have come on sexual health issues and HIV attitudes and treatments. I suspect that I looked after many people who died with a collection of conditions that we did not have a name for, but who none the less died of full-blown AIDS. We kept them away from everybody. We all thought that we would be infected, and so they were treated in a way that would be unacceptable in today's NHS, and in a way that we would rail against.

My interest continued when I became a Crawley borough councillor and chaired the environmental services committee. We wanted people in Crawley to have a real view of the threats, and looked into how best to educate people about the real meaning of HIV, and how they could protect themselves from infection. It was good to have the debate about the advertisements and the widespread screening, in cinemas and on TV, of the campaigns that were run at the time. However, although they had a dramatic effect, pulled us all up and made us think carefully about our behaviour, it was unlikely that my 79-year-old father, who has been married to my mum for 60 years, needed to be told how to protect himself against HIV—at least I hope so.

It is true that we have moved on enormously on many of the issues, including education and treatment. I was so pleased that the hon. Member for Southend, West (Mr. Amess) mentioned the work that my hon. Friend the Member for Walthamstow (Mr. Gerrard) has done as chair of the all-party group on AIDS. I am its finance officer and have worked closely with my hon. Friend for many years. His determination and commitment to tackling issues around HIV and AIDS is something that the House can really be proud of. The subject is often difficult, and few Members take a close interest, although others dip in from time to time, so my hon. Friend's tenacity should be applauded. It has truly been a pleasure to be finance officer for the whole time that my hon. Friend has been chair.

Listening to a debate such as ours—it has been enormously wide-ranging, and many aspects of improving sexual health have been mentioned—it would be easy to think that there have not been enormous improvements, but of course there have been, in all our communities. There are alarming rates of infection, particularly for chlamydia. However, we must understand that since the early reports, and right through to the 2004 report and the White Paper, there have been tremendous moves to bring services closer to people in a way that is sensitive—culturally sensitive, and sensitive to gender and sexual orientation. The professionalism of those working in the sphere of improving sexual health is truly amazing. At times, we could get bogged down and think that there has been no progress, but I am convinced that much has gone on that is to be applauded.

Of course, there has been increased spending, too. We can have a debate on whether we think that the spending is getting through—and it is right and proper that we keep our eye closely on the ball in that regard—but we should understand that there is increased spending, and it is getting to the places where we need it.

A few months ago, I had the pleasure of visiting a centre for young people in Harlow. I met the nurse who ran the unit, which brought very good services straight to young people. The unit was called into a youth centre, and it was able to offer a full range of counselling services and contraception. People at the unit had time to sit down with young people and help young women to understand that there are methods of preventing them from becoming pregnant or infected by common sexually transmitted infections. The unit showed that those services can be available in the heart of a community.

We went through a time of thinking that the best way to offer sexual health services was through the back door, so that no one knew where we were visiting. It was all a bit shady. I honestly believe—and hope—that we have moved beyond that. Although confidentiality is crucial, having those services at the heart of our communities will make a real difference; they will really make sure that people keep themselves safe, and will prevent infection in the first place. The best way to make sure that sexual health services take their proper place among all the other important things that the NHS offers is to make sure that they do not have that seedy feel. It is a service that is important for the sexual health of all of us, and there is no reason to be ashamed to visit those clinics.

That brings me to the issue of screening for chlamydia. My hon. Friend the Member for Dartford was right to say that the condition is easy to treat. I firmly believe that that has led young people to think that it is a risk-free condition. Often, just a single dose is required to cure it, and the young person is told, "Please don't come back to the clinic; we don't need to see you again." It feels like nothing more than a bit of a cold that has been cleared up. That is proving extremely difficult. We need to make sure that information on the great sadness and tragedy that can occur in later life, when infertility may become a major problem, is clearly imparted to young people. It is a tragedy for men as well as women, when they are in a partnership and desperately want a child. It is important that that information is given freely at an early stage, preferably long before infection.

I mentioned health education programmes that are effective and can help. Many hon. Members talked about things happening in schools. Soon after I first met my right hon. Friend the Secretary of State for Culture, Media and Sport, I remember her saying that the best contraceptive for young women was good predicted A-levels. We should hold that dear, because although it is important to talk about the direct issues around keeping oneself safe, making sure that sexual activity is

within safe confines, and not putting oneself at risk, it is important that young women in particular have aspirations for their future. That could form as much a part of good health care and promotion as direct health advice. I hope that the Minister will say a few words about the joined-up work that needs to be done in matching aspiration with ensuring that young women are safe.

I firmly believe that abortion services should very much be offered as part of the panoply of services to promote sexual health. It is often said that the decision to terminate a pregnancy must be extremely difficult to make, and I completely agree, but for some women it is a very easy decision, as they absolutely know that they are not ready for motherhood. Therefore those services must be offered as quickly as possible. The one thing that unites all of us here—and I am a member of the all-party pro-choice and sexual health group—is that we all want a reduction in the number of abortions, full stop. We very seriously want more of those abortions to be carried out before 10 weeks. Providing those services sensitively alongside everything else, with equal value, plays an enormous role. My right hon. Friend the Member for Rother Valley (Mr. Barron) said clearly that it is important that we do not lose that service among all the other work that is going on. I hope that we do not. I should like the Minister to say a few words about that.

We have heard a lot about the difficulty of delivering good quality services in our communities and about waiting times for GUM's unique services. I am utterly convinced that it is still difficult to recruit clinicians to the clinical area of sexual health. We need to be honest about that and accept that people, including doctors in training, may not immediately think they want to spend the rest of their lives in that area. I have suggestions for the Minister about how she may consider who else is fit to deliver those services.

The people I have met who work in sexual health services are the most committed and motivated people in the health service that it is possible to meet. I believe that we should be using nurses much more in this service, because they have the skills to do the counselling work and the ongoing review, and they certainly have the skills to do the prescribing that is often needed. I should welcome the expansion of the nurse's role within sexual health services, because it would have a direct impact on waiting times for GUM clinic services. I hope that the Minister is able to say a few words about that.

We cannot get away from the fact that HIV remains controversial. Much of the report is dedicated to how we treat people. Nowadays, the issue is falling into a two-sided debate. In the UK many of our support services for people who are HIV-positive are now chronic disease support services supporting people who have access to the drugs they so rightly need and deserve, but who require extra support in the community to ensure that they remain fit and well. The all-party group on AIDS has commissioned several reports congratulating the Government on the response in the UK. However, we still have controversy over those who have been deemed not eligible to remain in the UK and the treatment that they receive. This is a difficult argument, because we as a House have to instil confidence in taxpayers that the money—the hard-earned cash—that goes to the health service is spent on services that they want. Of course, we must do that. However, another argument says that if we invest in treating people who are currently in the UK, despite their status, that may be an efficient way of spending NHS money.

I take issue with just one point. We know that there are frequent reports about this matter and we have more information about it. I have just been talking about how the issue moves on almost weekly. We know that viral loads influence peoples' infectivity; there is no doubt about that. I believe that the treatment of HIV-positive people is a public health issue. I ask the Minister to say a few words about that. Having spent time reading lots of reports, looking at the evidence and taking evidence, as hon. Members have said, the case for treating those who do not have leave to remain in the UK, for whatever reason, may be of advantage.

A lot has been happening and we in the UK have a lot to be proud of. So much work is going on in the realm of sexual health. Fantastic work is happening in our communities, which makes us believe that we can conquer sexual health problems and promote sexual health in our community. We can see an end to wholly preventable conditions.

4.15 pm

Stephen Williams (Bristol, West) (LD): We have had an excellent discussion this afternoon. I have learned a lot just by listening to some of the contributions. I am aware that there are many medically qualified hon. Members in the room, and I will be followed by one later on. The contribution from the hon. Member for Wyre Forest (Dr. Taylor) was particularly thoughtful, as was the tour de force from the hon. Member for Dartford (Dr. Stoate). The thoughtful contribution of the hon. Member for Crawley (Laura Moffatt) was interesting as well.

By coincidence, yesterday the Office for National Statistics released its latest statistics on sexually transmitted infections throughout the United Kingdom, which once again show a worrying rise. First, the incidence of syphilis in England rose from 1 per 100,000 of the population in 2000 to just over 7 per 100,000 in 2004. For women—these statistics can be somewhat bizarre—the figure rose from 0.3 women per 100,000 to 1 woman per 100,000. That is a seven-fold increase for men and a three-fold increase for women.

Increases in chlamydia have been experienced, as has already been mentioned, and there has also been an increase in warts. I do not want to tread on the sensibilities of the hon. Member for Southend, West (Mr. Amess), who said earlier that sometimes he did not want to hear all about the various infections. However, I recently met a consultant from the Westminster and Chelsea hospital, a representative of the British Association for Sexual Health and HIV, who told me about a new infection called LGV, which may sound like a road traffic vehicle to a layman like me, but stands for lymphogranuloma venereum, a horrible-sounding bacterial infection of the anus that is increasingly being detected in gay men and has been found in women's vaginas in Holland, too. That disease is particularly difficult to detect and is another worrying facet of sexually transmitted infections.

I shall talk about HIV later. I want to start by mentioning sexual health and young people, to which hon. Members referred earlier. Primary care trusts have,

[Stephen Williams]

as part of their public service agreement, to meet a target identified on page 70 of the Department of Health's annual report 2005; they must reduce the number of under-18 conceptions

"by 50 per cent by 2010".

In my preparations for this debate, I was sent some statistics by Schering Healthcare Ltd., a manufacturer of the contraceptive pill, which confirmed the impression that we have already gleaned this afternoon that the UK has one of the highest teenage pregnancy rates in the world—it is the highest in Europe and the second highest in the developed world, after the United States. The most recent figures show that there are around 806,600 pregnancies throughout the UK. In England and Wales, there were, according to Schering, 487,934 unintended pregnancies in 2004, of which a quarter went on to result in live births. However, 185,415 of those pregnancies were terminated and the balance sadly resulted in a miscarriage. In 2004, roughly 36,000 of those abortions were among teenage girls. Those are worrying statistics.

For my first point on joined-up government, I refer to the remarks made earlier by a couple of hon. Members about the advice given to young people. In 2004, the Department of Health confirmed that its guidelines for doctors, and others involved in giving sexual advice to young people, were that such advice should remain confidential. However, in 2005 the Department for Education and Skills began consulting on whether that confidentiality should be breached, even when there was no suspicion of abuse. That seems a clear example of a lack of joined-up government between the Department of Health and the DFES. I shall be interested to know what representations the Minister has made on that issue to her colleagues. I tabled early-day motion 829 on this subject; so far, it has the signatures of 71 Members who believe that advice given to young people should remain confidential so that there is no further increase in the number of unintended, and perhaps unwanted, pregnancies.

My second point on advice to young people has already been well made by many; it is about whether specifically qualified people should give sex and personal relationship advice to young people in schools. The Chairman of the Select Committee made an interesting observation when he asked whether teachers were the correct people on whom to place the burden of giving that advice, or whether it would be better for a designated, medically qualified person visited schools to give it. Will the Minister reply to that point as well?

The major topic addressed in the report is HIV and migrants. The incidence of HIV is rising again in this country, and in some parts of Africa it is of truly terrible proportions. We know of 58,000 cases of HIV in this country. Several references have been made to the early public information films and adverts broadcast in the mid-1980s that featured falling tombstones and so on. At that time, I was coming up to my A-levels; the adverts created a difficult climate for gay men such as me who were struggling with their sexuality in their teenage years. At that time, young gay people certainly got abuse because of their sexuality, and to some extent they still do.

Recently, we have made enormous advances on people's attitudes to homosexuality, but there is still some way to go. The hon. Member for Dartford made some interesting points on homophobic bullying. I am a member of the Education Committee, and the hon. Gentleman will be pleased to know that I asked my Committee colleagues whether we could have a short look at the issue of bullying in schools. Well before Christmas, they agreed that we would, and I intend to ensure that the charities and helplines that help people suffering from homophobic bullying are able to give evidence.

Although the stigma is not so bad in this country, we must recognise that among African men it is still pretty strong. Their attitude to gay sex is still pretty awful, and that means that African men infected by HIV can be reluctant to come forward and report their infection because they fear it will lead to stigma in the wider community. The stigma definitely needs to be addressed, although it has not been mentioned so far in this debate.

I have statistics on the rise in HIV infection in my home city of Bristol. In the 10 years following 1989, hospitals and clinics in Bristol saw cumulatively just over 100 cases. However, in each of the last two years for which statistics are available, they have seen more than 100 cases; recently, there has been a significant increase. The demographic analysis is illustrative: 43 per cent. of current HIV cases in Bristol are among black African men, and 10 per cent. are among black men of Afro-Caribbean origin.

The ethnic population of Bristol is small for a major English city: 8 per cent., and many are of Asian, not African, origin. People of African origin, whether they are Afro-Caribbean or from Africa itself, make up only about 3 or 4 per cent. Those figures clearly show that the major growth of HIV infection in Bristol is among black Africans. There are some important issues on that to be addressed. I do not have the figures for other cities, but it would be useful to find them out.

The HIV test is free, whatever one's immigration status. Anybody can go for a test; at that point, one has only to give a number, not a name or nationality. However, if the test should give bad news, the person is captured by the charging mechanism. If they are still in the asylum process, their treatment is free. However, if they are outside it because they have exhausted their appeal rights or overstayed their visa for whatever reason, they will fall within the charging mechanism.

That raises another point about joined-up government. How do we balance the needs of the Home Office, which quite rightly wants a rigorous asylum and immigration process, with the need to make sure that that process does not damage public health outcomes in this country?

The National Audit Office recently had a look at this country's record of returning failed asylum seekers to their country of origin; those statistics are stark as well. A large part of my work as a constituency MP in Bristol is to do with asylum cases. Many people have exhausted their appeal rights for whatever reason and therefore no longer qualify for free treatment. None the less, they are still in this country. In my constituency, they will typically live in the St. Paul's area. If they have HIV status—the statistics for Bristol suggest that there is an increasing risk

of HIV infection among black African men in the city—and are not offered free treatment, they will become a public health risk.

As I understand it—perhaps the Minister could confirm this—another funding pressure is to do with primary care trust budgets. We welcome the increased resources that PCTs have been given to deal with sexual health issues. However, a PCT's budget is based largely on the number of GP registrations in the area covered by the PCT, and a lot of new arrivals in this country, whatever their immigration status, are not registered with a GP.

Are we sure that the funding given to PCTs that have large immigrant populations matches the public health need? If someone comes forward, has their test and does not qualify for free treatment, clinicians are put in a moral dilemma. I understand from the clinicians to whom I have talked that they offer treatment, and I am sure that the medical oath requires them to do that. However, I have recently also picked up evidence of acute or primary care trusts chasing people for bills.

An anti-retroviral drugs programme can be very expensive. It starts at about £5,000 and at the later stages can run to £25,000-plus. We could be talking about significant amounts of money. Recently, I have tabled parliamentary questions to the Minister to ask whether there is evidence of trusts around the country sending bailiffs to knock on people's doors and ask them to pay bills for HIV treatment, and what effect she thinks that that has on people complying with their treatment programmes. It is essential that once people start on such programmes, they stick to them and take their tablets on a regular basis, otherwise the treatment will not work.

The other risk is that people may not come forward because they know that they will be exposed to a charge. Not only stigma but financial pressure may stop people coming forward for HIV treatment. *[Interruption.]* Well, the Minister is sighing, but such issues are important and need to be addressed.

Perhaps the solution is either to examine the funding mechanism in respect of HIV and say that anyone with HIV in this country should qualify for treatment or to recategorise HIV as an STI on public health grounds, so that it can qualify for free treatment as an infectious disease in much the same way as tuberculosis is treated.

We welcome the extra resources that the Government have given, but are we sure that primary care trusts are using them for the purpose for which they are intended? We are well aware of the budgetary pressure that PCTs are under, especially those with deficits. There is evidence throughout the country that PCTs are using resources that are delegated to them for whatever purpose, whether dentistry or sexual health, to sort out their finances, rather than to deal with health needs. Will the Minister comment on that?

Genito-urinary medicine clinics are in a poor state. The hon. Member for Crawley referred to going to a clinic through the back door. Whether it is through the back door or the front door, the clinics should be fit for purpose. The report that we are discussing refers to the Sheffield GUM clinic, which is in a poor state. The Milne clinic at the centre of the Bristol Royal infirmary in my constituency is also in a poor state and should have investment put into it. I wish to put it on the record that major investment has been put into the student health service.

It is right that we are discussing such issues this afternoon, but perhaps we should discuss them more often and perhaps in the main Chamber rather than in Westminster Hall. The report refers to the sexual health service as an unglamorous and under-funded part of the national health service, so we need much more debate and joined-up government to deal with it. People, wherever they come from, have a right to expect world-class public services that can deal with some of the shaming statistics in respect of sexual health in this country.

4.32 pm

Dr. Andrew Murrison (Westbury) (Con): We have had a great debate. I shall rattle through my comments because the Minister has said that she would like some time to deal with the serious issues that have been raised. I congratulate the Health Committee on the report. It is a good piece of work. I hope that it has more effect than its predecessor report in 2003. We shall wait to hear what the hon. Lady has to say.

I take issue with some comments that have been made. The matter is regarded as unglamorous or something to which people should not aspire. That certainly used to be the case. I recall that when I was a medical student in Bristol the status of genito-urinary medicine was, without a shadow of doubt, very low. I cannot remember whether the so-called clap clinic was literally or only metaphorically in the basement, but I recall going there because I was learning about GU medicine. The message that was given subliminally was that it was not a speciality to which to aspire.

The sad events of the past couple of decades have increased the prominence of genito-urinary medicine, and it is an area in which health care professionals want to work. When I come into contact with professionals in that field, I am always struck by their high calibre. There is no doubt, however, that they are struggling. They are under-resourced. In response to that, I know that the Minister will say, "Ah, but you vote against rises in the health budget." We can take issue with that. It is all very well spending money if it is spent efficiently. We have heard some thoughtful comments about how might be done, in particular spending on screening for chlamydia and saving money down the line in spending on infertility treatment. The area needs to be prioritised because, obviously, it is about treating people. It is also a big public health issue and one that has been neglected for some time. I make no bones about saying that. It is an area that has been let down during the past few years.

The Government started well. In 2001, there was the national strategy for sexual health and HIV. The Health Committee has published two reports, but nothing seems to have been achieved. The Government's White Paper, "Our health, our care, our say", runs into 209 pages. Oh, it is even more than that. On page 91, there is a short piece about rapid access to sexual health services; that is about the only bit I can find in the White Paper that relates directly to sexual health. It is a missed opportunity. The White Paper reiterates the undertaking that by 2008

"everyone will have access to a genito-urinary medicine (GUM) clinic within 48 hours."

[Dr. Andrew Murrison]

That seems to be a shifting target. We need to be a little more ambitious than that. When people want to use GUM clinics, by and large, they want to use them now. Surely there is far more scope for walk-in clinics. The danger is that, if people have to wait for long periods to access GU medicine, they will give up. We know that if they give up, they will continue to be a risk to not only themselves, but others. It becomes a public health issue.

I counsel caution about 48-hour targets. We have had them in relation to general practice and they have caused some difficulty. We should be looking more towards walk-in clinics. That seems to be the way ahead. We are dealing predominantly with young people. They want things right now and to offer them waits, particularly long waits, will not be helpful.

I shall not rattle off statistics. We are grateful to the hon. Member for Bristol, West (Stephen Williams) for giving us up-to-the-minute figures. Most of us are struggling with last year's figures, and I was interested to hear that the new figures confirm the trend in all the common sexually transmitted diseases. That the incidence of such conditions is on the up is a point well made. More worryingly, the predicted incidence is up, too, especially for HIV/AIDS. We are grateful to Professor Kinghorn for drawing attention in his evidence in the report to the poor state of many clinics. They need to be improved in many respects. I do not know the position of the GU medicine department at the Bristol Royal infirmary at the moment, but I should hate to return there in the not-too-distant future and find the same place and facilities as were there 25 years ago when I was a student.

We have heard much about the screening programme for chlamydia. The Minister needs to explain why it is restricted to women—indeed, young women—and tell us about her plans for how it could be extended to men in a more meaningful way than has been the case. We also need to know what impact screening will have on GU medicine clinics. The hon. Lady must have an idea about that. I hope that it will put pressure on GUM clinics because, if it does not, it might suggest that it is not being effective. We must budget for that and allow for the increased pressure on those clinics and others that provide health care in such areas because we expect chlamydia to be picked up and to be treatable. As the hon. Member for Dartford (Dr. Stoate) said, it can be treated extraordinarily easily.

It is important to say that traditionally few people have spoken up for such a range of conditions. We must allow for policy making. It is easy for a Minister to listen to the latest lobby group, of which there are many excellent ones in health care generally, but the users do not tend to speak up for the conditions that we are discussing. There is considerable stigma attached to such conditions, some of which are chronic, and it is unlikely that many sufferers will make a big song and dance about them in the way that, fortunately, those in other areas of health care do—they stand up for what they want and, rightly, lobby for it. That is far less likely to happen in the areas that we are discussing. When we are apportioning priority we need to make an allowance for the fact that that group of people is less likely to bang the drum for their conditions.

We have heard a lot about sex education programmes. The Government committed to funding a campaign to raise awareness on sexually transmitted disease in a public health White Paper of November 2004. We now understand that there has been a delay until spring 2006. It would be nice if the Minister would tell us why.

I have talked briefly about funding, but I would like to make a couple more remarks in the time available to me. Concerns have been expressed that the money designated for some primary care trusts has been used to plug holes in their deficits rather than to deliver the badly-needed service improvements in sexual health clinics. We share the Committee's concerns that were expressed along those lines. The British Association for Sexual Health and HIV found that a large proportion of money allotted to PCTs for genito-urinary medicine was not finding its mark and was not being delivered to the front line. We are also concerned about that.

We understand, by way of example, that there is a particular problem in the Oxford City primary care trust, which is redesigning GUM services in Oxford. There is an issue about whether the PCT is spending the money on the services that are needed in the city. That is a difficulty that the Minister might like to examine. The British Association for Sexual Health and HIV raised that specific concern in earlier discussions.

It is worth making the point that the median waiting time to secure a first appointment at a GUM clinic increased quite a lot between 2000 and 2003. That is at a time when, according to the strategy published in 2001, GUM targeting was going to be prioritised. That situation needs to be addressed, for the reasons that I have stated.

The statistics potentially underestimate the problem that people are experiencing on the ground. A study done in Leeds, which came to our attention today, identified that in a given week 181 slots were available for people to access GUM services, and more than 700 people tried to access them. That represents a worse statistic than if we were to ask people who did attend how long they had to wait for their treatment, because a great number of people will not turn up if they cannot get a slot that is immediately available or convenient to them. I can think of no other area of health care where that is more likely to apply. There is a strong possibility that we have underestimated need and that people are effectively being turned away from services because they are not sufficiently immediately available.

The Committee heard from Professor Kinghorn about his experience in his Sheffield clinic. He considered that there has been

"a serious deterioration in GUM access times".

Only one in five of his patients accessed his clinic within the target 48-hour period, and the average wait was about three weeks. The Minister must agree that that is simply not acceptable.

The hon. Member for Dartford will know this far better than I, but we are potentially missing an opportunity by not using general practitioners as effectively as we might. He rightly highlighted the use of the quality and outcomes framework and quality points, and the missed opportunity in the recent revision to the contract because we failed to target sexual health. He

has far more experience as a GP than I, but when I was in general practice I found that GPs were keen to be involved in that area.

There is a danger in our balkanising this matter to GUM clinics and assuming that GPs are not interested in the work or not able to take it on. That is not the case, particularly in relation to things such as chlamydia where the treatment is relatively straightforward. There has been a missed opportunity and I hope that the Minister will address that.

I am conscious of the time and will try to rattle through things as quickly as possible so that the Minister has a chance to address the remarks that have been made. I think that she is fairly clear about my concerns that funding is not getting through. A number of independent witnesses would make that point.

I have two specific points for the Minister, one of which she may be able to answer immediately and another that she may not. On post-exposure prophylaxis for HIV, I am not aware of any updated guidance following the previous briefing note that I saw in May 1998 on the provision of PEP following sexual exposure. I do not expect her to be able to answer this now, but I hope she will update me in writing about when the latest guidance was issued by the Department or its agencies.

Secondly, I am concerned about co-morbidity from tuberculosis in relation to HIV. I am concerned about the lack of public information that has been given recently on the policy change on BCG. Clearly, TB and HIV are associated, and the Minister needs to address the situation. I would be grateful if she would comment on how she will dispel much of the confusion about that issue.

4.46 pm

The Parliamentary Under-Secretary of State for Health (Caroline Flint): Today's discussion has been interesting and helpful, but something might be missing from it. We have talked a lot about the sexual health consequences of STIs and abortion, but we have not talked about that fact that this is about people having sex, relationships and personal responsibility.

Hand on heart, I can say that there is plenty that Government, doctors, schools, hospitals and other organisations can do, but if we are to tackle the problems and challenges that we face in the 21st century—it is not that the problems never existed before; there have always been issues around STIs—part of the engagement must also be with individuals. There needs to be an understanding of their personal responsibilities. That means that when someone has sex with a partner, they must recognise that they are having sex with every person with whom that person has previously had sex.

If someone in a relationship strays and has sex with other people, they must be conscious of the consequences for their partner who thinks that they are in a faithful relationship. People who have a number of different relationships, are not in a confirmed relationship with one person and are having sexual activity need to be aware that the more frequent the change of sexual partner, the higher their risk of getting an STI. Women in such circumstances have a higher risk of becoming pregnant if they are not taking adequate precautions to look after themselves.

We live in a changing world. People have more sexual partners and therefore there is a greater risk of contracting an STI. Although people often enter into a relationship with the hope that it will last a lifetime, it does not always do so. Co-habiting couples, whether same-sex or involving men and women, and married relationships can break up. So there are issues to face up to about how, throughout the sexually active part of our lives, we ensure that we continue to have discussions about how sex will affect us in the future.

I have had some interesting discussions with members of the independent advisory group on sexual health and HIV, and others, about people who have been in long-term relationships. Such a relationship might last for 20 years, for example, but the last time the people involved discussed contraception issues and STIs might have been a long time ago. They might suddenly find themselves active again and going into an arena with a mindset based on the situation 20 years previously, not on what it needs to be based on today.

It is important that such things are thought about in this general context; otherwise, the sorts of services that people need cannot be delivered and the sorts of communication campaigns and material that meet the needs of very different groups cannot be developed. We need people to respond and, hopefully, to take on board their personal challenges and personal responsibilities in this area.

It is important that we have such debates—I think that the hon. Member for Westbury (Dr. Murrison) mentioned this. The important thing about sexual health is that often there is no voice in the community knocking on the PCT's door, demanding better services, modernisation and reform, because of the stigma that is still attached to sexually transmitted infections and people's inability to speak openly about such issues. That is clearly not a problem for some of the other health lobbies that write to MPs, knock on the PCT's door and organise groups in the community to get the best drugs and the best services for their interest groups. That is why it is important to take a lead on sexual health by ensuring that we provide space to discuss such issues, voice concerns about what is not happening and consider what could be done to tackle the challenges that have been raised this afternoon.

I am pleased that the Health Committee undertook the inquiry, which is an important and timely one. However, the report is also timely in that it was announced only recently that sexual health is one of the six top priorities for the NHS in 2006–07, along with health inequality—no one mentioned that in the entire debate, which surprises me a little. As Minister with responsibility for public health, I feel that we in the Department have done quite well, with two out of six of those priorities. When I came to the Department I was told about the top priorities and I asked, "Well yes, but what does that really mean?" I have been assured that the fact that sexual health is one of the priorities will bring the issue of targets into much clearer focus for those who commission and deliver services on the ground.

I was pleased to receive a letter from my noble Friend Baroness Gould of Potternewton, who wrote to me as the chair of the independent advisory group on sexual

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health and HIV about the fact that sexual health is one of the top priorities:

"This is going to make an enormous difference to the services and give a big boost to the morale of the staff working in the field."

I hope that that is the case; indeed, in meetings with individuals and organisations with which we work there has, in recent weeks, been a smile on people's faces. However, that is not to diminish the challenges that have been raised this afternoon, which I shall try to deal with as best I can.

As all hon. Members have mentioned in one way or another, sexual health was a key part of the White Paper, "Choosing Health". I link that to what the Government can provide and what people have to decide for themselves, because the issue is about choosing health. Some important points have been made this afternoon about how better to connect sexual health with other health issues. The point that my hon. Friend the Member for Dartford (Dr. Stoate) made about the links between chlamydia and fertility seems an obvious one. When we talk about PCTs and funding services, I think—as in other public health areas in my brief—that the important challenge for those of us who advocate better services is to make a good, sound economic case.

I receive many letters from hon. Members, some of whom are in the Chamber, about constituents who cannot access IVF treatment. We know that chlamydia is one of the major sources of infertility problems further down the line.

Dr. Stoate: The commonest.

Caroline Flint: Indeed. If we could get ahead of that, so that people did not get chlamydia in the first place—through safer sex and by treating the condition as quickly as possible—that should reduce the pressure down the road on those who need IVF treatment, particularly on those who could have done nothing to prevent an infertility problem. I am talking not about a blame game, but about having an economic argument, so that commissioners can see that the money that they invest in social health has added benefits that can affect how they plan their services. There are a number of other equally valid examples of that in sexual health.

We have provided additional money both to modernise and to transform sexual health services in England. I should stress that I am not interested in throwing money at services that are not really meeting the needs of today's communities. The challenge must be about service delivery and outcomes, because it has been clear from all the contributions this afternoon that some groups are not accessing the services as they have traditionally been provided. I have seen some innovative work in Sheffield, in the hospital and in the community, and only this week I was at the Bloomsbury centre just off Tottenham Court road, meeting some people in the STIs and HIV clinic. They had half a dozen examples of how they could save money by running the service in a different way. The issue is about resourcing, but resourcing that will make a difference and create a step change.

I hope that I can reassure the hon. Member for Wyre Forest (Dr. Taylor) that we have not counted up the money twice. Most of the new money will go in over the next two years, and we have been helping those in the field to prepare so that the money arrives when they have developed the plans and ideas that will use it best. That is an important part of that process. People are concerned—I am concerned—about the money that is over and above what we provide being used properly. Part of that means ensuring that the services develop their plans, so that when we release the money we can see more clearly that it is going to something that has been thought out, rather than throwing it out before people have thought about how they are going to plan and develop the services. Capacity is, of course, important in that. There is £130 million in 2006–07 and 2007–08 for GUM, £40 million in the same period for contraception and £70 million for chlamydia—£10 million was issued in this financial year to get things going—so I am conscious of the need for the money to be used properly.

As with other aspects of health care, we rightly decided that we could not micro-manage the health service from the centre. We have to take some risks in devolving money to localities, where it can be best planned for. Different parts of the country face different issues in dealing with STIs and HIV. We know that the highest rates of HIV are in London and the south-east, and that ethnic communities face different issues, so we cannot plan all those services from the centre.

However, sexual health is now included in local delivery plans, which must be overseen by the strategic health authorities. In partnership with them, officials from my Department have been following up those authorities that we feel do not fulfil the need and do not address the targets for access and for reducing gonorrhoea rates, for example, and we have been challenging them. "National Standards, Local Action" highlights the fact that the PCTs should include all areas of sexual health in their local plans, and we will be monitoring that.

On 3 October, Kevin Orford, deputy director of finance at the Department, wrote to all SHA finance directors and chief executives, explaining that SHAs and PCTs should not identify those posts working on "Choosing Health" for savings. He went on to say that any savings may be made in administrative posts or other back-office functions supporting the public health function, where merger or other opportunities for economies of scale and efficiency savings were appropriate, but that any such savings should not detract from the delivery of "Choosing Health".

I hope that I can assure all hon. Members here that we are using all the levers that we think are appropriate to ensure that we can deliver on our targets in sexual health. That is now greatly enhanced by the fact that sexual health is one of the top priorities. That means that our delivery unit, which deals with delivery across the NHS, has sexual health as one of the key focus areas next year, and it provides an opportunity to bear down on the matter and ensure that the outcomes are what we want.

My right hon. Friend the Member for Rother Valley (Mr. Barron) and my hon. Friend the Member for Dartford both mentioned the GP contract and how it works. It is a maze. As everybody knows, sexual health does not feature in its incentives, but nor do other important health issues that are among the Government's priorities. It is difficult: treatments

concerned with sexual health do not necessarily lend themselves to the contract's incentives; for example, defining a measurable, outcome-based intervention. Equally, PCTs do have the flexibility to design and deliver services over and above those provided by traditional general practice contracts, in order better to meet local need. We have not lost sight of the issue, and will continue to work on it. GP commissioning, in conjunction with PCTs, offers a further opportunity to consider the sort of services that would assist GPs in their work and would play an effective role in developing better services for patients.

My hon. Friend the Member for Dartford asked about the problem of patients who attend GU clinics in neighbouring PCTs. The Bloomsbury centre, which I visited this week, has a particular problem in that the majority of its clients are commuters who come to work in central London. Payment by results, which will be introduced for all GU clinics provided by acute trusts from April this year, will allow PCTs to recoup the cost of providing services to people from neighbouring PCTs. Again, when that is up and running, PCTs, particularly those responsible for delivering services, will be better able to plan the development of their services without having to worry so much about the cost that they incur in providing a service that is taken up by many people from other areas.

The hon. Member for Wyre Forest talked about staffing, as did my hon. Friend the Member for Crawley (Laura Moffatt). There has been an increase of 225 GUM consultants in England since 1997, but we are also looking at ways of making better use of other health professionals, such as nurses, pharmacists and health visitors, in the delivery of modern services. The Bloomsbury centre—I am afraid that I am going to praise it to the skies, because it was so impressive this week—is really using its nurses and their skills, including for prescribing, as my hon. Friend the Member for Dartford outlined.

The centre's staff also talked about the future use of health care assistants. They took me through the activities carried out in the clinic, and it was clear that nurses were not required for all of them. They were considering using health care assistants to relieve nurses, particularly those with prescribing status, so that they could play a larger role in complex treatments and patient services. They were considering the whole work force, analysing in a very productive way how the team worked.

The White Paper, "Our health, our care, our say: a new direction for community services", which we published on 30 January, highlights the fact that in future we will need to be radical about the way we deliver services, particularly those that are not provided in hospitals. It would be fair to say that discussions are going on among different groups of sexual health professionals about what is best. Some of those who provide hospital services think that their service is the be-all and end-all, and others, who work in the community, say the same about theirs. It should not be a question of one or the other, but when we consider investing money, particularly in buildings, we have to ensure that it will produce a step change in relation to access.

There are many views, and we have to challenge all professionals to justify their plans and explain how they will deliver. For many of the reasons that have been stated this afternoon, hospital-based clinics are not necessarily the places where many people want to go. In the months ahead, I shall bring together people from the voluntary sector and elsewhere with those currently working in the field to discuss with me how we might design services for the future. What is most usefully done at the centre is the design of best practice overview models that will help local commissioners to see what has been tried and tested—what can be shown to work—so that they do not have to constantly reinvent the wheel and can get on track sooner rather than later.

I agree that we have to vary the settings. I am not against siting mobile units in supermarkets, Boots or football clubs. We are working with the Football Association and the authorities in rugby and other sports on the best ways to use the places where many people—particularly men—go, to get them to think about their health. Sexual health is just one part of it; obesity and drinking should also be considered. Just before Christmas, I attended a seminar at Elland Road in Leeds, and another series of seminars involving sports clubs, health professionals and others will take place later this year. It is important to think outside the box about where we provide services.

Almost half the patients seeking appointments now receive one within 48 hours, but there are still differences between areas. I will ask officials to look into the situation in Southend, West. Part of our work is to monitor progress. A national support team has been created to address poor performance and support delivery, so we will be able to investigate individual cases in which there has been a problem obtaining access within 48 hours. There might be good reasons why only 22 per cent. of patients are seen within that time in some areas, so we will not rely on national averages. We will hone in on areas that do poorly and on those that do well, to find out the reasons in each case.

Let me put the hon. Member for Westbury right: the chlamydia screening programme is a service for men and women. In fact, this is one of the few countries that screen both men and women. My hon. Friend the Member for Dartford raised the issue of whether the access points are places in which men feel comfortable. It will be interesting to check whether, in Boots—I have to say that the Boots project has been very good—the access point is next to the cosmetics counter, whereas it should be by the aftershave. My hon. Friend is right to say that we should consider the gender take-up, in case we are not catching men. The problem, which I have heard many times, is that women go for treatment, receive it and then go out and have sex with the guys who infected them in the first place. That does not make sense, and that is why we have decided that men should be included in the programme as well.

The hon. Members for Southend, West (Mr. Amess) and for Wyre Forest were concerned about the technology and the test that is used. The national chlamydia screening programme uses nucleic acid tests, a DNA technology, because they are more sensitive. They also allow patients to collect their own specimens, whether urine or self-taken vulvo-vaginal swabs. That is important, too. Not only is the technology the most up

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to date, but the tests are changing. I had a discussion about that this week; the process is much faster if people do not need a health professional standing over them.

We have already put £7 million of pump-priming money into that development, and I am pleased to say that NATs is now available in every strategic health authority area. We will monitor the situation in order to ensure that no area continues to use the older enzyme immunoassay test. We are talking about a major, long-term public health programme, which is important in respect of infertility and other issues. Two thirds of the new programmes will be ready to start screening in April. I am pleased to say that that is way ahead of target. I have already mentioned Boots, as have other speakers. So far, so good. It is going well. More than 10,000 kits were given out in the first 12 weeks of the pilot, so we are clearly meeting a need that might not have been met by more conventional delivery of the service.

In discussing sexual health, we should not confine ourselves to sexually transmitted infections. Contraception is also important. I think that there is a language issue. When we talk about sexual health there is a tendency for people, even some of those who work in the profession, to think that we are talking only about STIs and HIV, but contraception is an important part of all that.

As part of my ambition to get the best people possible to help me to redesign sexual health services, I hope to involve the Family Planning Association and others, so that we can think about integrated services. That is important for resource and staffing reasons and in terms of reducing stigma; this is a common aspect of people's lives. I shall give a plug to my own area, where I was pleased to visit a clinic in the middle of Doncaster which offers a podiatry service, a smoking cessation service and a sexual health service, so one can have one's feet done, get a nicotine patch and get something for the weekend. That is a positive, open way to provide services, rather than hiding them around the corner. Several hon. Members talked about that.

We are undertaking a national audit of contraceptive services, because we want to be clear about where the gaps are and how to deal with them. We want to ensure that the full range of methods is available and that best practice is shared. Last year's report by the National Institute for Health and Clinical Excellence was helpful regarding the many different types of contraception that are available. It is important that people have choice. For many women who have been in long-term relationships, it may be a long time since they discussed such issues, and much may have changed in that time. I recently wrote to all PCT leads to highlight the importance of this subject and to ask them to work with us to complete the audit. Having done so, we have earmarked £40 million to address the issue over the next two years. As I said, I am interested in how we can bring these issues together.

The hon. Member for Southend, West talked about access to condoms. There is free provision for men and women through community contraceptive clinics, youth clinics, GUM clinics and some GPs. Many PCTs provide condom distribution schemes and target the most at-risk groups, such as gay men, young people and people in black and ethnic minority communities.

I, too, thank my hon. Friend the Member for Walthamstow (Mr. Gerrard) for his work over many years on HIV/AIDS. I thought that he might be here this afternoon because he sent me a letter asking for something, but I shall talk to him about that at another time. I also thank my hon. Friend the Member for Crawley for her work and support for the all-party group.

I am pleased to say that the prospects for people with HIV are a hell of a lot better now. The number of AIDS deaths has fallen dramatically since effective drug therapies were introduced in the 1990s. The UK remains a relatively low-prevalence country for HIV infections as a result of sustained public campaigns, targeted campaigns, open-access confidential services and tremendous support from the voluntary sector organisations that work with us and with PCTs around the country.

Our health promotion work aims to target those most at risk of infection, and we continue to work with national HIV voluntary organisations in taking that forward. However, as has been pointed out this afternoon, rates of HIV diagnoses are increasing. The increasing trend in new HIV diagnoses reflects the fact that more people are coming forward for testing, which is a good thing, but it also reflects the ongoing HIV transmission. That underlines the need to give sexual health and HIV a high priority, which we are doing. Recent large increases in new HIV diagnoses have been attributed to infections in the heterosexual community, including infections that were acquired abroad—mainly in sub-Saharan Africa. Transmissions continue to occur in the UK amongst gay men and, to a lesser extent, heterosexuals.

The Health Protection Agency report, "Mapping the Issues", is a timely reminder to those commissioning and providing services that prevention remains the cornerstone of our fight against HIV, and the "Choosing Health" White Paper highlighted the importance of improving sexual health and preventing STIs, including HIV. Our proposed new campaign would complement that and support existing HIV awareness campaigns. We are asking why there are unsafe sexual practices in particularly high-risk groups. That is why we work with organisations such as the Terrence Higgins Trust.

We must also compare the position today with that in the 1980s. I remember not only the advertising campaign with the tombstones, but that people were dying. At that time, we saw on our TV screens people who got HIV for whom there was no hope. If one got it, one's life span was going to be pretty short. We all remember harrowing footage such as that of Princess Diana supporting various organisations to give public recognition and support to those working with people who were HIV-positive and who developed AIDS.

The situation is different today. Thankfully, because of the drugs, more HIV-positive people are living. Therefore, one issue that we must grapple with is whether we need to find a different way in which to talk to young people about the dangers that they face, regardless of the advances in medicine for which we are

all thankful. They might not die if they contract AIDS, but they will have a life sentence. It will be with them for the rest of their lives. They will be able to manage it and live normal lives, but it will be part of who they are and will affect how they think about their relationships. We need to think about that.

More work needs to be done, and is being done, to engage with the African communities. We work with various organisations on that front, but I am interested to see what we can learn from the positive work that we have done in relation to HIV with communities in Africa, and whether we can bring something back from those projects to help here, particularly regarding engagement with those communities. As I said, we had some interesting discussions about that at the Bloomsbury centre this week.

It would be interesting to involve patients in designing and planning services, as they could make a huge contribution. There is an expert patient programme at the Bloomsbury csentre, whereby patients are very much allowed to lead the agenda in terms of how their health care is provided. The centre employs a full-time patient representative for people who go there wanting to talk to someone who is in the same boat as them rather than a health professional.

I shall write to the hon. Member for Westbury about post-exposure prophylactics and TB if I may, as I want to discuss overseas visitors and charging. There are safeguards to protect overseas visitors and individuals who are in genuine need. Guidance on implementation of the charging regime is explicit. Immediately necessary treatment must never be denied because of uncertainty about eligibility. That does not mean that treatment is free, but charging considerations take second place. Whether treatment is immediately necessary will always be a clinical decision, not an administrative one. The same applies to maternity services. Our guidance makes it clear that such treatment should always be considered immediately necessary because of the risks to mothers and babies. That was reiterated to overseas visitors managers last month.

Successive Governments have never required NHS trusts to submit data on the number of overseas visitors treated, the type or cost of treatment provided or the revenue derived from charging. This is not about numbers. It is not a numbers game; it is about principles and about how our NHS should be run. Consultants at two of London's largest HIV treatment centres told us that they saw no evidence of a significant increase in the number of people being charged or in patients withdrawing from treatment because they had been told that they would have to pay for it. In their experience, the vast majority are either exempt from charges or covered by the easement clause that guarantees that a course of treatment must remain free of charge until completed if it is was originally provided free of charge.

As far as we are concerned, a course of treatment for HIV means anything that is considered to be clinically appropriate by the doctor in charge of a patient's care, responding to changes in the patient's condition over time. We accept entirely that that might mean that free treatment has to continue until a patient leaves the UK or is deported. I think that that deals with a point that the hon. Member for Bristol, West (Stephen Williams) made about failed asylum seekers.

I discussed the issue of pregnant HIV-positive women with my right hon. Friend the Member for Rother Valley the other day. The Department's guidance on implementing the charging routine says explicitly that maternity services must not be delayed or withheld because the patient is a chargeable overseas visitor who is unable to pay in advance. Treatment to prevent mother-to-child transmission of HIV can be included if it is considered clinically appropriate. As I said, the Department of Health has reiterated that twice since the guidance document was issued in 2004—once last May in response to the Health Committee's recommendation and again only last month.

My hon. Friends the Members for Calder Valley (Chris McCafferty) and for Crawley spoke about abortion. I absolutely agree with them. We want to do as much as we possibly can through better sexual health services, which include contraceptive services, to ensure that abortion is not a choice that many women have to face up to. I do not think that it is something that women face up to easily. We have invested £7 million to improve early access and have set a standard maximum waiting time of three weeks, although I appreciate that my hon. Friend the Member for Calder Valley would like it to be better than that. It was quite a challenge, however, to set that standard, as I am sure she will appreciate. PCTs are now measured against that three-week maximum as part of their NHS performance ratings. I am pleased to say that we have seen some improvements. Now, 88 per cent. of abortions take place at under 13 weeks gestation and 60 per cent. at under 10 weeks. That is to be welcomed.

My right hon. Friend the Member for Rother Valley and my hon. Friends the Members for Calder Valley, for Dartford and for Crawley, as well as other hon. Members, mentioned sex and relationships education. Aspects of sex and relationships education, including education about HIV/AIDS and other STIs, are a statutory requirement for secondary schools. A national curriculum science order in 2000 provides the statutory basis for that.

Schools are further encouraged to deliver broader aspects of SRE, in particular to give young people the skills and knowledge to manage positive relationships through the non-statutory framework for personal, social and health education. That is an important aspect of the subject, which is not only about biology and the facts of life, but includes personal confidence in handling relationships. My hon. Friend the Member for Crawley made an important point. Teenage girls who are most at risk of becoming involved in early sexual activity and getting pregnant are those who are not succeeding at school, for whatever reason, who do not have goals set for them and are therefore vulnerable to different pressures.

When I was a Home Office Minister, I was very much involved in preparing "Paying the Price: a consultation paper on prostitution". We found that a number of prostitutes had, from primary school age, lost their way. They were isolated, and were not supported, and one could see their journey to the day that they ended up on the streets selling their bodies for drugs. That is an important issue that we have to face up to, alongside providing the necessary access to advice about sex and contraception. It is why I believe passionately that our White Paper is so important in ensuring that in every

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community—particularly in our poorest—we do not give up on any child, regardless of their family background, and that we demand the most excellent education for every one of them. That will help us in the fields of sexual health, public health, employment and so on. It is absolutely key.

As I share responsibility for the healthy schools programme with the Department for Education and Skills, I am pleased to say that we have now ensured that for schools to attain the healthy schools programme kitemark they have to meet criteria in four areas, one of which is PSHE. That is a step forward from the days when they could just pick and mix. Meeting the criteria for PSHE is a core part of achieving healthy schools status. Last September, a new inspection process for schools was introduced, with greater emphasis on the school's contribution to helping children and young people to achieve the five "Every Child Matters" outcomes.

The hon. Member for Bristol, West and my hon. Friend the Member for Calder Valley raised the issue of the confidentiality of advice given to those under 16. My hon. Friend cited the Axon case. There is a balance to be struck between maintaining confidentiality and protecting young people from harm and abuse. Although confidentiality is included in the guidance and was upheld in the courts only recently, it is not absolute. In some cases, or on some issues, professionals will want to talk to others in the interests of the child.

When the subject of access to abortion for those under 16 came to the fore last year, I asked for a snapshot survey of some of our providers. We wished to know about parental involvement. The guidance states that every effort should be made to encourage a parent, or another adult, to be present. The snapshot survey, for what it was worth, showed that in 65 per cent. of cases a parent was involved and in 95 per cent. of cases another adult was. That is important. Not only should the discussion take place at the first meeting with the young person, but the door should be left open through the whole process so that they can involve a parent. Most of the time, that is done and it is understood by those who provide the services.

The other important aspect of the discussion is the question whether, as parents, we talk to our children about relationships and sex. My right hon. Friend the Secretary of State for Education and Skills is considering some more work that we could do to give confidence to parents to have those important conversations with their children, at different stages of childhood and in a way that is most appropriate to the age of the child.

Dr. Murrison: The Minister is telling us what she is doing, and it is all very nice, but can she tell us why waiting times for GUM clinics have got worse since 1997, why incidents of sexually transmitted diseases have gone up and are rising, and why we compare so badly with comparable European countries?

Caroline Flint: I thought that we were having a thoughtful and reflective discussion this afternoon, and I was trying to have an honest discussion with all members of the Committee. I do not want to rehash what I said before about the changes in the way in which we live our lives, but we could spend a whole day talking about that and the cultural differences between us and France, Sweden or Spain. Interestingly, the rates of gonorrhoea have gone down and although the rates of chlamydia and other problems have increased, they seem to be levelling off and slowing down. However, that is at the heart of why we are here today. I am afraid to say that your party was in power for 18 years—

Mr. Eric Illsley (in the Chair): Not my party, his party.

Caroline Flint: I apologise, Mr. Illsley. Your party is my party, and long may it be so.

The party of which the hon. Member for Westbury is a member was in power for 18 years, and, as I said to one of his hon. Friends in the debate on mental health services the other day, it is interesting to listen to Conservative Members bemoaning the state of things today. They had 18 years to start making a difference, and they did not. We have a legacy of no investment and little attention, and, quite frankly, many people on his Back Benches do not even believe that sex education should be provided in schools.

Dr. Murrison: Name them.

Caroline Flint: I would be happy to do so.

Dr. Murrison: Will the Minister give way?

Caroline Flint: No, I will not.

Dr. Murrison: On a point of order, Mr. Illsley. The Minister has made an allegation that she should substantiate. She should give us the names that she has in mind.

Mr. Eric Illsley (in the Chair): That is not a point of order but a point of debate.

Caroline Flint: I am sure that I can rely on my colleagues, but I recall that in a debate not so long ago, which I think was on abortion, the hon. Member for Shipley (Philip Davies) suggested that sex education should not be provided in schools, but that parents should be left to carry out that function. That is one example, but I am sure that [illegible] a number of others as well. Every time we talk about sex education in schools, you can bet your bottom dollar that there will be Conservative Members of Parliament arguing against it. We are in a new era of providing services. We have made tremendous progress, there is more to be done, and I congratulate the Select Committee on its report.

Question put and agreed to.

Adjourned accordingly at twenty-eight minutes past Five o'clock.

Westminster Hall

Tuesday 14 February 2006

[MR. MIKE WEIR *in the Chair*]

Admissions Policies (Faith Schools)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Watson.]*

9.30 am

Mr. Graham Allen (Nottingham, North) (Lab): I believe that it is the right of parents to send their children to good local schools, and that that right is being inhibited and blocked by the growth of single-faith schools. The very fact that such schools exist must colour the perception of the Government's education policy, and, unfortunately, sets the context for the education White Paper. Selection, privilege and inequality are not future fears but today's reality.

I intend to debate the expansion of faith schools, not whether they should exist. Many such schools, especially at primary level, operate in an admirable, non-sectarian way. My daughter attends an excellent Church of England primary school that is local to us. I should also say that I enjoy good relations with the hard-working clergy of all faiths on my patch, all of whom have chosen to walk the hard road in my constituency. Not only do I respect them, but my value system—a tolerant, liberal, secular one—insists that I respect every person's right to the belief of their choice, providing that they do not interfere with the beliefs of others.

David Taylor (North-West Leicestershire) (Lab/Co-op): I know some of the areas in my hon. Friend's constituency that he speaks of. I am pleased that he is relaxed about the fact that some 25 per cent. of state primaries are Church schools. Is he aware that the Church of England in particular would like a doubling in the number of faith secondary schools? Does he believe, as I do, that that would be calamitous for community cohesion, and that in the very long run we might find ourselves in a position not dissimilar to that in Northern Ireland?

Mr. Allen: My hon. Friend makes some sensible points which I shall come to later in my speech. If you have a problem, then stop digging. We may be aggravating the problem rather than attempting to deal with some of the unintended consequences of the existing situation.

There are two major risks from expansion of faith schools. The first is an increase in social and religious segregation in an already divided society, and the second is an increase in educational inequality, which has been the curse of the English education system for hundreds of years. By the way, I am pleased to take interventions from colleagues who do not wish to make speeches but would like to take part in a mature conversation on this difficult issue. I believe that there is sufficient time to do that.

More and more parents and carers who reject religious truth tests do not wish their children to be educated at a school operated by a single-faith organisation or to have their choice reduced. The Government are forcing them to bus their children long distances from the local school or to go private, if they can afford it. We expect single-faith schools not to respect the autonomy of children in the vital matter of choosing their own religion and their own value commitments, but the Government and the state should not be party to that. Parents may instil their religious ideology in their children in private, but it is not the job of a few well-placed individuals to use the state or publicly funded schools to instil an exclusive religious faith in children.

Mr. Andrew Turner (Isle of Wight) (Con): The hon. Gentleman seems to be suggesting that it is qualitatively less important for parents to choose a faith school than it is for them to choose a non-faith school. He is complaining that they may have to bus their children miles to a non-faith school, but he does not appear to recognise that in my constituency, for example, they would have not only to bus but to ferry children to a faith high school, as there are no such schools on the Isle of Wight.

Mr. Allen: The hon. Gentleman makes my point forcefully, particularly given that a choice between a faith school and a secular school can extend only to people of faith, whereas those who wish to send their children to a secular school do not have such a choice. They can send their children only to a secular school, unless they are prepared to pretend that their religious commitments are other than they are.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): Does the hon. Gentleman agree that the hon. Member for Isle of Wight (Mr. Turner) has missed at least some of the point? There is an inherent inequality in the way that the system works, in that no community school rejects a child on the basis of their religion, yet over-subscribed faith-based schools do reject children on the basis of their parents' lack of religious belief. The situation can never be equal or fair while that is allowed to continue.

Mr. Allen: I had intended to say that in my reply to the hon. Member for Isle of Wight (Mr. Turner), but I was not able to muster the eloquence of the hon. Member for Oxford, West and Abingdon (Dr. Harris).

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on the dignified manner in which he is conducting this debate. I want to follow the last point. At Bishop Stopford comprehensive secondary school in Kettering, religious criteria apply only if there is over-subscription. In practice, that is the case every year, but the school has more than 1,400 pupils. Do the hon. Gentleman's remarks about the expansion of faith schools apply to that school in my constituency?

Mr. Allen: Unfortunately, as I am not a Minister of State for Education and Skills, I cannot give the hon. Gentleman a full reply in that regard, but one of the key

[Mr. Allen]

aspects is that people who have a secular view—the majority of people in the UK—do not have the choice of sending their children to a faith school unless they lie, whereas people of any religious persuasion are able to send their children to religious or secular schools. Therefore, choice is a one-sided coin.

Another point is that up to 90 per cent. or even more of the funding for religious schools is from tax revenue. Many taxpayers can send their children only to secular schools, whereas those who have a faith can also send them to faith schools. The sense of being forced to pay for other people's education and as a taxpayer being unable to send their child to the school of their choice or to their local school is an affront to many.

Paul Rowen (Rochdale) (LD): Does the hon. Gentleman not accept that parents who send their children to faith schools are taxpayers, and, in fact, pay twice? They pay through their taxes and then through any contribution they make via the Church.

Mr. Allen: The logical extension of the hon. Gentleman's argument is that people who wish to send their children to schools that are segregated on religious grounds should pay for the privilege. That position is more extreme even than mine.

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): Is the hon. Gentleman saying that parents who are devout and therefore wish to have their child brought up in a school with a strong religious ethos should be able to exercise that choice only if they are wealthy, and that if they are not wealthy it is just too bad and they must have their children educated in the way that he sees fit?

Mr. Allen: Let us not forget that there are devout people who are not Protestant or Catholic but from other religions. Indeed, there are people who believe with at least as much sincerity in secular and humanist values. I would argue that they make up a higher percentage than any religious sect. However, many of those people are not able to send their children to faith schools; so again, it is a partial choice. That is the current problem. I would imagine and hope that no colleagues in the room would wish to invent the current situation of faith schools. It is uncomfortable and difficult for those who believe in universal education, just as it is difficult for those who are deeply religious, particularly those of religions not adequately represented in faith schools. The question is whether we make the current situation worse by expanding faith schools or try to address the problems as they are presented to us.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): I congratulate my hon. Friend on securing this debate; it is the first time that we have had a debate on this subject in Westminster Hall during all the years I have been in this House. I listened carefully to what he said about choice. Choice clashes with a bigger principle in which we also believe: the value of multiculturalism. I hope that he and I agree with other hon. Members on that. The segregation inherent in creating more faith schools clashes directly and heavily with the principle of multiculturalism and there are danger signs if we go down that road.

We have already seen what happens: there are divisions, and throughout the country pockets of segregated communities are emerging, whether they are Muslim, Hindu or Sikh. The emergence of faith schools in those communities will create further segregation and further division rather than unifying this country under one banner and the values of the country itself. Does my hon. Friend agree that this is a serious situation and will be dangerous for all of us in the future?

Mr. Allen: I have had conversations with the Minister about the education White Paper, all of which have been extremely positive and constructive. One thing that I have said to her—and I am not giving away any secrets—is that if we listen to colleagues in Parliament from all parties we will end up with better legislation. In many ways, the issue of faith schools is a microcosm of that. We are hearing from throughout Parliament, even in this small gathering, some very interesting and pertinent points. I am thinking of the intervention of my hon. Friend the Member for Middlesbrough, South and East Cleveland (Dr. Kumar). I shall come on to the damaging impact of segregation on our society in a little while.

To return to the point made by the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb) about whether it is just wealthy people who can go to faith schools, I have to say that despite all my reservations—about secondary faith schools in particular—it might be worth it if it subsidised a dynamic religious mission. The things that all religions have in their commandments, the words of their prophets or whatever, might lead them in their religious fervour to a crusade to educate the poor in the United Kingdom, which would go into the heart of the inner city and out to the estates that I represent. I would be on weak moral ground if that were the case, but I come from the most educationally deprived constituency in the UK—for example, it sends the fewest youngsters to university of any constituency—and the massive educational under-attainment of Nottingham, North is shunned by faith schools.

Indeed, faith schools outside my constituency suck many of the few high attainers out of my patch, compounding the underachievement of the hard-working local schools, head teachers, teachers, parents and youngsters. The religious philosophy evident is less a matter of "love thy neighbour" and more "the devil take the hindmost." Creaming off the talented and masquerading behind subsequently inflated results is not acceptable. "Suffer little children to come unto me, but only if they have a letter from their minister or priest" is not the basis of religious conviction in education.

Mr. Turner: I do not inquire into the faith of other hon. Members, and perhaps the hon. Gentleman told the House of his faith, or lack of it, or absence of it, before we arrived, but I am interested in the fact that he feels that his constituents suffer because they are forced to go outside his constituency if they want to go to a faith school. He shakes his head, but that seems to be the implication of what he says. It is, of course, a pity that

there are no faith schools in his constituency—I hope that he does not mind my saying that. Is he saying that if parents want to send their child to a faith school, it is better for the child to be forced to go to a non-faith school in Nottingham, North than to a faith school outside the constituency? Is he saying rather, as I suspect he is, that children are there for the benefit of schools and to provide a leavening of the lack of educational achievement in his constituency, and not that schools are there for the benefit of children?

Mr. Allen: I am sure that the hon. Gentleman is not trying to lower the tone of what has been a very good exchange so far. Of course I would like all the young people in my constituency to go to a decent school—not just one or two who can pass the truth tests of particular faith schools, which do not extend to all faiths and do not extend to those of no faith at all.

I turn to the claim that faith schools achieve better results than non-faith schools. The briefest examination shows that the intake of religious schools, like the intake of grammar schools, is the primary reason for their success. For example, more than a third of pupils in the average secondary school in Nottingham, North are eligible for free school meals—the indicator of deprivation often used in the education system—compared with 11.6 per cent. at the equivalent Church of England secondary. The trend is the same in the area of special educational needs. On average, 16 per cent. of religious secondary school pupils are SEN pupils, compared with 19 per cent. at non-religious secondary schools. The truth is that religious, and particularly Christian schools, have a more middle-class intake than non-religious schools. There is no side to what I say; it is just an explanation. It is just a fact, which is what we ought to be dealing with. That is why those schools get better results.

David Taylor: My hon. Friend has instanced two ways in which faith schools may differ from other schools in their vicinity. Would he add a third, in that they are insulated from the problems that other comprehensives have to deal with? They tend to take far fewer children with behavioural difficulties than non-faith schools in the vicinity. Is that the case in Nottingham, North?

Mr. Allen: The statistics bear that out. I have a ream of statistics, which I do not want to bore hon. Members with, but the statistics are there none the less and I have quoted some of them to support my case.

Mr. Gibb: Does the hon. Gentleman genuinely believe that the high results achieved by many faith schools are solely owing to their intake? Is there nothing whatever about the ethos of the school, the way that it educates children or the discipline established there that contributes to higher standards?

Mr. Allen: I do not think it is the sole reason, but it is the primary reason. I shall come to the question of ethos a little later and hopefully I shall respond to the hon. Gentleman's points.

Mr. Ken Purchase (Wolverhampton, North-East) (Lab/Co-op): I wonder whether my hon. Friend heard the Church of England's education spokesman yesterday. In analysing the results of a recent study about the intake of faith schools, he said that the way through the dilemma, which was keenly felt by the Church of England authorities, was for Church schools to accept local authority admission schemes. Does that tell my hon. Friend, as it does me, that we should be putting local education authorities back at the heart of education policy at a local level?

Mr. Allen: If we want good schools for everyone, not just some good schools for those who can find a way to get into them, what my hon. Friend says has a lot of merit. I know that through the process of debate about the education White Paper my hon. Friend's view is strengthening, which I welcome.

Dr. Harris: I urge the hon. Gentleman to respond to the hon. Member for Bognor Regis and Littlehampton (Mr. Gibb) by saying that there are massive statistical differences—a huge number of data points—in the intake with regard to special educational needs and care leavers. Given that the Government have done so much in those areas, it must be a cause for concern that that is happening. There is no evidence—it has been sought in academic studies—that there is anything in the ethos, the water or the prayers that contributes to that. The issue is selection in faith admissions, and I hope that the hon. Gentleman will make that clear.

Mr. Allen: I will gladly come to that point, if colleagues allow me to get there.

The already struggling community schools are further victimised by being denied an intake of middle-class pupils. They predominantly serve those who have not got into faith schools—often children from less advantaged homes and from racial and/or linguistic minorities. There is evidence from the USA—not that we need to go to the USA; there is evidence from our own comprehensive system—that when the proportion of children from economically poor families in a class passes the 25 per cent. barrier, performance nosedives. By spreading the presence of those children more widely, total performance can be improved, as can the performance of those children.

Annette Brooke (Mid-Dorset and North Poole) (LD): From what the hon. Gentleman is saying it seems that performance is all. Does he concur that there are other experiences in a school that are just as important as gaining top academic performance?

Mr. Allen: I would be loth to break totally with the new Labour indoctrination which I have gladly undergone in the past decade and say that results, targets and impositions are not everything. However, given my constituency and my background, I believe that, not only is the non-targetable stuff nice to have, it helps to create human beings who are capable and who have the social skills to take advantage of the education on offer and then make advances academically. It is not an either/or situation. People understand where I come from on the question of teaching social behaviour alongside literacy and numeracy and so on. That toolkit—that empathy on a one-to-one level—whether it be through sport, arts or other areas, is one of the greatest gifts that education can provide and, coincidentally, raises educational attainment as well.

[Mr. Allen]

The improved ethos cited by the Government, the Government-in-waiting and others as a reason for the expansion of faith schools is a natural side-effect of their middle-class intake. Of course a school with better-off pupils will benefit from pupils with good behaviour and the right level of social skills. That is exactly what is lacking in constituencies such as mine. That situation needs to be put right and not aggravated by admissions.

I hope to see the Minister this afternoon about the very issue of teaching social behaviour in primary schools and teaching parenting and social skills in secondary schools in Nottingham. The presence or absence of that teaching is central to future academic performance. Particularly disproportionately in non-faith schools, its absence undermines the ability to create the very ethos that, along with the hon. Member for Bognor Regis and Littlehampton, I think should be part of as many schools as possible.

An Ofsted spokesman recently told *The Times Educational Supplement* that

"selection, even on religious grounds, is likely to attract well-behaved children from stable backgrounds."

The Government quite rightly attach much importance to a school's ethos. To say that a positive ethos can be achieved only through religion is absurd and quite frankly insulting to those of us—the majority of the British public—of no faith and to the majority who teach and work in non-faith schools. It is sometimes possible to listen to this debate and imagine that those from non-religious backgrounds are a rampant minority jumping up and down and making a lot of noise, when, actually, most people in the UK do not feel strongly about religion and do not send their children to faith schools. Those schools attract so much attention, as well as attracting so much taxpayers' money, that one would be forgiven for thinking that the argument had become slightly out of perspective.

A school's ethos is not merely a product of the religious or philosophical viewpoint of its staff and pupils; it is based on shared human values. Teachers in non-religious community schools frequently have strong ethical and moral values with which to support their pupils. In the city of Nottingham, there is a non-faith school—not in my constituency—called Middleton primary school, which was praised by Ofsted for its

"Good religious education provision and very good personal development".

Ofsted went on to say that

"this includes their spiritual, moral, social and cultural development. Pupils show a high level of maturity . . . They enjoy taking responsibility for creating a harmonious community in which everyone helps each other. Older pupils say that their first responsibility is to set a good example for younger ones and they do so very well . . . The supportive atmosphere means that each child feels very special."

We can see the heart of decent, civilised human values—helping each other and building a better community—in action, and not necessarily in the context of a faith school.

Colleagues who support faith schools and their expansion are entitled to their view, but they should be careful not to see faith schools as the only route to a decent ethos and education, because that is not the case. Middleton primary school has children and teachers from between 20 and 30 different faith groups. Let us think of the benefit to those children and what they accrue from learning about other faiths and cultures from such a young age. What are the chances of those children growing up to be dogmatic and intolerant of others after such a positive early life experience?

Often the schools that parade faith are single-faith schools. They escape the national curriculum on religious education and they can, and do, deny a rounded multi-faith education to pupils. That ossifies the monocultural views—often of the older generation and community leaders—which are often the opposite of those of the younger generation, many of whom will be forced to attend minority-faith schools.

On the subject of ethics, I have to wonder at the ethical practices employed by certain faith schools. The head teacher of an Oldham Church of England school—typical of many—was reported in *The Times Educational Supplement* on 22 June 2001 as

"happy to admit that many 'Church of England' parents actually attend services with the express purpose of winning a place at his school."

It was a badge of honour that people lied to get into his school. In a June 2000 NOP poll, 8 per cent. of parents admitted attending church just to get their children into a faith school. The real figures are probably higher. If someone is a caring parent, desperate to get the best for their child, they might take that route.

Mr. Purchase: This is such an important point. We hear that claim so often: "I want the best for my child and therefore I reserve the right to send my child—to pay for my child—to go to this school rather than that school." Always and everywhere, in those circumstances, that means that some other child is disadvantaged in order that an advantage can be gained. I hope that my hon. Friend will deal comprehensively with that and put to rest once and for all the nonsense that only so many parents want the best for their children. We all want the best for our children and we all want good schools in our neighbourhoods. That is the point. I hope that he will get to that right now.

Mr. Allen: I hope that I have been getting to that right the way through my remarks, but I support the passion with which my hon. Friend speaks. The issue is not about denying somebody else a good education; it is about letting everybody have a good education. Although all constituencies may not be in the same position as mine, many colleagues have areas in their constituencies that they feel are at least as deprived as my constituency. We all want the best for those children. That is what Ministers and the Opposition want, and together I am sure that we can find a way through the problem. At the moment, we often deny youngsters the chance of going to their local school unless we make liars out of parents—forcible, conscripted, pretend armies of believers. I do not know whether people in the various Churches tick boxes as we do in Government, saying, "Let's pretend that we've got thousands and thousands of believers, because we've got an active school." That is not why those parents go to a particular church.

David Taylor: Will my hon. Friend congratulate our Government on making an enormous number of huge

educational improvements in the past nine years, the most recent being to forbid—effectively—the interviewing of parents who want to send their children to particular schools? Although many faith secondary schools may not be selective by intent, are they not selective in effect? Is not that more difficult to tackle?

Mr. Allen: I take second place to no one in praising the Government for what they have done in education since 1997. Speaking about my own constituency, the effort made by successive ministerial teams, the civil service and my local education authority cannot be qualified. It has been magnificent and made a real impact on the life chances of many youngsters in my constituency. I do not raise this debate to denigrate what the Government have done. On the contrary, I wish to encourage them to go further, so that the life chances of some children in my constituency are extended to all children. My argument this morning is one—just one—way in which that can be done.

I am not a great believer in opinion polls, but I shall throw in a few numbers. A recent NOP poll found that 79 per cent. of parents thought that discriminating on religious grounds was as bad as discriminating on the grounds of race or accent. On August 23 2005, an ICM poll showed that 64 per cent. of respondents agreed with the statement that

"the Government should not be funding faith schools of any kind",

and the *New Statesman* reported that 96 per cent. of its readers opposed faith schools, although considering the readership of that publication, I am surprised that the figure was not much higher.

Picking up some points made earlier, I turn to the issue of so-called parental choice. In reality, there is no real choice for parents in my constituency. One cannot choose to go to a school that will not admit on the grounds of religion or lack of religion. Those are the ethics of a private club, not the ethics of decent schooling.

Mr. Turner: We can.

Mr. Allen: The hon. Gentleman says that we can, and I shall be pleased to give way to him to tell me how.

Mr. Turner: I am grateful to the hon. Gentleman for giving way, because of course a school will admit any child up to the point at which the school is over-subscribed. May I take the opportunity to ask him whether he really meant in response to his hon. Friend the Member for Wolverhampton, North-East (Mr. Purchase) that it is a zero sum game? That hon. Gentleman suggested that for every child who is advantaged, there is another child who is disadvantaged. Surely it is the intention of the Government and everybody in this House to create more good schools and more places in good schools. So it is not necessarily a zero sum game.

Mr. Allen: I hope that we would all agree that we want an abundance of good schools everywhere and every school to be a good school. That is fundamental to my beliefs on education: there should not be some good schools, whereby if one is lucky enough, one can get in, leaving behind sink schools which may be created by creaming off the best youngsters; there should be a global view of where good schools should be. They should be in every constituency in every area, and not the product of a private members' club arrangement, whereby certain children are allowed in either because of the way that they look, their race and the way that they talk, or—the one that we still have on our statute books—because of the religious faith that their parents profess.

It is amazing that we are having this debate in the 21st century. If we just changed the term from "religion" to "race", and put ourselves in the position of those who want racial segregation, we could almost be transported back to the deep south or to the UK's education system 150 years ago. It is unacceptable and intolerable in this day and age.

Paul Rowen: I really must challenge the hon. Gentleman on that statement, because it is not borne out by reality. Does he not accept that many faith schools are multicultural and multi-faith? I have worked in Bradford and Oldham, where there are problems, but they lie not in the Church schools but in others, where segregation has been brought about by race. The centre of Bradford is predominantly Muslim, and the outer schools are white. They are ordinary so-called community schools, and the choice agenda has allowed that situation to operate. The Church schools in Bradford are mixed, unlike the so-called community schools.

Mr. Allen: I started my remarks pointedly emphasising that in faith schools so many people are working so hard and—in my opinion—moving in the right direction. I do not wish to damn all faith schools; nor do I wish to abuse anyone who works in a faith school. We are where we are, and the question is whether we take it further and encourage more faith schools. We need to speak up about that, because it is taking place outwith the influence of Members of Parliament.

This issue prompted the first occasion in 15 years on which I voted against my parliamentary leadership, because an expansion of faith schools was taking place outside the legislative framework. It was being done by Executive diktat, and it was only because several colleagues—foremost among whom was my right hon. Friend the Member for Holborn and St. Pancras (Frank Dobson)—spotted what was going on that we called a debate. As one could perhaps argue with regard to police and health service reforms and several other areas, Parliament was just a bystander.

When we see that taking place, it is our responsibility to speak up and to claim and reclaim Parliament's rightful territory of debating and agreeing to those issues, rather than having key personalities decide that that is the way that we are going to go with our education policy. Let us have the debate. That is why I am glad to have this debate and to open up the conversation to all points of view—all valid points of view—that are expressed this morning.

Dr. Kumar: I praise the way in which my hon. Friend is conducting this debate and what he says. I want to follow up the point made by the hon. Member for Rochdale (Paul Rowen) on the multicultural spirit being

[Dr. Kumar]

created in our schools, by raising another example in which that spirit is not succeeding. There are Muslim schools, Hindu schools and Sikh schools in which I do not see any multiculturalism emerging. In Muslim schools, 99.999 per cent. of the pupils are Muslim—I suspect that it is 100 per cent. That is similarly happening in Sikh schools and it is going to happen in Hindu schools. I do not see a spirit of multiculturalism emerging in those schools, and I have serious concerns about that, because it will create problems 15 or 20 years down the road. Bradford may have been successful in creating that spirit, but so far I do not see any evidence of the multicultural spirit in such schools.

Mr. Allen: My hon. Friend anticipates a further remark later in my speech. I add one point: I was fortunate enough to be drawn No. 1 in Northern Ireland questions last week, and I raised with the Minister the question of what might have happened when the troubles began some 30 years ago had all new schools been non-denominational. What would have happened if an integrated schooling system had slowly developed, year after year, over 30 years? Surely, we would have been in a far healthier position than we are now. Young Catholics and Protestants would have met each other day to day, sat next to each other, played in the playground, fought, argued and talked. As a result, they would have realised that the other kids were just like the kids down their street. My worry—my hon. Friend the Member for Middlesbrough, South and East Cleveland touched on it—is that if we carry on building up faith schools, in 30 years' time we will regret not having taken action to prevent the problems that I have described. It is in our gift to take that action right now, and that is an onerous responsibility on all hon. Members present.

In education, as we know, choice for one group can often come at the expense of choice for another group. As faith schools choose their pupils—not the other way round—their proliferation will decrease choice for the majority of parents, unless they are prepared to pretend to join a religion. That pretend piety is a skill or tool that is almost always employed by middle-class parents, who get to know their local priest or vicar. As usual, it is the most deprived families, such as those in my constituency, who lose out. A May 2003 report by the Education and Skills Committee, which was based on evidence from numerous experts, stated:

> "In practice, parents have found that the reality of school diversity and choice can act to limit rather than expand their options for their children's education."

That leads me to the issue of community cohesion, which has been raised by many colleagues from both sides of the House. Faith schools can seriously damage the health of the communities that they are meant to serve. Those in poor areas often serve few local pupils, with middle-class pupils travelling from other areas to attend. A 2005 study by the IRIS think-tank—the Institute for Research in Integrated Strategies—found one faith school at which 10 per cent. of pupils were eligible for free school meals, in an area where 45 per cent. of local children were eligible.

School is the primary means by which children mix with one another. The other children they meet at school are the people they will grow up with, who will influence them and shape their outlook on the world. Schools that are segregated on any basis, including religion, serve only to narrow children's view of the world and of those who are different from them. Such a policy creates religious apartheid in schools and pulls up the drawbridges—it is a policy of retreat from the multicultural, multi-ethnic society that is our future. We tamper with that future at our peril.

I fundamentally believe that it is not acceptable to segregate children on the grounds of race. If anyone disagrees with that and feels that we should do so, I would gladly give way.

Mr. Turner: Will the hon. Gentleman give way?

Mr. Allen: Here we go.

Mr. Turner: I am not going to defend that view, but does the hon. Gentleman accept that much of the white flight from our cities is the result of people wishing to achieve a better standard of education? That has the effect of segregating pupils on the grounds of race and by the residential neighbourhood in which they live.

Mr. Allen: I have no doubt that there are people who move to find better schools for their children. That is their right and they are entitled to do that. However, my question is whether it is right—as a matter of Government policy, not market economics—to encourage that development. No one took up my offer that we should segregate youngsters by race.

How about class? Should we deliberately segregate our youngsters by class and have only certain classes of children in certain schools?

Mr. Gibb *indicated dissent.*

Mr. Allen: The hon. Gentleman agrees that we should not do that. So why do my Government—a Labour Government—continue to allow, and indeed promote, segregation on the grounds of religion? Such an approach gives rise to the belief that "You are different. You don't go to my sort of school." That way lie a lot of difficulties.

Mr. Purchase: My hon. Friend talked of our Government's truly tremendous achievements on education, and I, like him, stand second to no one in commending them on what they have done. However, they are bunging £20 million, and whatever it is each year, at a Christian fundamentalist school that teaches creationism among other things. Does my hon. Friend think that the same fair wind would be given to an Islamic fundamentalist school that came forward with a couple of million quid towards £20 million?

Mr. Allen: I very much hope that debates such as this, which are conducted in a rational and friendly atmosphere by those on all parts of the parliamentary spectrum, will lead the Government to think about the unintended consequences of their policy. They should not think, "We have found a way forward. These schools look as though they are doing well. Let's have more of them." They should look beyond that at why such schools perform well, because, as my hon. Friend

suggests, that has logical consequences for who we then fund. There are bound to be occasions—particularly if the benign umbrella of the local education authority is weakened—when the weird and the wonderful, the repressive and the strange start receiving funding from the public education system.

We know that separating black children from white children at primary school is not acceptable and would probably lead to a generation growing up with a racist outlook. We know that separating poor children from rich children would perpetuate class inequality between those two social groups. Not only does religious segregation foster religious bigotry, but it inadvertently segregates races and classes. As I said, Christian schools are broadly the preserve of white middle-class children. Were we to establish a series of state-owned Muslim schools, I imagine that they would be predominantly Asian. Is that not racial and social segregation by the back door?

In some of our cities, school buses will pass each other, travelling in different directions, and one will be carrying predominantly white children, while the other will be carrying predominantly non-white children. Let us imagine what would happen to the already frayed tensions in towns such as Burnley—I could name many others—if the community were further polarised by dividing children between white Christian and Asian Muslim schools. However, I must underline—not least to the hon. Member for Rochdale (Paul Rowen)—that that is in no way to ascribe malice or evil to those who work in faith schools. On the contrary, I know from my own experience how self-sacrificing and dedicated many of them are. Such a claim forms no part of my case whatever. The problems I described are an unintended consequence of the massive drive on this issue, which crushes the best out of colleagues who work in such schools.

Research by Rebecca Allen—no relative—of the Institute of Education demonstrated that segregation at faith schools was far greater than when all children went to their nearest school. The prospect of establishing more Islamic faith schools in the maintained sector raises additional problems, particularly for Muslim girls. Single-faith schools will mean more discrimination and that the most conservative, anti-women elements in all religions have a greater stranglehold over the education of our children and particularly our young girls.

A 2005 survey by the Islamic Human Rights Commission found that less than 50 per cent. of Muslims wanted their children to attend a faith school. However, it also showed that more Muslim men than women wanted their children to attend such a school. The former chief inspector of schools, David Bell, has also highlighted Islamic schools, saying:

"I worry that many young people are being educated in faith-based schools with little appreciation of their wider responsibilities and obligations to British society."

That precise point could be made not only for Islamic schools but for other faith-based schools. Northern Ireland is a classic example of the dangers of religious segregation in schools. That issue has never been adequately addressed by any Government, whatever their political persuasion.

Mr. Purchase: All children have the benefit of being taught about the great religions of the world in whatever school they attend. Should they not, alongside that, have the enormous benefit of understanding the scientific revolution and the enlightenment, and is that not best achieved in schools that are without the single ethos of any particular religion?

Mr. Allen: Again, many who support the expansion of faith-based schools might fear that their children will otherwise be plunged into a valueless, soulless, faithless education. On the contrary, it is a far more enriching experience for a young person to know about all religions, to understand all their friends and colleagues in the same classroom, and to draw on that broader education. Some might then be able to make up their own minds on how to express their spirituality and their views. However, that might create even greater fear in those who believe in single-faith schools—but to pursue that issue would be to delve into the depths of religious philosophy, and I shall stay with the expansion, or not, of faith schools rather than enter that boggy area.

To finish my point about Northern Ireland, Lord Dubs in the other place quoted a survey that found that 82 per cent. of parents in Northern Ireland supported integrated education, and 52 per cent. said that their only reason for not sending their children to an integrated school was that there was not one in their locality. Many parents on the mainland are not sending their kids to the school of their choice, because they cannot send them to the school in their locality. I worry that if the expansion continues without proper debate or discussion in Parliament, or between those of faith and those with no faith, we could find that most people do not want to send their children to a faith-based school and do not support non-integrated education, but they have to lump it because that is all there is.

If a Member of Parliament in Westminster wanted to send their child to a local secondary school, they would have to get a letter from their vicar, and if they chose the school second furthest from the House of Commons, a letter from their priest. They would not be able to send their child to the local secondary school.

Surely, the answer to these problems is, at least as a first step, for all new schools to be community schools and for no further schools to be converted to religious schools. It is barely credible that we are talking in these terms in the 21st century. Some would argue that that would push more parents to send their children to religious private schools outside state control. If that were their choice, so be it. What is objectionable is not only that we as taxpayers have to pay for such schools, but that our children are barred from attending them because they are not of the right religion. Faith schools are intrinsically selective. They attract children by religion—real or professed—and, all too often, religion is a proxy for class or race. There is immense scope for faith schools to choose "desirable" children who are likely to boost their league table standing and to palm off "undesirables".

Where could the Government go from here? Where would a reforming Government go? They could oblige all schools, including faith schools, to follow a curriculum of broad and balanced religious education, such as that laid out in the new but non-statutory national framework for religious education. In the case of faith schools, that could be in addition to whatever optional religion-specific teaching those schools were

[Mr. Allen]

permitted to offer. The Government could oblige faith schools to be non-selective, making their intakes truly inclusive, like those of other schools.

Governments could reform the law to remove the requirement on community schools to have a daily act of broadly Christian collective worship, making such schools more welcoming places for families of no faith and of other faiths, giving them the broader education that my hon. Friend the Member for Wolverhampton, North-East (Mr. Purchase) mentioned—the rich variety of spirituality and human values of which we dismiss 98 per cent. when we send youngsters to a mono-faith school.

Governments could reduce any desire for separate schools on the part of minority faiths by making community schools more inclusive and accommodating, or they could refuse to use taxpayers' money to subsidise schools from which most local taxpayers' children were banned on the grounds of religion, just as we already do if they are banned on the grounds of race. We do it for race; we should do it for religion.

Secular schools offer an environment in which children of all backgrounds can mix. I repeat that we should put the matter into perspective. Most schools are secular places in which youngsters are not forced to take one religious view, and where they can learn about religions and none without fear of bias or indoctrination. Let us give children the facts in schools, and leave parents to guide their children along the spiritual or non-spiritual path of their choosing.

We have had a good debate, and I am glad that so many hon. Members from all parts of the House have participated. I have deliberately taken a long time in order to facilitate an exchange with colleagues and have, I hope, left enough time for others to make their own speeches and for Front Benchers to wind up the debate. I hope that, ultimately, the thing that will unite us will be ensuring that the Government move towards a position where parents and children want not religious schools but good schools.

Several hon. Members *rose—*

Mr. Mike Weir (in the Chair): Order. We have only three minutes before the winding-up speeches are due to start. I would encourage extreme brevity.

10.27 am

Paul Rowen (Rochdale) (LD): I cannot agree with the hon. Member for Nottingham, North (Mr. Allen) that we have had a debate. We have heard a monologue against faith schools, and I cannot possibly cover many of his fallacious arguments in three minutes. However, I should like to deal with a few facts, because his remarks were rather short of those.

The first thing that one needs to say is that, while 18 per cent. of secondary schools are Church schools, one in five children in Catholic secondary schools is not Catholic, so it is not true to say that such schools prevent or select against other faiths. If we consider the ethnic mix of such schools, we find that, whereas the average proportion of white children in the population is 80 per cent., in Catholic schools it is 71 per cent. It is a clear fact that Catholic—and other faith—schools are multicultural and multi-ethnic. In exams, those on free school meals in each of the bands outperform those in the same bands in community schools. Those are the facts in the 2003 Ofsted report.

Similarly, let us consider who wants to open academy schools in some of our most deprived communities: it is the Church of England. That is part of its historic mission. Church schools were the first bodies to provide universal free education. While many have deserted our cities, the Churches—through the academy and foundation programmes—are moving in, putting their money where their mouths are and doing something for those cities.

The selector is not religion; it is race. I have 25 years' experience of working in Church schools in Oldham and Bradford, and three in Nottingham in a non-Church school, so I know what I am talking about. The hon. Gentleman will find, if he considers what has been experienced, that it is not the Church schools in Bradford or Oldham that select, but the ordinary so-called community schools that do so in areas that have seen the white flight from the centre to the outskirts. That has been a result in many respects of unfettered choice. The schools in the centre, be they Church or community, deal with all faiths. I regret the fact that we cannot have a proper debate today, but I hope that some of my colleagues can respond to some of the fallacious arguments that have been made.

10.30 am

Annette Brooke (Mid-Dorset and North Poole) (LD): I will endeavour to move swiftly, because the subject is important.

I congratulate the hon. Member for Nottingham, North (Mr. Allen), because he has clearly demonstrated the great need for a full and open debate. I am not convinced that time will allow us that this morning, unfortunately, but that was the one part of his argument that was absolutely convincing.

Personally, I am supportive of faith schools but I recognise that there is an alternative view that our education should be entirely secular. A lot of questions need to be openly and honestly addressed. I concur that the ideal is good local community schools, which means investing adequately in all our schools. It is not sufficient to attack schools that have more facilities than another; we need to attack the problem of the traditional lack of investment. Even where I come from, which is a relatively affluent part of the country, there are two areas where for years and years children in secondary modern schools were badly let down. I do not see that as a consequence of the faith school.

It is highly important that community schools are incredibly sensitive to multi-faith sensibilities. We are where we are because of the history of Anglican, non-conformist and Roman Catholic schools and the partnerships that formed over centuries, which were reinforced by the Education Act 1944. By 1998, we as Liberal Democrats felt that if partnership was offered to Anglican and Roman Catholic Church schools, it would be unacceptable to deny partnership to schools from other faiths. That is a difficulty, but it gives us a great challenge. Here I do agree with the hon. Gentleman:

right across the country—although it obviously differs according to the circumstances—the challenge to us all is to promote co-operation, understanding, joint working and other arrangements that help bridge divides without losing the importance of individual faiths and ethos.

I share the views on community integration. The Cantle and Ouseley reports noted the roles of schools, which are important for integration but can serve to fragment the community. The recent statement from David Bell, with all his expertise from Ofsted, expressed such reservations, too. We cannot ignore that; I absolutely agree. However, I recognise, as my party does, the popularity and success of many faith schools. Many are oversubscribed; many achieve higher than average GCSE and A-level scores. We certainly do not argue for the removal of state funding from existing schools.

Dr. Harris: I am grateful to my hon. Friend for giving way, because I know that she has a lot to say about how clear Liberal Democrat policy is on the subject—not. Can she give any evidence of why she thinks that there are good exam results in faith schools that select on the basis of parents' faith or claimed faith after allowing for the social selection that occurs? Can she cite the academic studies that underpin that assertion, which I think is flawed?

Annette Brooke: I will cover that point as I progress, although I am afraid that I will not do so with hard evidence. We can all be selective with the statistics. I will come on to the Sutton Trust's figures and will treat them in a manner that will possibly support my hon. Friend's argument.

I taught at an independent Church of England school for 10 years where recently the head girl was of Muslim faith. In all the time that I was there, a considerable proportion of girls of faiths other than C of E attended the school. I believe that the multi-faith intake enhanced school life and ethos.

I am proud to have had a close association over the years with a voluntary-aided comprehensive school in Poole—St. Edwards school. It has been a joint Roman Catholic and Church of England school since 1991, and has been a model for some of the changes in Northern Ireland. It gives priority to children with special needs who apply from the local community and operates with an admissions policy of a maximum of 75 per cent. Roman Catholic and a minimum of 25 per cent. Church of England. It usually takes between 10 and 15 per cent. of its students from a Free Church background.

St. Edwards is oversubscribed, so how are the places allocated? I have a few difficulties with the process. A form is filled in that has to contain a statement of connection with local schools for the governors. I am not convinced that that is an openly transparent system. On the other hand, most children in the school come from the main Catholic feeder middle schools. That is fairly straightforward. If one suggested that the school should have a fixed percentage from the local community—I am not suggesting that—it would argue that that would deprive baptised Catholics of a place. That is a difficulty.

The school is proud of its record of collaboration with local schools. That is good, as joint benefits are produced. College students come to the school to take A-level religious education. If in future we had more of a Tomlinson model with more collaboration between local schools, as the hon. Member for Nottingham, North described, we could get the best for our children and take what is good in our schools. I suspect a wish to destroy something, and we need to think carefully before we do that. We need to build on what we have and ensure that we get the best for all our children.

The Sutton Trust has produced a report on the subject, and Sir Peter Lampl has said that faith schools should be barred from using religious belief as a means of admitting pupils. His study concurs that that can be a cause of social selection, and cites the country's top comprehensive schools. Yes, there are variations on whether the school's intake matches the local community profile for free school meals, but that is where the local authority comes in. The local authority should have an overview and ensure that we get the best for our children, all working in collaboration. We should not have fixed percentages for this, that and the other; we need good local leadership and to work together.

The Sutton Trust report mentions that 70 per cent. of the top 200 comprehensive schools control their own admissions. The message applies across the board: should we be moving to a situation where more schools can control their admissions? That adds a question mark. Even with the welcome caveat that interviews are banned, we all know that there is a long list of other ways of selection. There are problems, but there is no need to pick on faith schools, as schools across the board have hidden selection processes. As a supporter of faith schools, I say again that we have to look clearly right across the board. There is further evidence, which I will not dwell on now, that supports the potential social segregation of faith schools.

Statistics provided by Canon John Hall, the Church of England's chief education officer, show that the average of pupils on free school meals in Church of England secondary schools was 13.2 per cent. compared with a national English average of 15.8 per cent. We can all pick up the statistics, which is why we should to look at the individual cases.

I was heartened by the speech made by the Bishop of Liverpool in the other place last week. He described the system set up in Liverpool, which takes children from the deprived local community and has made a huge contribution. I do not want that contribution to cease.

I am concerned about the report of the Institute for Research in Integrated Strategies, which suggests that primary schools are now becoming more selective. Parents are looking at league tables. I am worried about the Government's agenda. There is a great deal more to be said, but time is running out so I wish only to re-emphasise that we need a proper open debate and overall collaboration—not destruction—to achieve what is best for our children.

10.40 am

Mr. Nick Gibb (Bognor Regis and Littlehampton) (Con): This is a very welcome and important debate. It has drawn attention effectively to the key issues that need to be aired and I congratulate the hon. Member for Nottingham, North (Mr. Allen) on the easy-going and open way in which he introduced it. The Opposition

[Mr. Nick Gibb]

approach to faith schools is one of support. We believe in a diverse range of education provisions to cater for the varied demands of parents and pupils. The choice might not be perfect, but some imperfect choice is better than no choice at all.

We also support faith schools because the majority of them deliver a high quality of education. In my constituency, the primary school with the best results in 2005 was St. Mary's Roman Catholic school in Bognor Regis; 91 per cent. of its pupils reached level 4 in English and 97 per cent. in science, and that school does not have a rarefied intake. It achieved those results because of the ethos that it has established. In the top 200 comprehensive schools in the secondary sector, 42 per cent. are faith schools, even though, overall, faith schools represent only 18 per cent. of the total.

Mr. Purchase: Will the hon. Gentleman explain whether it is a religious ethos that brings better education? If so, should we be saying to teachers, "We think that you had better get God"?

Mr. Gibb: That may or may not be a better reason for the ethos, but the ethos of such schools is certainly different. Parents are so desperate to send their children to the school, because it has an ethos that they do not detect for whatever reason in other schools in the area.

Let us consider Catholic schools, in particular. In the key stage 2 results in 2005, nearly one in five of the best primary schools were Catholic; 21 of the top 115 primary schools in terms of their value-added element are Catholic, which is about 18 per cent., whereas they represent only about 10 per cent. of schools in total. In the secondary sector, 23 of the top 100 comprehensives are Catholic—more than twice the 10 per cent. that they ought to represent given the number of schools.

Research undertaken for the Church's review group showed that Church of England schools achieve five percentage points above the usual average LEA school in their five or more GCSE results. There are similar high-achieving results in Jewish schools. We must ask why. The hon. Members for Nottingham, North and for Wolverhampton, North-East (Mr. Purchase) argue that the results are high because the intake of the schools is skewed. The report by the Institute for Research in Integrated Strategies, to which the hon. Member for Mid-Dorset and North Poole (Annette Brooke) referred, argues that voluntary-aided schools submitted a lower proportion of children eligible for free school meals compared with the eligibility criteria in the local postcode area of those schools. The disparity is not that huge; overall, it is 19 per cent. versus 14 per cent. The Catholic Education Service argues that the most likely reason for such a disparity was that its schools served a much wider geographical area than the immediate postcode area of the school. My understanding is that faith schools do not try to cherry-pick students.

The value-added results of faith schools are far better than the average, which shows that, even if the intake were skewed slightly from 19 per cent. to 14 per cent. away from the average of free school meals—we cannot always control whether parents have to apply to such schools—that is not the key driver of higher standards compared with other non-faith based schools. If it were the sole reason for the better results, there would not be high value-added figures for faith schools.

Dr. Harris: I draw the hon. Gentleman's attention to what the National Foundation for Educational Research told the Education and Skills Committee. In 2003, it said:

> "On the basis of our research looking exclusively at achievement, there is not any evidence at all to suggest really that increasing the number of faith schools will improve the level of achievement . . . Our finding is that basically, when you apply value-added analysis, that advantage all but disappears, which suggests that the difference is based on intake."

That shows the point through academic research.

Mr. Gibb: There is academic research that proves the contrary. For example, the parliamentary answer to my hon. Friend the Member for Fareham (Mr. Hoban) from the Minister on 28 November 2005 showed the percentage of pupils receiving free school meals and achieving five or more A* to C grades at GCSE. It illustrated different schools and different categories of proportions of free school meals. It showed faith schools out-performing similar non-faith schools with similar intakes of children with free school meals, and a much higher proportion of those children achieving higher grades.

For example, I refer to a complex table, which shows that in 2004 of schools with between 35.1 per cent. and 50 per cent. of pupils eligible for free school meals, 25.9 per cent. of pupils in non-faith schools achieved five or more GCSE grades A* to C compared with 36 per cent. of such pupils who achieve those grades at faith schools. That figure is pretty typical across the range of tables that were shown in the Minister's reply. The more that we examine that parliamentary answer and the data that it contains, the less convincing is the reputation that faith schools achieve their results by skewing their intake. The fact is that many faith schools can develop an ethos and an approach to education that delivers higher levels of educational attainment. For example, Ofsted said about one faith school:

> "The school successfully imports to pupils the idea that the pursuit of excellence is part and parcel of the spiritual life of the school."

It went on to say that the school's success is

> "due to the implementation of good practical approaches to teaching and school management within a strong framework of Christian values and ideals."

I do not accept that the high levels of achievement in faith schools are solely the result of the intake. The reason why parents—even non-religious parents—are so desperate to put their children into faith schools is often that the ethos, the discipline and the behaviour in such schools are more in tune with what they want for their children. They find that other schools in the locality simply do not have that ethos, not because of the intake of those schools but because the leadership of the schools takes a different philosophical and ethical approach to education.

Catholic schools also tend to have a much more diverse ethnic mix than similar non-faith schools. As the Catholic Education Service said:

"Catholic schools are truly comprehensive, resisting grammar school routes and welcoming children of every ability, including with Special Educational Needs, race and ethnic mix. The vast majority of Catholic VA schools, where they are oversubscribed, select only on the basis of religion."

That statement was endorsed by Trevor Phillips, the chairman of the Commission for Racial Equality. He said:

"Data from OFSTED shows that when we look at the ethnic mix of schools, Catholic schools tend to be far more mixed than local authority schools. A healthy mix might be a school with a proportion of ethnic minority pupils somewhere between 5 per cent. and 40 per cent.—where these children neither predominate, nor are they isolated."

He went on to say:

"Among state schools, about a quarter (25.6 per cent.) fall into this group. But amongst Catholic schools, a third (32.5 per cent.) would fit this description. So the passion being spent on arguments about whether we need more or fewer faith schools is, in my view, misspent."

In all the debates in recent months about education policy, there has been an obsession about the intake of a school. It is an ideological obsession that says that the quality of a school is determined by its intake and that excellence or high levels of achievement can have been gained only by fiddling the admissions criteria. I do not accept that. The debate about faith schools, in particular, is dominated by ideological obsessions—the anti-religious, secularist movement on the one hand and those obsessed with the issue of how over-subscribed schools determine their admissions on the other. It is important that we do not let ideology determine education policy, whether it is ideology of the right or of the left. What matters is what works. It is clear that faith schools work. They are popular, they are oversubscribed, they have good behaviour and they achieve high levels of attainment. We need to focus on what works. It seems to me that faith schools do work. They are demanded by parents, and the state needs to ensure that they continue to be provided.

10.50 am

The Minister for Schools (Jacqui Smith): I congratulate my hon. Friend the Member for Nottingham, North (Mr. Allen) on what has been a very good debate. It has, of course, gone significantly wider than its title, and in the relatively short time left to me to respond I shall focus largely on admissions arrangements, although it is worth setting out, as other hon. Members have done, the historical context for the system of faith schools in this country. Those schools have for many years contributed to the education of our children. Almost 7,000 schools—nearly a third of all state schools—are faith-based, and the great majority of them are provided by the Christian Churches. Indeed, the Church of England and the Roman Catholic Church established an education system in this country long before the state became involved.

There is a perfectly respectable argument for moving to a secular education system in this country. I do not think that anyone—with the possible exception of my hon. Friend the Member for Wolverhampton, North-East (Mr. Purchase)—has attempted to make that argument today. I therefore find it quite difficult to envisage our being willing to countenance the continuation of faith schools while deciding to shut off opportunities for other parents and faith-based groups who might want the same kind of publicly funded state education rather than to have to go independent. It is for that reason that the Government have welcomed schools of other faiths joining the maintained sector.

I want to make clear the framework within which we expect such schools to operate. We expect every school in the maintained sector to work within the school admissions framework. All such schools have a statutory duty to comply with parental preference, offering parents a right of appeal if they cannot offer a place, and, since the Education Act 2002, faith schools, like all other maintained schools, have had to participate in the local authority co-ordination of the secondary school admissions process. They have also, of course, had to set their admissions policies after having regard to the school admissions code of practice, which gives guidance on what the Secretary of State considers to be good or poor practice. They also need to ensure that their arrangements are clear, fair and objective and that they serve the interests of all parents and children in their area; the method of assessing religious observance, where that is used, should be clearly stated and published. If other schools or local authorities believe that any school's arrangements are not fair, or are unlawful or discriminatory, or not in line with the code, they can object to the schools adjudicator. Schools have also worked through mandatory admissions forums, with their local authorities and other schools and academies, to discuss and improve local admissions arrangements.

However, while most faith schools give some priority to members of their own faith, the 2002 Act—as I think the hon. Member for Isle of Wight (Mr. Turner) mentioned—made it unlawful for any school in the state system to refuse places to those of other faiths or no faith if they have vacancies. That means that it is no longer possible for schools to adopt the previous practice by which they could keep places vacant if they did not receive enough applications from members of their own faith—even if there were other applicants. The effect has been to ensure that faith schools that are not oversubscribed have become more inclusive for children of other faiths or none, and that they can no longer hold on to empty places when children need and want them.

There has been considerable and understandable discussion about the extent to which faith-based schools equate with social segregation. I acknowledge those concerns but increasingly I think—and the hon. Member for Rochdale (Paul Rowen) made the point—that segregation in schools is frequently as much an accident of patterns of employment and housing as a reflection of school admissions arrangements. That is not to say that we do not believe that faith schools need to be inclusive of other faiths and maintain admissions policies that admit pupils from their local area, as well as those of their faith. That is why the existing school admissions code of practice—I shall talk shortly about changes that we propose to make to it—already encourages schools to widen their policies to contribute to community cohesion.

[Jacqui Smith]

I have a fact to contribute to the debate: it is not statistically the case that there are large discrepancies in the social make-up of faith schools as compared with non-faith schools. For the most disadvantaged schools—those with more than 21 per cent. of their children receiving free school meals—the proportion of voluntary-aided and other schools is broadly similar. The average free school meal rate in the two categories is similar. In voluntary-aided schools it is 33.8 per cent, whereas in non-voluntary-aided schools it is 34.1 per cent. However, it appears, from the achievement levels in those equivalent most disadvantaged schools, that despite those similarities voluntary-aided schools are making an important contribution for disadvantaged pupils: 47.6 per cent. of pupils in voluntary-aided schools achieve five or more GCSEs at A* to C grade, compared with 40.6 per cent. in non-voluntary-aided schools.

There has been discussion about the extent to which faith schools should develop or are developing their admissions arrangements to ensure greater inclusiveness. The Archbishop of Canterbury, for example, several years ago committed the Church of England and all its schools to giving priority for at least some places to children of other faiths or none. That was a welcome pledge. Similarly, as we have heard, many Roman Catholic schools admit a high proportion of non-Catholic children, particularly in the inner cities.

My hon. Friend the Member for Nottingham, North rightly, I think, gave a challenge to the Church to take seriously its mission to tackle educational disadvantage. There are certainly good examples of how faith schools can work very well in contributing to community cohesion and tackling social and educational disadvantage in some of the new academies. The Liverpool academy has already been referred to. In a deprived area of the city it is an innovative partnership between the Catholic Church and the Church of England, and it does not use faith-based admissions. The Church of England sponsors six academies in partnership with businesses, the voluntary sector or other faith denominations. Other faith-based groups are supporting academies, in the vast majority of which there are no faith-based admissions criteria, and every one of them is firmly centred in its local community, with 100 per cent. of the pupils drawn from that community.

That is important progress, but of course we recognise that there is still work to be done to improve the school admissions process. One aspect of that is ensuring that applications reflect parents' aspirations, and that parents are not put off because of what they view as the actual or potential selection arrangements of schools. That is why we shall present proposals for choice advisers to advise all parents—particularly those who have not always had the information and ability to make the right choices for their children. That is, in addition, why we will extend entitlement to free transport and tighten up, and change the status of, the school admissions code of practice, so that schools must "act in accordance" with it. We will provide much clearer guidance to schools, local authorities and the schools adjudicator on what we consider to be acceptable and unacceptable practice. We shall also legislate to prevent schools from interviewing as part of their process to determine whether a child should be admitted.

We are concerned, as my hon. Friend the Member for Middlesbrough, South and East Cleveland (Dr. Kumar) pointed out, to promote ethnic, religious and cultural tolerance, and respect among different groups of people living and working together. To that end, we already expect promoters of new schools to show how their proposals will help to promote community cohesion. That will be very clear in the future, and new and expanding schools will need to put forward their proposed admission arrangements; once a proposal has been approved, we will require, under new legislation, their admission arrangements to remain unchanged for the first three years of operation.

We shall give admissions forums a stronger role. We will in particular expect them to monitor the impact of local admissions arrangements on social segregation, and give them the power both to prepare and publish reports on matters connected to admissions to maintained schools in their area and to refer objections to admission arrangements to the schools adjudicator.

Mr. Mike Weir (in the Chair): Order. We must move to the next debate.

Military Deployments (Afghanistan)

11 am

Patrick Mercer (Newark) (Con): I am most grateful for the opportunity to have this debate and to the Minister for coming to listen to it. I thank him for the time that he gave to me recently, and I have no doubt that his reply to everything that my colleagues and I say will be similarly measured.

It is St. Valentine's day and we should spare a thought for the wives, families and girlfriends of the marines of 42 Commando Royal Marines who left for Afghanistan today. I have no doubt that, as their commanding officer said, they are focused and full of energy, drive and aggression, but the girls they leave behind will not be. The next few months will be extremely difficult, dangerous and worrying for them, and we should bear them in mind.

I have made a couple of trips to Afghanistan. The first was immediately after the cessation of violence when I was in the hands of the 2nd Battalion, the Royal Anglian Regiment and felt extremely secure. The second was about 18 months later—a little over a year ago—when conditions were considerably worse. I took the opportunity to visit the graves of the 2nd Nottinghamshire Regiment, the old 59th Regiment of Foot, at the British memorial in Kabul. I will not talk about Britain's time in Afghanistan because I am sure that my former tutor, my hon. Friend the Member for Mid-Norfolk (Mr. Simpson), will do that much better than I can. However, it was interesting that on the wall was a memorial to Private Kitulagoda of the Royal Rifle Volunteers. He was a Territorial Army soldier who was killed about two years ago by a suicide bomber who was allegedly born in Britain. That is a chilling reminder of how conditions can deteriorate in Afghanistan.

As we stand on the verge of deploying extra military forces to Afghanistan, it is worth bearing in mind exactly what they will face when they get there. Over the past 10 days, 89 people have been killed in Afghanistan compared with 54 in Iraq. We have seen the first outbreaks of Sunni and Shi'a violence in Afghanistan. During the Shi'a festival of Ashura in Heart, five people were killed and 51 were injured, and a Sunni cleric was dragged from his house and abducted, apparently by supporters of the Shi'a cleric Abdul Aziz Hakim. The governor of Herat tellingly said:

"This is not the kind of thing that we are used to in Afghanistan. We do not have this kind of trouble between Sunni and Shi'a. This is caused by people trying to cause mischief."

Similarly, 13 civilians were killed last week in Kandahar by a suicide bomb. That was the 14th bomb in Afghanistan during the past few months. The Taliban commander, Mullah Dadullah, said:

"More and more people are joining us to become suicide bombers. Suicide bombings will continue against the coalition forces and their agents."

If that is not chilling enough, last week eight Afghan soldiers were killed in action in Kunar province by an infrared detonated device, which is very similar, if not identical, to those devices that recently killed British soldiers in the southern part of Iraq. There is little doubt that the technology in Iraq has come from Iran. I can only speculate on how the technology is transferred from Iran to Iraq to Afghanistan, but it is interesting to note that in Nimruz province recently one Iraqi, one Iranian and two Kashmiris were arrested on the border. I probably do not need to remind anyone about Abu Musab al-Zarqawi's statements from Iraq that Afghanistan will become the second front in the war against the coalition.

It is into that maelstrom that we are about to plunge more British soldiers. Afghanistan is no stranger to the British Army and the British Army is no stranger to Afghanistan. We had three semi-successful expeditions there in the 19th century and early part of the 20th century, and when operations began in Afghanistan in 2001, I thought that we would be able to bring it back to the condition that it reached during the 1960s when there was a democratic Government, when there were elected representatives, when there was peace throughout the country—if peace can ever be created in Afghanistan—and when the country was on its way to a new form of prosperity that it had not seen for many years. The British military intervention—the allied intervention—after 11 September 2001 was correct and I salute those soldiers, sailors and airmen who took part in that expedition. I would not hesitate to support a similar expedition again if the circumstances pertained.

However, things have changed big style, as the Americans would say. Let us not forget that we have had an operation in Afghanistan with a series of province reconstruction teams under the command of the international security assistance force in the north. However, little known and little remembered is the fact that in the south, under American operational command, a squadron of GR7 Harriers is operating under the rules of engagement in Operation Enduring Freedom.

It is clear that our operations against terrorists or insurgents in the south, and our operations to reconstruct the country and in support of the Afghan Government, will develop. What will be our precise role in the south? I understand what a province reconstruction team is and that it can operate perfectly adequately, as it has done with great success in the north, but I wonder how successful that policy will be in a much less benign area in the south.

We are told that one key task of the new deployment in the south is counter-narcotics. In December 2005, the operational plan for south Afghanistan was endorsed by NATO. Key military tasks were detailed, as were key support tasks. The key support task relating to counter-narcotics of the allied troops in the south is:

"To support the Afghan government and internationally sanctioned counter-narcotics efforts within limits"—

that is good military language—

"although this will not include participation in poppy eradication or destruction of processing facilities or the taking of military action against narcotics producers".

What exactly will our role be against the production of narcotics and how will a balance will be struck between the warlords and the Taliban? Until now, the warlords have been against the Taliban—I am being simplistic—but much of their income derives from the poppy crop. With the destruction or interdiction of the poppy crop, how will we balance warlords against Taliban? Do we not stand in danger of allying the two against us? If we give incentives for poppies to be

[Patrick Mercer]

destroyed or their production curtailed, is it not likely that farmers will grow more poppies to get more money or more incentives in return?

Tony Baldry (Banbury) (Con): My hon. Friend makes a cogent case. There is another factor about the deployment which is, I think, unique. The Secretary of State has made it clear that there will be a deployment only if there is an alternative livelihoods programme, supported by the Department for International Development. I know of no precedent in recent times when DFID was involved in a similar ongoing conflict, trying to maintain an alternative livelihoods programme. When the period of conflict ended in places like Sierra Leone, there was post-conflict reconstruction involving DFID and the development agencies, but I know of no examples of DFID and non-governmental organisations being caught up in the complex situation that he outlined. It has not happened in the other PRTs in Mazar-e-Sharif and elsewhere in Afghanistan.

Patrick Mercer: I am grateful to my hon. Friend who, as usual, makes a better case than I can and, indeed, anticipates me. He makes the interesting point about what sustainable alternatives will be prepared to help farmers out of the narcotics trap. How can NGOs hope to operate in Helmand, which is far from benign? That is one of the problems that the Americans have had. NGOs have not been physically capable or strong enough to be on the ground, or properly prepared or protected to be so. I would be grateful if the Minister answered that, and I should like him to bear it in mind that the campaign planning for Iraq was lamentable once the fighting had finished. We are in danger of falling into the same trap with this deployment if we do not have a sustainable plan.

Currently, 35 nations are involved in Afghanistan, and each has a different rule of engagement. Challenging changes will need to be made to the rules of engagement for deployments in the south, where there are running fire-fights, as compared with the relatively benign areas of the north. A similar point applies to the command status. Why are we prepared to deploy aircraft to Operation Enduring Freedom, to operate to all intents and purposes under American operational direction—to pursue terrorists, and to kill, or attempt to kill, the Taliban and other insurgents—yet when our troops deploy to that area they are not allowed, or empowered, to take part in similar operations? Also, why are we withdrawing the Royal Air Force from that particular task? Does it not strike the Minister as odd that our allies have been taking on the burden of fighting terrorists, and that now, when we have eventually got around to providing more troops to support them, they do so with their hands tied behind their backs? In September 2005 in *The New York Times*, Mr. Rumsfeld emphasised

"that American troops would continue to handle the counterinsurgency mission 'for a time'."

The article continued:

"NATO should consider deploying troops to the eastern border region, which the United States oversees and where much of the fighting is occurring. He added that 'over time, it would be nice if NATO developed counterterrorism capabilities, which don't exist at the present time.'"

Can the Minister explain why we have this apparent contradiction? Why do the command and control arrangements beggar belief?

It has also been said that under these arrangements, a deputy commander of the Allied Rapid Reaction Corps is expected to be responsible for counter-terrorism operations and will be double-hatted, answering to both the ARRC commander and US central command. They will also have responsibility for co-ordination and de-confliction between the international security assistance force and Operation Enduring Freedom.

That is a recipe for complete and total disaster. How can troops operating on the borders of Operation Enduring Freedom have one set of rules that govern them in one area, and yet they are not allowed to move across the border into an area of American jurisdiction? That is a command arrangement from hell, and I would be most grateful if the Minister tried to explain how we have got into that situation and how it is likely to evolve.

I want to ask my favourite question, which I fear I have asked the Minister before: what exactly is the mission? What is the mission statement? Are these people going there as a provincial reconstruction team or as a quick reaction force? Are they likely to be used in support of the Americans? Are the Americans likely to be used in support of our troops when they come under fire?

Mr. Tobias Ellwood (Bournemouth, East) (Con): Many of us have concerns about precisely that point. No sooner had British troops been deployed to north-west Afghanistan than they were asked to go and help the Norwegian force in the north of the province. The Minister needs to make clear what their objectives are. Are we there to help security in the south, or are we now there—because of mission creep—as a rapid reaction force for the whole of Afghanistan?

Patrick Mercer: I am most grateful to my hon. Friend; he makes the point extremely well. I ask the Minister to expand on that. I think that he said from a sedentary position that we are winning.

The Minister of State, Ministry of Defence (Mr. Adam Ingram): No. It is about winning.

Patrick Mercer: I could not agree more. If the mission statement contains the phrase "to win", I am right behind this. Let us destroy terrorists, and let us rebuild that country—but for heaven's sake let us make sure that our troops are properly empowered so to do.

That brings me to the topic of combat power.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I am unsure whether the Minister is aware of a written parliamentary answer that I received from the Minister for the Middle East on 9 February 2006, in which he quoted President Karzai as saying at the London Conference:

"In my view, and in the view of the United Nations that shares it with me, perhaps Afghanistan will need at least 10 years of a strong systematic consistent effort in eradication, in law enforcement and in the provision to the Afghan farmer of an alternative economy".—[*Official Report*, 9 February 2006; Vol. 442, c. 1444W.]

Will my hon. Friend press the Minister on what the objectives are in this troop deployment and on whether, if the situation gets worse or if we do not achieve the aims, he is prepared to commit further troops to achieve that?

Patrick Mercer: I am grateful to my hon. Friend for broaching the very points I was about to come on to. On combat power, have we got enough troops to do the task, and if we get into difficulties—this is the point that he articulated very clearly—are we prepared to send more troops? If we are prepared to do so, where will they come from?

We hear that there is a frisson within the Ministry of Defence, with very senior officers discussing whether enough combat power is being deployed to Iraq. Precisely the same kind of discussions took place on whether we were sending enough troops to Iraq during the second invasion. An extra armoured brigade was asked for and not delivered. Can the Minister be clear that we will not make the same mistakes and go into Afghanistan with too few troops? We have one battalion and one battery of light guns; they are not AS90 or self-propelled Howitzers, but the sort of guns that our grandfathers would have recognised—105 mm guns, not much better than the 81 mm mortar of 3rd Battalion, the Parachute Regiment. There are also eight Apaches, which are unproven aircraft. *[Interruption.]* All eight will never take to the air; there is no doubt about that. The Minister knows that with a following wind—if he will forgive the pun—we will have a maximum of six of those aircraft in the air at any one time, and for a limited flying time. There are also six Chinook aircraft, which I am deeply worried about in terms of clearing our casualties from scenes of action. There can be nothing more demoralising to a soldier than knowing that he places his life on the line but there are not sufficient aircraft to get him clear and into a hospital if he is injured.

The Secretary of State for Defence made it clear in a statement that we had received a number of promises from our allies—that we would receive combat air support, and fast air and other combat service support elements, from our allied nations. Promises are great, but they do not answer the radio when there is trouble.

On overstretch, 3 Para is woefully undermanned and it has been woefully over-employed. Again, 3 Para is leading the deployment, and yet it is backed up by troops from 1 Royal Irish and the Gurkhas, other lads freshly out of the depot, and Territorial soldiers from the Royal Rifle Volunteers. Can the Minister assure me that 3 Para will get a rest at the end of the deployment, and, more to the point, that those soldiers from other battalions will not be immediately flicked back into other operational deployments with their own cap badges? Can he also assure me that in this relatively large deployment, which is incredibly light on combat power, we will have more fighting soldiers—not signallers, staff officers or batmen, but bayonets that are ready to go to help out 3 Para when the troops get into the sort of trouble that we know they can get into? Will he also assure me that their families are being properly looked after back in Colchester?

I have one last tiny point. Will the Minister explain why 3 Para's acclimatisation exercise takes the troops abroad and then returns them to the United Kingdom, so that their acclimatisation deteriorates before they deploy?

I think I have said enough. The prospect is exciting. I genuinely and fervently believe that we must take the war to the terrorists, and I fervently believe that we must support Afghanistan. I wish to see a proper democracy arising in Afghanistan, with, if necessary, allied troops covering 100 per cent. of the terrain until such time as we have delivered safety, cohesion and proper democracy back to the Afghan people.

Mr. Ellwood: It is worth pointing out that we are sending 5,000-odd troops to an area twice the size of Wales. Although I want a successful transition to a peaceful Afghanistan—we all do—that will simply not be possible if we do not have the right manpower on the ground.

Patrick Mercer: My hon. Friend speaks with experience. Like me, he has seen maps covered with large arrows that look fantastic, but he also knows that those arrows represent a pin-prick on the ground.

We are talking about difficult terrain. The Minister has been there and he knows it better than I do. My old regiment has just come back from a challenging tour in Afghanistan in a relatively benign climate. It was the first time that they had been back since 1898, but there are still a lot of residual memories of what can go wrong on Afghan's plain when our enemies out there put their minds to it.

The shadow Secretary of State for Defence, my hon. Friend the Member for Woodspring (Dr. Fox), came up with this extremely sensible epigram:

> "We cannot fail to act in Afghanistan, but neither can we act and fail."—[*Official Report*, 25 January 2006; Vol. 441, c. 1436.]

We will not give the Government a blank cheque for the operation. The Government have our support, of course, but we must be sure that we get the operation right. If a student had prepared such a plan when I was teaching at the staff college, with such a mission statement and task organisation of forces, and with such rules of engagement, I would have failed them comprehensively.

Several hon. Members *rose—*

Mr. Mike Weir (in the Chair): Order. Several hon. Members are seeking to catch my eye. I appeal for brevity.

11.21 am

Paul Flynn (Newport, West) (Lab): Congratulations to the hon. Member for Newark (Patrick Mercer) on raising the subject. I join in his congratulations to our soldiers in Afghanistan on their courage and professionalism, but I cannot share any of his optimism. I feel a sense of hopelessness about the whole operation. We all pray that it will be a success, but there is very little to suggest that it can be.

[Paul Flynn]

The likely outcome is the "Colombianisation" of the whole of central Asia, and the possibility that we are entering into our own British Vietnam. Look at the experience of the Russians: they went into Afghanistan with great hope and confidence, but they were there for 10 years and lost 15,000 soldiers. When they left, there was an army of mujaheddin of 30,000 surrounding Kabul because the occupation antagonised Afghanistan's population. We know that the answer to terrorism is not to go in with guns blazing, but to win the hearts and minds of the people. By going into Helmand province we are losing the hearts and minds of the people. The province has been relatively peaceful, but it has one economy: growing poppies. The rest of the economy was destroyed, partly by the Soviet invasion. We are about to go in and eradicate the region's only means of support and the only way for its people to escape the dirt poverty of their existence.

There is an alternative, which is to respond to another crisis in the world. If someone in a developing country is dying of AIDS or other diseases, there is only a 6 per cent. chance that they will get relief from their agony by using diamorphine. There is a world shortage of the drug. Some 70 per cent. of the world's supply of morphine is used in 7 per cent. of developed countries, so there is little chance of it being available for someone in a developing country. In Afghanistan, we are destroying the raw material for making morphine, as it is also the raw material for making heroin. The alternative is to license some of the poppy growers in the Helmand province, to win them over to our side, and to solve the problem of the world shortage of morphine. That is a simple solution. It is not guaranteed success and there are difficulties involved, but it offers at least some hope. The alternative is one of hopelessness.

Let us look at the experience elsewhere in the world where something similar has been tried, and let me explain why we use the word "Colombianisation". The problem of Colombia was considered very simple as far as the United States and world opinion was concerned: they would go in and destroy the coca crops, which have been grown in south America for a thousand years as an appetite suppressant and for use against altitude sickness. However, it was ingested in such a way that there was not the high that we in the west get when we use it in the form of cocaine. After nearly two decades of suppression of the coca crop, the result is no improvement. The amount of coca on the world market is exactly the same because of the squeezed balloon principle: if we reduce crop production in Colombia—it has been reduced—it expands elsewhere, for example in Peru and Bolivia. The amount on the streets in the United States is the same as it was.

Going into Afghanistan was justified on the grounds of attacking the Taliban and al-Qaeda, but it was also justified on the basis that the country produced 90 per cent. of the heroin on the streets of Britain. What is the situation now? It is exactly the same. Have we reduced the crop? Not at all. In fact, the heroin on our streets is now cheaper than ever because there is a greater supply than ever. We have achieved nothing in the years there. Our mission—the British soldiers' mission—is to eradicate the crops. There has been a reduction of 20 per cent. in the area cultivated, but a reduction of only 2 per cent. in the amount of heroin produced, because of increased production. If the mission were successful and we destroyed the entire crop of Afghanistan poppies, all that would happen would be increased planting in Myanmar, Tajikistan, Kazakhstan and north Pakistan. But that eradication will not happen; the squeezed balloon principle will operate. So we are on a mission impossible as far as the eradication of poppies is concerned.

Far more dangerous is what we will do with the population of Helmand province. If we are successful and reduce the poppy crops, we will affect farmers there, who want to make a living. That is their primary motivation. Four of them were here last week, talking about their position. They would love to go into the legal production of opium for morphine. They want a peaceful future, but we are repeating exactly the folly of the Russians, who created the mujaheddin and incited them, and who were driving the Helmand farmers into the arms of the Taliban.

I do not wish to add to the fears of the families who today saw off their loved ones, but I believe that we are sending our troops into the gravest danger. You asked for brevity, Mr. Weir. I should have liked to go on at some length, but I shall make my points briefly. I am more concerned about this military expedition than any other that we have ever taken. We are putting our brave soldiers at the gravest possible risk by sending them to Helmand province. There is no precedent of success in such circumstances. Operation Enduring Freedom has become "operation enduring stupidity".

The idea that we can eliminate a drug at the supply stage has been proved to be false. In a report published by the Government's strategy unit, Lord Birt—who no longer works there—emphasises again and again that we cannot eliminate drug use from the supply side because of the enormous demand and the sums of money to be made. We must solve the drugs problem on the streets of Chicago, Cardiff and London; otherwise, the enormous demand there will suck in the drugs. The trade is lubricated by the huge amounts of money made at every stage, from the poppy field to the street corners. The answer is not to try to destroy the supplies. That has been a total failure. We spent much money and achieved no reduction.

One of our newspapers had a headline on the subject yesterday and was mocked for its pains by a Minister at the Foreign Office, who mentioned the muesli-eating and *The Independent*-reading people who attend the first nights of Harold Pinter plays. That is a despicable attitude to something so serious. It is not a subject fit for humour. What *The Independent* wrote had an air of prophesy about it. Its front-page headline was "Into the Valley of Death". Someone looking back on this folly in 10 years' time—a latter-day Tennyson—might well amend the words of Tennyson's poem about ministerial and officer folly to talk about the tragedy that is about to unfold. Tennyson started off by saying:

> "Someone had blunder'd . . .
>
> Their's not to reason why,
>
> Their's but to do and die:
>
> Into the valley of Death"—

or into the mouth of Helmand—drove the 5,000.

11.29 am

Mr. Keith Simpson (Mid-Norfolk) (Con): I congratulate my former student, my hon. Friend the Member for Newark (Patrick Mercer), on securing the debate.

Although I do not necessarily agree with everything that the hon. Member for Newport, West (Paul Flynn) said, I should say that of all the operations in which British armed forces have been involved during the past decade, this deployment to Afghanistan fills me with a degree of trepidation. All operations, of course, are likely to do so. Before meeting his end in Canada, General James Wolfe said:

"War is an option of difficulties",

and defence policy is certainly that as well.

In his statement of 31 January, the Secretary of State for Defence made it clear that the proposed UK military deployment to Afghanistan was substantial. As the Minister is likely to remind us, and as is right, Conservative Members have supported that deployment, which is under UN auspices and NATO command. However, that does not stop us pressing the Minister on issues for which he is responsible.

Although we recognise that the commitment is very dangerous, there could be ways to alleviate that danger. My hon. Friend rightly pointed out that there was an element of mixed mission about the deployment. The problem is that politicians and academics often get worked up over mission statements, endgame and that kind of thing. I have talked over many years to military commanders, including those now responsible for operations, and they tend—certainly the British ones—to have a rightly respected "can do" mentality. Whatever wiring diagrams are constructed, either by the Ministry of Defence or the Foreign Office, at the end of the day, in the words of General Sir Rupert Smith, it all comes down to personalities making it happen and work.

Nevertheless, we can ease the lot of the armed forces. My hon. Friend put his finger on something that is as much to do with coalitions as anything else. Coalitions are truly awful things in which to work, although today we have no alternative. In many respects, it is much easier to be on one's own. As George VI wrote in his diary following the disaster of 1914, there were no allies to have to mess around with. I suspect that that has been the American attitude until recently.

We have to work within coalitions, but as my hon. Friend pointed out, there is a grave danger that the different missions of the coalition forces in Afghanistan are likely to make things more difficult for them. The Americans have a mission of counter-terrorism, while our mission is one of counter-insurgency.

I am so old that I can remember teaching at Sandhurst in the 1970s. Counter-insurgency then was not passive; indeed, counter-insurgency operations in Malaya, Kenya and elsewhere were aggressive. Counter-terrorism was much more narrow and oriented towards urban terrorism. The fact is that if an Afghan in any part of Afghanistan is faced with coalition forces, whether active or passive, he is not likely to say, "Ah, these guys are okay, they are on counter-insurgency operations and not likely to be aggressive towards me." He will not think like that at all and we must think all the time about what the other side intends to do and reflect that.

My fear is that unless we are very careful indeed, people in Afghanistan, whatever the wiring diagrams or mission statements, will see coalition forces not just as supporting their Government, but possibly as the enemy as well. Indeed, the Taliban and al-Qaeda will knowingly go out of their way to provoke the coalition forces into aggression.

Tony Baldry: In Malaya and Kenya, we did not try to run alternative livelihoods programmes at the same time as running counter-insurgency programmes.

Mr. Simpson: I disagree with my hon. Friend on that, and may come back to the subject if time permits. I am conscious that other Members want to speak. I am not going to go into the whole muddle of trying to seek out the Taliban and al-Qaeda and deal with the counter-narcotics programme.

In passing, I should say that I watched the new Secretary of State for Defence, Foreign Secretary and Home Secretary—I refer, of course, to the Chancellor of the Exchequer, the alternative Prime Minister—on Sky television, and had a wonderful feeling of crockery being broken at the Ministry of Defence. The Secretary of State for Defence probably smashed the television when he listened to the Chancellor's words.

The Chancellor reminded me of a cadet I once taught at Sandhurst—a very bright boy. He eventually had a nervous breakdown and entered the Church of England. In his presentations, he was like a jackdaw: he used to borrow things from everybody else and put far too much in. I remember a wonderful Irish Guards colonel turning to me after listening to one of those presentations and saying, "You know, Keith, that boy puts far too many words into his sentences." I think the Chancellor suffers from that. On a serious point, however, he was making one big, supposedly all-encompassing speech about fighting terrorism, yet in my mind he did not seem to connect on these major troop deployments to Afghanistan.

What has come out of the debate is that the big commitment is also likely to be very long. That is my foreboding. The United States has finally recognised that in the heading of its quadrennial defence review of 2006, which is "The Long War". It recognises what we are into.

There are major questions about the time line. If British troops are to deal with the poppy crop, they have probably been deployed too late, although I do not think that the fault of the Ministry of Defence or the British Government. The troops should probably have been deployed six months ago, but because of the nature of getting other coalition forces there, they have probably arrived too late. The extent of the commitment is enormous, and the province is now violent. For example, on 3 February a newspaper reported that some 300 Taliban insurgents had ambushed an Afghan police convoy. A major fire fight developed that would have overrun the Afghan police had an American aircraft not come to their rescue, firing for effect.

On the size and balance of the UK troop commitment, in the Secretary of State's original statement to the House he said that we would be surprised by the size of the commitment. My personal view is that it is large enough to provoke the Afghan

[Mr. Simpson]

insurgency, but not powerful enough to deter it. I do not say that lightly; getting that balance right is very difficult.

There is the consideration, which I shall not overemphasise, that we are now committed to a two-front operation in Iraq and Afghanistan. The hope must be that the situation in Iraq will eventually consolidate and that we can slowly withdraw troops to deal with the major commitment in Afghanistan. If we do not, we will have severe problems of overstretch.

I am interested to know about the role of the provisional reconstruction teams, touched on by my hon. Friends. Those are not new; there were civil contingency forces in Malaya when the Chinese communist terrorists were being dealt with, although that threat was much smaller, and the French faced major problems in Algeria.

I know that we are not an occupying force and that we are working in co-operation with an Afghan Government. However, I want to know far more about the British international development officials and non-governmental organisations out there and how we will protect them. I agree with the hon. Member for Newport, West: only when we can hand over more and more to the Afghan authorities and get stability are we likely to meet our objectives.

I end by saying that in a strange way there is an objective lesson from history; as my hon. Friend the Member for Newark said, that is my background. The Minister will be only too aware that in the latter half of the 19th century, the British Army faced a period of what could be called operational failures—in three years, we faced three testing operational failures. Unfortunately, nearly 1,000 men got massacred by the Zulus at Isandlwana. We then faced operational failure in Afghanistan and nearly faced it in Egypt. Those were different opponents in a different time context.

At the battle of Maiwand, a British-Indian force of 2,500 men underestimated its enemy, was ambushed and suffered 50 per cent. casualties in 48 hours. It would probably have been totally destroyed if the Afghans had not been distracted by looting the baggage train and if a relief force had not arrived in the nick of time. This is not a walk down memory lane. Poor intelligence about the enemy, the flexible loyalty of the local Afghans—6,000 decided to switch sides a few hours before the battle—and an underestimation of the enemy were what came out of Maiwand. That brings us full circle. What is the intelligence estimate of the threat that we face in Helmand province? Have we got the capability to upgrade it week by week?

11.41 am

Mr. David Drew (Stroud) (Lab/Co-op): I am delighted to take part, albeit briefly, in the debate. The hon. Member for Banbury (Tony Baldry) and I had the chance to go to Afghanistan as part of the armed forces parliamentary scheme. I intend to be brief because I am sure that he will want to say a few words. He may either criticise my comments or add to them in more detail.

As my right hon. Friend the Minister knows, I also had the opportunity to visit the 16 Air Assault Brigade the day before the announcement, the details of which were all but known, but such things must be done formally. As part of the visit, we went to Mazar-e-Sharif where we met members of the Royal Gloucestershire, Berkshire and Wiltshire regiment, who do sterling work there. We also went to Kabul. Everywhere we went we met people who were acting in the most professional way possible, which makes us proud to be British. The problem is that we are so good at doing the peacekeeping role that we take it as our responsibility.

Let us consider why we are where we are on this issue. I approach it from the perspective that the decision of the Americans to draw down on troops clearly relates to the pressures that they are under in Iraq and to a simple logistical requirement: so many of their people in Afghanistan are reservists who do their year and then they are off. That causes enormous pressures on allies, because somebody has to fill the gap. In a sense, my concern is that the British, working with their allies, are not masters of their own destiny. I heard my hon. Friend the Member for Newport, West (Paul Flynn) and shall say a few things about the narcotics problem.

From the outset, we have the problem that the time scale is not of our making. I sympathise with the view that we could have gone in earlier and that that might have been beneficial; we could have had more of a transition to what is now taking place in the south. Throughout the visit we talked to representatives of the British Army. Their biggest concerns were the caveats, the rules of engagement and, in particular, a question that has now been resolved: would the Dutch go to Uruzgan or would they find a way of not doing so? That would have meant that the whole mission was in jeopardy.

The problem is that we are in Afghanistan under international colours, because of the view that the Taliban had to be removed. I am unsure how long we can sustain the position. If we do not sustain it, Karzai's rule, at best, will be over Kabul and the north. There is no possibility of the Afghan Government having any purchase unless they have international protection in the south. That is a real dilemma. How long will the situation last? Who will take the action?

There is a view that the situation is containable, because our worthy people will go in for so long, but it would be nice if my right hon. Friend the Minister would tell us about the time scale and the exit strategy. Somebody must go in as we come out, in the same way as the Americans are going out. I know that they will defend what they are doing by saying that they are going into even tougher terrain to chase Gulbuddin Hekmatyar in the east. However, the numbers and the roles are slightly different.

I want to concentrate on three issues deriving from my reflections on the visit. Constraining terrorism and peacekeeping are not obverse but interconnected. Unless I have completely misunderstood things, the problem of how we work in Afghanistan is that the Taliban, the warlords and others are somewhat interchangeable. Reference has been made to that. The idea that we can attack one element and feel secure that the others will leave us alone is, at best, a bit naïve.

There was antagonism towards the cartoons in the north. It was interesting that the biggest demonstrations were held there. I see that as nothing other than some people manipulating the position. Although the country

is a difficult one to get about, the Afghans seem able to manage it easily. They are able to move people around to situations. In the same way as the drugs can be grown elsewhere, people can be moved around. That makes the situation quite difficult. Even though, on paper, the north appears to be an easier place in which to soldier, I have never believed that necessarily to be the case. If we put pressure in the south to try to restrain the terrorists and their allies, there are dangers that others will be pulled into things.

The second issue that I want to discuss is the provincial reconstruction teams, which were very impressive, judging by what the hon. Member for Banbury and I saw—he will speak for himself on that. There is an issue about how long the Army can do those sorts of things. Although we did not spend long there, we saw what was effectively a pow-wow with some of the junior warlords in the north. It was interesting because the body language of those present said everything. They looked as though they did not want to be there, but they knew that if they were not there it meant that they were not important enough to be invited. That is why they were present. We are talking about people who are not trustworthy. The interesting question is how long that level of engagement can be sustained; it took a lot of effort to get those people to sit round the table.

We also visited a school in Kabul, which was a moving experience because we saw numerous students, particularly the girls, coming back into education.

Let us not misunderstand the point: Afghanistan was taken back to the stone age by the Taliban. We are not talking about going back to the 1960s and rebuilding. Aspects of life in Afghanistan were taken back to the dark ages. We were driven past the Olympic stadium—it is wonderfully named—to see where people were slaughtered daily. We all saw images of that. It was a ritual way of allowing the Taliban to enforce their power. The experience was terribly moving and deeply concerning, given the level of depravity that any regime can manage.

My third and final point is about supporting democratic government. In simple terms, one of the ways in which we are doing that is by training the army and the police. We had the opportunity to see the army being retrained, which, in its own way involves a problem. We saw the non-commissioned officers being trained by the British to a very high standard. However, the process is not long enough and there is a problem with retention. The number of people who clearly did not return after their period away for the weekend is a concern. The French were training the officers and I think that the Germans were training the ordinary troops. There was a degree of variance—I put it no more strongly than that—in training methods. The fact is that the officers got no more time than the men, which must lead to problems on the ground.

The training needs to be properly prioritised and the resources put in, and we need to see how it will be continued. We cannot keep retraining people; there must be some understanding that those troops are operating successfully. Again, however, there are issues to do with how different rules of engagement operate when the British Army works alongside the Afghan national army. Perhaps the Minister will say something about that, because it is a concern that was relayed to us.

My final point—I make no apology for finishing on this—links directly with what my hon. Friend the Member for Newport, West said and is about narcotics and relocation. I have asked this question a number of times, because part of the strategy was to work with the Pakistani authorities, but I ask it again: what is the relationship between what we are asked to do in the south of Afghanistan and the Pakistani authorities' original pledge to move northwards? Since then there has been the earthquake, which has caused terrible devastation and destabilised the Musharraf regime, but we still need to know what is happening.

11.51 am

Mr. Tobias Ellwood (Bournemouth, East) (Con): I congratulate my hon. Friend the Member for Newark (Patrick Mercer) on securing this important debate. We will all listen attentively to what the Minister has to say to the key questions that have been put.

I, too, had the opportunity to visit Afghanistan in November last year. I went of my own accord and my first impressions were of the huge, barren and hostile land that we flew over. It is dominated by the Hindu Kush in the centre, which divides the countries up into regions, and when I landed and learned about the various ethnic groups that we have heard about I discovered that the region certainly is divided. Hon. Members will be aware of the area's strategic location on the crossroads of central Asia and the many years of trade.

It was interesting that the hon. Member for Stroud (Mr. Drew) said that we must understand the causes of where we are today. Afghanistan today is a very diverse country—indeed, even to call it a country would be questionable. What exactly is the definition of a country? Afghanistan is like a number of different countries that have little engagement with each other, with the Tajiks in the north-east, the Uzbeks in the north, the Hazaras in the central area, and the mujaheddin and the Pashtuns in the south. All of them work independently and only ever unite when an outside force comes in and puts pressure on the entire area. Many countries, including Britain, have tried to unite Afghanistan but failed. So, if I may pose the big question: why on earth are we trying to create an Afghanistan and keep it united in the first place?

If that question has been answered satisfactorily, I am happy to accept that the country should be united. However, we have seen examples—Iraq is the best one—of countries where civil war is likely because there is so much disunity between the ethnic groups and so little cohesion. Therefore, why not accept that there are different groups, with different objectives?

Today's focus is on our military commitment to the area. We are moving into Helmand, the largest of the provinces, which is an area measuring 370 miles by 125 miles. As I mentioned earlier, that is twice the size of Wales, but with a population of about 500,000. We have 5,000-odd soldiers going to the region, which is nowhere near enough to make an impact on such an area, which in the normal season will be 90 per cent. covered with poppies. Helmand is rife with the Taliban and al-Qaeda networks, and has a very porous border with Pakistan, across which dealers from Iran, Pakistan and Turkey come and pay handsomely to the local warlords for protection, which raises money that goes towards terrorism.

[Mr. Tobias Ellwood]

The consequence of that is that Helmand is an extremely dangerous area. Government offices are regularly attacked and schools are set on fire. Indeed, the latest reports are that 165 schools—about half the schools in the province—are now shut because of the dangers. The local police force for the entire area, which is twice the size of Wales, is about 500. The police have about 30 trained people dealing with narcotics, not one of whom operates on the border. The situation is very dangerous indeed. There were 20 attacks last month and suicide bombers regularly cross the border from an al-Qaeda training camp about 20 miles south.

The impact of the poppies and the opium trade is phenomenal. We cannot separate the two. Some 60 per cent. of the GDP of Afghanistan comes from the poppy trade. There are lots of glass buildings in Kabul, which look very pretty, but about half of them were built with money gained through the poppy trade. As we have heard, 95 per cent. of the heroin in the United Kingdom comes from Afghanistan, and I agree with the comments on the solution. If we deal with the poppy problem, we will deal with much of the threat in Afghanistan.

The United Nations International Narcotics Control Board allows 16 countries to grow large quantities of opium under licence, including Canada, France, Austria, Turkey and India. I encourage the Minister to have words with his counterparts in those countries and ask why they cannot relinquish their licences, give up the trade and allow Afghanistan to produce and sell opium legally for medicinal purposes.

Paul Flynn: I am interested by the hon. Gentleman's suggestion that countries should give up their licences. There is a huge shortfall of diamorphine in the world, so what we need is additional production, not for anyone to end production.

Mr. Ellwood: If that is the case, I stand corrected, but I pose the question to Minister: why have we not gone down that road and legalised what is required in Afghanistan? I understand that there is an annual requirement of about 10,000 tonnes of opium for medicinal purposes, and in Afghanistan about 4,100 tonnes are illegally produced. The maths is simple and there is a straightforward solution to Afghanistan's biggest problem.

The Bonn agreement has done much to move the country forward, but as I said, I am deeply concerned that Britain is becoming involved in an area that is far too large for the commitment that we are making. We require either more forces or a review of the objectives that we are trying to achieve.

Mr. Greg Pope (in the Chair): I remind hon. Members that we are close to the time when the wind-ups are due to start.

11.58 am

Tony Baldry (Banbury) (Con): Thank you, Mr. Pope. I understand the rules—I have been here for a long time.

I want to ask the Minister a few questions. All such debates are understandably MOD-focused, but please could we have a statement from a Minister from the Department for International Development some time? What is the DFID budget for the operation? How many DFID officials will go to Helmand and how will they operate? Will they operate through local NGOs or UN agencies? Will DFID officials work with the armed forces and if so, how will that be done? How will we ensure that DFID and aid and development workers are not seen as part of the counter-insurgency operation?

It is clear that if DFID had been left to its own devices, it would not have gone to Helmand province. In fact, DFID has to date rightly focused on Kabul and building the capacity of the Afghanistan Government. Indeed, President Karzai has been concerned that the international community seems to be schizophrenic about whether it wants itself or the Afghan Government to deliver. At some stage, therefore, please could we have a statement by the Secretary of State for International Development about which alternative livelihoods will be delivered in Helmand province and exactly how they will be delivered? That is a critical part of the situation, but we have received far too little information about it to date.

11.59 am

Bob Russell (Colchester) (LD): I congratulate the hon. Member for Newark (Patrick Mercer) on securing the debate. As many questions have been posed, I shall keep my comments relatively brief to allow the Minister time to respond.

The Liberal Democrats support the Government and the international consensus on what is proposed for Afghanistan. I put on record my appreciation for members of Her Majesty's armed forces who are going to Afghanistan, particularly those from my constituency in 16 Air Assault Brigade and 3rd Battalion, the Parachute Regiment. The people of my constituency will support our troops 100 per cent. I assure the loved ones back home that the military family support network is impressive and extensive.

Questions have been asked about the blurring of the mission and what the role entails. Hon. Members asked, where the boundaries are and where there will be flexibility, and have asked for assurances that as circumstances unfold the Government and the Ministry of Defence will respond quickly and effectively. Will the Minister assure us that additional troops will be deployed to southern Afghanistan if necessary? If so, will they be British troops or from other nations?

We are very much in the world of overstretch. We have a large contingent of British troops in Iraq, including another battalion from the Colchester garrison, and troops in Afghanistan. In the past year, the insurgency in southern and eastern Afghanistan killed more than 1,000 people, including 99 US soldiers, and there are fears of renewed attacks in 2006, so the situation is worrying.

As far as opium production is concerned, the evidence in parliamentary answers indicates that it increased after the fall of the Taliban in 2001. We have heard that 95 per cent. of the heroin that enters the UK originates from Afghanistan, which produces something like 90 per cent. of the world's heroin. There have been some interesting contributions about how some of that poppy cultivation could be used for medicinal purposes. This is not meant as a flippant comment: perhaps deployed

alongside our troops there should be a detachment from the National Farmers Union, or at least some people who can give guidance on alternative cultivation as well as the poppy cultivation to which the hon. Member for Newport, West (Paul Flynn) referred.

Paul Flynn: Will the hon. Gentleman give way?

Bob Russell: No, because we do not have time.

The alternative livelihoods programmes are all very well, but it is the delivery on the ground that will be important.

Will the Minister give an assurance that British troops will engage with local communities and civilians and seek to gain their trust, co-operation and support? I ask that because of the view that has been expressed that British troops—indeed, troops in general that have been deployed to southern Afghanistan—might be kept in barracks and that there will not be enough peaceful engagement with local communities. What are the Minister's thoughts on that?

I conclude with my earlier point. What happens if the troops deployed are insufficient? Will urgent action be taken to address that?

12.4 pm

Dr. Julian Lewis (New Forest, East) (Con): The debate has been outstanding. There has not been a single bad speech. Indeed, on the contrary, every contribution has added something, but the palm must go to my hon. Friend the Member for Newark (Patrick Mercer) who not only secured the debate, but outlined the case in a comprehensive and singularly authoritative way. In seeking to sum up in the short time available, I shall try to predicate my remarks on the different contributions, but set them around four concepts: strategy, security, narcotics, and the size and structure of the force that we propose to send.

I start with strategy. On the surface, it seems fairly straightforward. We should have two strategic aims in Afghanistan: the defeat of terrorism, which took us there in the first place, and the building up of a society so that terrorism cannot return. I slightly take issue with the hon. Member for Newport, West (Paul Flynn), although I agree with him on other things, on the comparison that he made with the Soviet invasion. The invasion by the allied forces after the 2001 atrocities in America was very different to the Soviet invasion because it was not about outside society seeking to overturn the indigenous rule of the local people; it was about outside society seeking to protect itself from the unmistakeable aggression that originated from that territory as a result of the way in which the regime there, which had hijacked control of that society, had opened up that territory for terrorist training.

Paul Flynn: The hon. Gentleman is very knowledgeable about such things, but is he aware that the Soviets saw the invasion of Afghanistan as being almost wholly benign? They saw their mission there as rescuing the Afghan population from the middle ages and were astonished by what happened. They certainly created the mujaheddin in such numbers.

Dr. Lewis: I am not aware of that; indeed, I think it absolute balderdash. We do not want to spend our limited time refighting the cold war, but the Soviet invasion was an act of the utmost brutality and oppression, and was responsible for many of the problems that we are fighting today. It was one more terrible legacy of the 1917 revolution, which led to many of the evils that have since visited the international community.

On strategy, we want to take out the terrorist training bases and build up the society. My hon. Friend the Member for Newark talked about the danger of having a war on two fronts; I suggest that we are in danger of fighting a war on three fronts, the first two being Iraq and Afghanistan and the third being a narco-war. I do not accept—here I agree with the hon. Member for Newport, West and my hon. Friend the Member for Bournemouth, East (Mr. Ellwood), among others—that it is one and the same thing to eradicate the poppy trade using military means and to achieve our strategic objectives of securing Afghanistan both against terrorism and for democracy.

This matter came up in Foreign Affairs questions, in which the Minister for the Middle East said that there is a risk of the Taliban joining forces with warlords. He said:

"There is a risk of that happening—there is no question about that—but we have no choice but to try to take it on."—[*Official Report*, 7 February 2006; Vol. 442, c. 728.]

That is precisely the mindset that the shadow Secretary of State for Defence, my hon. Friend the Member for Woodspring (Dr. Fox), has said all along that we must avoid. It is true that no action is not an option, but that does not mean that we must take inadequate or counterproductive action. Our actions must be efficacious.

In answer to questions from the shadow defence team, the Minister for the Middle East admitted that, historically, the overwhelming majority of the warlords were opposed to the Taliban. He also admitted that he was not sure to what extent warlords and those involved in the drugs trade are also involved in the Government of Afghanistan, who are trying to function.

Other people have been more outspoken. The Afghan Minister of Counter Narcotics, Habibullah Qaderi, stated that he does not deny the fact that corruption is linked to the drugs trade, going right up to the level of the Cabinet. He said:

"We are seeing links between the Taliban and the drug smugglers for the first time in southern Afghanistan. The Taliban has been distributing leaflets saying people who do not support the growing of poppy will be killed."

It is clear that our enemies are seeking to form an alliance with the indigenous poppy growing population and they will succeed if we use military force for the third war—the eradication of the poppy trade by military physical means—rather than for the second war, which is the eradication of the enemy that is fighting to overthrow the delicate democratic structures that are being erected in Afghanistan. We have to ask ourselves who that enemy is, because it is insufficiently clear. Is the enemy the al-Qaeda internationally inspired Islamist terrorist movement, or is it the internal Taliban movement, which gave that international movement succour? There have been a number of statements to suggest that the enemy is primarily coming in the form of insurgents who are being trained in neighbouring Pakistan.

[Dr. Lewis]

It is a matter of considerable concern—we have advanced this theme time and again in such debates—that not enough is being done to win the information and propaganda war in all these conflicts. It is a matter of the greatest significance, when suicide bombings occur in Afghanistan, to know the origins of the suicide bombers and whether they are indigenous Afghanis, external people from the Islamofascist international terrorist movement, or people specifically being trained and coming into the area from neighbouring Pakistan. It may well be that people close to the conflict have good ideas about this and think that the rest of the world fully understands it. However, the reality is that far too little effort is being made to get the information into the public domain. Without understanding the enemies we face, we cannot expect public support for the battles that we have to fight.

We are told that the British remit in this operation is to protect the reconstruction teams that are building roads, schools and clinics, improve security and assist the Government's drug eradication efforts without becoming involved in destroying poppy fields. We are told time and again about the distinction to be made between counter-terrorism and counter-insurgency. I pay tribute to my hon. Friend the Member for Mid-Norfolk (Mr. Simpson) for pointing out the absurdity of playing with such definitions.

I am concerned that if we are taking over an area where the Americans were previously involved in what is now called counter-terrorism and sending a signal to our opponents that we will be involved in something that is only called counter-insurgency, we will send a message to those who would attack our forces, saying, "There used to be a strategy in southern Afghanistan that basically told people, 'Keep well clear of our forces because we are coming out to get you.' However, you don't have to worry about that any more, because the strategy that is now being put in place in south Afghanistan means that we will build up society and have troops to protect the rebuilding process who will largely fire back only when you choose to attack them."

Saying that is, perhaps, to repeat the parallel with Vietnam. Hon. Members shuddered a little when the hon. Member for Newport, West brought that up, but I do not share his counsel of despair. There is no reason why this campaign should fail. There is, however, a parallel with Vietnam because when insurgencies were taking place there, the campaign was fought in such a way that restrictive rules did not enable the counter-insurgency techniques that had been pursued successfully in other campaigns—such as the Malayan campaign—to be applied sensibly.

Is the Minister satisfied that the force that is being sent out—of which only a small proportion are combat troops—will be able to be active, instead of being passive and waiting to be shot at? Is it true that the designated commander of that force has asked for many more troops than he has been allocated? Do the Government have flexible arrangements in mind to ensure that when that force runs into difficulties—when it is engaged in combat—and it needs reinforcement, those reinforcements will be immediately forthcoming? Can the Minister be sure that by making a spurious distinction between counter-insurgency and counter-terrorism, the signals that he sends out to those who wish to wage a campaign of terrorism against everything that we stand for and hope to build in Afghanistan are not counter-productive?

12.16 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): I shall do my best to cover all the issues in the short time that is available.

I congratulate the hon. Member for Newark (Patrick Mercer) on securing the debate. I share his sentiments on the roles of the families of those who are deployed; we value them just as much as our troops. We share that view. The hon. Member for Colchester (Bob Russell) made a similar point. I thank hon. Members for their contributions, although I take issue with much of what was said. Whether I can deal with all the points remains to be seen.

I was a bit perplexed by the hon. Member for Bournemouth, East (Mr. Ellwood). I understand that he said that we should continue with, or seek to establish, a fractured Afghanistan and stop making it a single united country. If that is his view, I say that the days of Empire are gone and the concept of divide and rule in the British interest is a thing of the past.

Mr. Ellwood: Will the Minister give way?

Mr. Ingram: No, I really do not have a lot of time. The hon. Gentleman may want to raise the matter with me at some other point.

The hon. Member for Banbury (Tony Baldry) asked about the role of the Department for International Development. I cannot command a Secretary of State for another Department to answer. I do not accept the criticism that the Government have not been clear. If the hon. Gentleman had followed what happened at the international conference, he would have seen that the UK Government have committed in the region of £500 million over the next three years. I understand that £330 million will be DFID-led. Significantly, £20 million will be dedicated to Helmand, and it is a matter for the Department how it distributes the allocation. I do not accept the criticism that we have not been describing what we propose to do.

The subject is important. Our task in Afghanistan is fundamental to NATO's mission, under a United Nations mandate, to establish a secure, stable, democratic and free country. We have made it clear from the outset—the language has not changed—that this will not be an easy task; it will certainly not be risk free. Even when we are undertaking a peacekeeping mission, that type of phraseology can and does apply.

I want to deal with some of the logic advanced by the hon. Member for Newark and others who say that they support this mission and the concept, but question whether we have sufficient resources, in depth and over time, to achieve the objectives that we share. I genuinely like the hon. Gentleman, but, not to put too fine a point on it, I believe that he is guilty of opportunism, and I honestly and genuinely think that he is adopting a politically dishonest posture.

I accept completely the right of Opposition parties and, indeed, Members of my party, to question, criticise, probe and seek clarity about all that we are doing, but I

differ with the hon. Member for Newark, who says that he agrees with the concept, but that we should not do something unless it is done his way. He believes that our armed forces are overstretched, that there is insufficient strength on the ground, thereby putting our people at greater risk, and that our air support is too light and unsustainable. He also questions NATO's overall commitment and command and control arrangements.

If all those criticisms were well founded—I do not accept that they are—they would not be fixable within the current time frame or over the medium or longer term. If they stacked up, the hon. Gentleman and his party should be saying that we should not commit ourselves to the mission. I regret that there is a difference between us on that. It is not appropriate for him to say that he supports the concept but that if someone had produced this strategic plan—I shall come to some of the detail about what we are seeking to deliver—when he was instructing, he would have failed them. In effect, he is saying that all our senior military planners and chiefs of staff and all the NATO planners got it wrong. That is a significant condemnation, but it does not stack up, and I shall set out the reasons.

It is important to explain why we are in Afghanistan in the first place, what we seek to do, and what we, as part of NATO, will contribute to achieving the essential objectives. We all know why we are in Afghanistan: the terrible events of 11 September 2001 in New York, Washington and Pennsylvania led to a greater knowledge and understanding of what was happening in that troubled country. That backdrop of profound evil is why we are playing a major role in Afghanistan and why the international effort is so deep, determined and committed.

It is right and proper that we show the people of Afghanistan that we support them. We need to show them that when people stand up for democracy and reject terrorism, as they are, we will give them our help. By helping them bolster stability, we counter extremism in this country and so help ourselves. By assisting the Afghans to rebuild their society and legitimate economy, we help end the flow of opium that floods our streets.

My hon. Friend the Member for Newport, West (Paul Flynn) said that alternative uses can be made of the opium poppy. That is unquestionably the case, but time and again he has asked the question and been given an answer, which he may not wish to accept. The suggestion has been analysed, as it could well have been a way forward—and it may be part of the answer at some time further down the line—but it is wrong to think that there is a simple solution to the problem. Our assessment is that Afghanistan can try to create a legal trade based on poppies, but it could easily be diverted to illegality. It is very well saying that that would not happen, but, if it does, we would be adding to the manifest problem on the street.

Mr. Ellwood *rose—*

Paul Flynn *rose—*

Mr. Ingram: No, I shall not give way. The question should be raised elsewhere. My hon. Friend the Member for Newport, West has had an answer—I have just given it to him again.

As I said, I do not underestimate the scale of the task. I do not claim that our deployment will solve all of Afghanistan's problems, nor do I pretend for a moment that there is a military solution to the narcotics industry. There is not—that is simply the wrong approach to adopt. However, there is a fundamental reason why a military presence is needed on the ground. We can help to secure stable conditions in which the social, economic and institutional reforms on which Afghanistan's future depends can be made in safety.

I have likened what we are doing to Fermat's last theorem. On the face of it, the equation appears to be simple, but it is unquestionably complex. Over time and with a great deal of effort, it can be solved. However, as with the simple equation, new technology is needed to achieve that.

That is where NATO comes in, as the body responsible for leading the international security assistance force. ISAF has already successfully established itself in the north and west of Afghanistan. The next logical step is to move from the north and the west into the south and then progressively, as things develop, towards the east. That is the concept with which we are working. Is it wrong? If it has succeeded in the north, we have to take on the next big challenge. We and NATO know that it will be a demanding task, but we and NATO are determined to bring about change.

On 26 January, my right hon. Friend the Secretary of State for Defence set out the details of our commitment to the NATO mission. We are taking a lead role in ISAF through the deployment of the headquarters Allied Rapid Reaction Corps, which will be more than 1,000 strong. Overall, we are initially committing 5,700 personnel, with a longer term commitment in Helmand of 3,300. That force package will allow us to deliver one of the key mechanisms for the long-term renewal of Afghanistan: the establishment of a new provincial reconstruction team.

Mr. Clifton-Brown: Will the Minister give way?

Mr. Ingram: No, I must make progress. I have much more to say. As ever, there is a wide territory to cover and many specifics to deal with, and I will not get there in time if I give way.

The structure of the PRT will be the same as the structure we and other nations developed for the north and the west. The PRT will involve personnel from the Department for International Development and the Foreign and Commonwealth Office, and other agencies and non-governmental organisations, and it will have a single, coherent mission.

Questions have been asked about the PRT: how many people will it have, what will it do, how will it deliver on the ground? It cannot be defined at present, as it must have the capacity to deal with the reality at the time. To be too prescriptive from the outset could lead to mission failure. We must identify the problem—that has been one of the key issues—but the solution will not be military only. All the other agencies will be needed on the ground to deliver it.

We have spent months examining, planning and reviewing best intelligence—as hon. Members are aware, there is no such thing as perfect intelligence. Much effort has gone into trying to define the threat that

[Mr. Ingram]

we face, but it could well change over time. It may become less or greater, and we need the flexibility to deal with it.

Meanwhile, we seek to do what we did in Mazar-e-Sharif and elsewhere. We want to deliver engagement with civil society, or normal society, and be imaginative about alternative livelihoods. As I understand it—I have not been in Helmand, but I have been in Kandahar—extensive infrastructure is already in place. The Americans put in much of it in the 1950s and 1960s, and it could be the core of the solution. The area once was the bread-basket of Afghanistan. Can we get that back? We must because it will be the source of an economic future, not just for that part of Afghanistan but for the whole country.

On the comprehensive manner in which we went about the analysis, we spent a great deal of time dealing with senior military planners. The plan did not simply come out of the head of a senior politician who said, "Let us now do this." The objectives are clear for not just the UK Government but for NATO and, I believe, the international community. There seems to be an assumption that this country will provide all the people on the ground. It will not. Eight nations will be in the south. There will be extensive force packages from the Americans, the Dutch and the Canadians, and they will have considerable air support. The Harriers, which were mentioned, were in action yesterday to good effect.

Whatever threat manifests itself will be dealt with, and there is no contradiction between the missions in the east and the rest. If that were the case, it would have been the case all along, but we have not failed. We have achieved measures of success in the north and the west. We now face a bigger challenge. That is why we need—

Mr. Greg Pope (in the Chair): Order.

Pathways to Work Pilots

12.30 pm

Chris Bryant (Rhondda) (Lab): It is a particular delight to serve under your chairmanship for the first time, Mr. Pope. You were to have served as Chairman of a Standing Committee on which I served earlier in the year, but we dispatched the business so swiftly that, unfortunately, you were unable to chair any of the sittings—*[Interruption.]*—which just shows that the Conservatives, whose Members are now leaving the Room, sometimes overestimate the amount of time that they need to waffle in debates.

I am grateful for the opportunity to raise again an issue that I have raised several times in the House. I am also grateful that my right hon. Friend the Minister for Employment and Welfare Reform is present, not least because she visited the Rhondda late last year to see precisely what had been happening in our pathways to work pilot project, which covers the Rhondda, Bridgend and Rhondda Cynon Taff. Many hon. Members, if they chose to think about it, would probably regard that area as a deprived area. It has faced historical problems and long-term decline, from the days in the 1920s and '30s, when the Rhondda had 170,000 men working in the pits, to 1991, when the last pit closed in Maerdy. That period of steady and debilitating decline has affected the culture of work and the possibilities of work for many people.

No Opposition Members are present, which is perhaps not surprising, but few Government Members would disagree with the proposition that when the mines were closed, and particularly at the time when the Government were facing trouble over their unemployment statistics, many men were actively encouraged to go on to incapacity benefit or some form of sickness benefit rather than appear in the unemployment statistics, because those figures embarrassed the Government. The long-term legacy of decline for constituencies such as mine and those of my hon. Friends the Members for Caerphilly (Mr. David) and for Newport, West (Paul Flynn), where there has been one predominant industry, whether steel or the mines, has been the creation of a complex culture around work, unemployment and sickness benefit.

I start from certain fundamental principles. First, everyone should be guaranteed security and dignity, especially those who, because of what they were dealt at birth or incapacity that they have developed later in life, have no opportunity to fend for themselves. It is a sign of a civilised nation that we are magnanimous to those who can least afford to defend themselves. The Green Paper "A new deal for welfare: Empowering people to work" is a splendid document, although I doubt that that it took the Government a great deal of time to devise the title, because it is remarkably similar to the title of every other document that they have ever produced. I particularly welcome the idea that we will be more generous to those who most need support. We have, at times, been parsimonious and we should be more magnanimous.

My second principle is that no disabled person should be discarded. I believe that everyone should be given the chance to work. Time and again when disabled people come to my constituency surgeries, they tell me that they want an opportunity to work but that it is very difficult

for them to do so. Travelling to work may be complex: valleys communities were built for people who would be working within 15 minutes of their home; traversing them is much more difficult for someone whose job is not within five or 10 minutes' walk of their home. Some people's journey to work may involve two complicated bus journeys.

People also tell me that many employers look askance at someone who has had a medical problem. Despite the fact that nearly 50 per cent. of those on incapacity benefit in the Rhondda have mental health problems of various kinds, and despite the fact that the vast majority of people with mental health problems have every chance of returning to full mental health, many employers—including, depressingly, employers in the public sector—look askance at someone who has had a mental health problem.

It is important that we give opportunities to those people, many of whom are desperate for opportunities. In part, that means improving the swiftness with which the national health service can deal with complaints, so that people do not languish with a medical problem that could be sorted out and so that they can get back into work. We also need to ensure that some of the cultural problems that make the process of getting back into work so complex are overcome.

Mr. Wayne David (Caerphilly) (Lab): Does my hon. Friend agree that one problem that people on incapacity benefit face is the fear that, if they return to work and that job does not work out, they will go back on benefit but at a much lower rate?

Chris Bryant: I agree. One problem is that, for many people, benefits, particularly if they have been on them for a year or two, are a much safer option because they are guaranteed—they keep on coming—whereas work can seem frighteningly insecure, because, as everyone knows, some jobs do not work out and some businesses collapse. A measure that has worked in the Rhondda is the return to work credit, which has given people an extra £40 a week and therefore an extra incentive to get into work. Because some people who go into work from incapacity benefit have relatively low incomes, that extra money has made a dramatic difference. There is also the guarantee that people will be able to return to the same level of benefit as they were receiving, so they will not have to start from scratch. That, too, has made an important cultural difference to many people who, understandably, are juggling to try to find the best way in which they can provide for their family. The leader writers for the *Daily Mail* or *The Mail on Sunday* might think that this is all about a lot of malingerers thinking about how on earth they can do the system over, but they are wrong. In the main it is about people trying to work out how they can best provide for their family and ensure a decent quality of life and dignity for everyone in the family.

Paul Flynn (Newport, West) (Lab): Does my hon. Friend agree that one of the most encouraging changes that we have seen in recent years is the widening of access for people with disabilities—even those with severe disabilities—to workplaces that were not accessible before? Is that not part of an encouraging trend whereby people with disabilities, both severe and mild, will receive not only economic benefits, but the enormous boost of having a fulfilling job, because work is by far the best medicine?

Chris Bryant: As my hon. Friend often does, given his mastery of the language, he ends on exactly the right point, which is that for the vast majority of people work is the best medicine. The counter to that is that living on benefit and not having a sense of purpose, which is sometimes the result, means that many people who are on incapacity benefit for more than six months develop a serious mental health problem.

I do not underestimate the problems of depression and stress, which can be very acute. Often in areas such as those represented by the hon. Members present this afternoon, some of the talking therapies are hardly available. The people who train to be counsellors, advisers and so on are predominantly from the middle classes, and they train and practise in their middle-class areas, with the result that it is virtually impossible to access decent cognitive behavioural therapy or even ordinary counselling in areas such as ours. That means that when Mrs. Jones at No. 32 has a mental health problem—when she is suffering from stress or depression for whatever set of complicated reasons—she ends up popping pills, because her GP does not have time to give her the support that she needs. People in Wales pop 19 per cent. more barbiturates and other forms of antidepressant per head than is the case in England. When that type of problem is mixed in with a high level of people on incapacity benefit in a particular area, it results in a very complex and important challenge for us to overcome.

I very much hope that the trial being started in St. Andrew's surgery in Tonypandy will make a difference. There will be a work adviser based in the GP's surgery to whom people can be referred by the GP. That will be at the GP's suggestion—the medical route will not be circumvented—and it will make a difference by providing a new route out of depression and stress and into work. I hope that we can create a virtuous circle out of that.

The pathways to work pilot in Bridgend and Rhondda Cynon Taff has been based on some fundamental concepts. Everyone making a new claim for incapacity benefit will have a work-focused interview. They will have a personal adviser who will treat them as an individual rather than a statistic. The project is operating in the new Jobcentre Plus environment. As the Minister knows, we have a brand new building in Porth, and completely refurbished offices in Tonypandy and Treorchy, and the atmosphere has changed as a result. Now that job centres are no longer like fortresses and there is a much more personal service—one that is focused on the individual, instead of one that tries to prevent people from having access to benefits, which is what the process used to feel like. That, too, has also contributed to the change of culture.

I have already mentioned the return to work credit and the £40 extra. When my right hon. Friend the Minister was in the Rhondda, she asked quite a lot of the advisers, "Does the £40 make a difference?" Perhaps she was wondering whether it did make a vast difference and whether we should necessarily stick with it. I think that she would admit that many advisers said that it does make a difference. It is part of the juggling act that

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people undertake when they are trying to decide whether it is in their family's interest to pursue the avenue of going to work. I hope that the Government will stick with the credit.

Another part of the project has been the NHS condition management programme. My hon. Friend the Member for Newport, West referred to that in the context of trying to find individual routes to enable people to manage conditions with which they could work if they were given the opportunity. All too often employers' arrangements, personal environment or travel to work problems have made it impossible for such people to consider work a possibility, given their condition.

Another important part of the programme, which the Government have transformed during the last few years, is making allowance for people to do voluntary work. The first route into paid employment for a large number of people in my constituency has been through voluntary work, because it got them used to the business of turning up to an office on time, doing their work, being part of a team and so on. That is very important. Obviously, charities should not start to consider people who are on incapacity benefit as a source of free labour paid for by the state. If someone has been engaged in such work for a period of time—perhaps 18 months or two years—the state can properly intervene to see whether there are ways of helping them into paid employment. Nevertheless, the voluntary sector in the Rhondda benefits from people taking that route, as do the people themselves.

The original pilot was aimed at new and repeat claimants. Across the whole of Bridgend and RCT, 24,330 people were seen. There were 8,330 initial work-focused interviews throughout the whole of RCT, of which 823 were in the Rhondda. From last April, the project began to consider people who had been on incapacity benefit for up to two years. Now, it is considering the cadre of people who came on to incapacity benefit between 1997 and 2001. Of course, the task is becoming progressively far more complex because people have more established conditions and more established ways of living their lives. We know the pressures that that can create: people are almost institutionalised into a life on incapacity benefit.

There have been a further 572 work-focused interviews in the Rhondda, dealing with people in their first two years of benefit. When that process started, many Labour Members were concerned that people would be very anxious and they would get lots of phone calls from constituents saying, "Oh my God, I'm about to lose my incapacity benefit and the state is waving this massive stick at me." However, all the feedback that I have had in my constituency has been entirely positive. It has been positive at both ends—from people who have been helped through the process, treated as an individual and ended up getting jobs, and from the staff.

When my right hon. Friend the Minister was in the Rhondda, one of the most moving moments occurred when she was talking to one of the personal advisers. The adviser said that she had worked for the Department for Work and Pensions and its predecessors for many years and that it was the first time she had come into work looking forward to it, because she knew she was really making a difference to people's lives. Rather than just doling out cheques week by week, she felt that she was making people's lives ones of possibility. She almost had tears in her eyes. That is not an uncommon experience among many staff working on the programme. I pay enormous tribute to them and the senior management who have enabled those people to have a really fulfilling job.

The statistics are pretty impressive and for me, this is a socialist project. [HON. MEMBERS: "Hear, hear."] It enables people to live their lives to the fullest. I worry that the way in which incapacity benefit has played out has been the biggest cause of poverty, poverty of aspiration and poverty of opportunity in my constituency in the past 40 years. If we can tackle that, I will be more than grateful.

Mr. David: I was inspired by my hon. Friend's comment that this is a socialist policy. I totally agree with my hon. Friend. Does he agree with me that one of the principles running through the whole set of proposals is the right to work? We are talking about extending that right to work.

Chris Bryant: My hon. Friend takes us back 100 years to the concept of the dignity of labour—a phrase used by Charles Gore, bishop of Worcester and subsequently bishop of Oxford, who was the first bishop to take the Labour Whip in the House of Lords. He argued passionately for that concept and I wholly support it as well.

The figures make interesting reading. In October 2003, there were 11,543 people on incapacity benefit in the Rhondda—almost 23 per cent. of the working age population. In June 2005, the figure was 10,682, which means there has been a 7 per cent. fall—almost double the fall recorded in areas that do not have the pathways to work project. That is why I passionately believe that is an important project.

I would like to put one point with the Minister. The Secretary of State wrote to the 100 Members who have the highest levels of incapacity benefit in their constituency. His figure for the number of people on incapacity benefit in the Rhondda is 8,700. Jobcentre Plus has a figure of 10,682. According to the Secretary of State, the Rhondda is twelfth in the ranking, but according to my figures it should be third. It is not a competition that the Rhondda particularly wants to win, but we have to ensure that we get the statistics right. I do not like merely bandying statistics about—I prefer people to be treated as individuals—but we need to get the statistics right so that we can prove what is working and what is not.

12.48 pm

The Minister for Employment and Welfare Reform (Margaret Hodge): I share the pleasure of my hon. Friend the Member for Rhondda (Chris Bryant) in participating in a debate under your chairmanship, Mr. Pope. I hope that this will be the first of many such debates. I congratulate my hon. Friend on securing the debate. Throughout his time in the House, he has always

shown an interest in welfare policy. Someone cleverly found his maiden speech for me, which I am sure he will not mind me quoting. He said:

"The people of the Rhondda are not looking for handouts. People simply want a chance to stand on their own two feet, to build a decent life for their family and to retire in dignity. These are honourable aspirations, and my constituents still look to politicians to make a real difference by waging an all-out assault on the ... causes of poverty."—[*Official Report*, 25 June 2001; Vol. 370, c. 427–428.]

That is what our policy is all about.

My hon. Friend alluded to the letter he received from the Secretary of State for Work and Pensions on the concentration of people on incapacity benefit in his constituency. I will come back to him to try to sort out which figures are right, but I have the same figures as my right hon. Friend—so that means a slight sigh of relief. As he said, they put the Rhondda 12th in the country in terms of the absolute number—not the percentage—of people on incapacity benefit.

The Rhondda was one of the first areas in which we launched a pathways to work pilot. The launch took place just over two years ago, at the end of October 2003. My hon. Friend quoted the statistics in one way. I prefer to say that there are more than 3,500 people in work who were not in work before we started the introduction of pathways to work pilot. Like him, I pay tribute to the staff, who work in a very committed way, as I was fortunate enough to see when I visited the constituency.

I shall comment on the elements of the programme that my hon. Friend said worked so well. I am interested to hear that he believes that the return to work credit is an important element of the pathways to work intervention. Clearly, want to learn what works best from the pilots as we roll out the pathways programme across the country. We are now committed—we have identified the resources—to ensuring that pathways to work is rolled out across the country by 2008, at least for new claimants and we hope increasingly for existing claimants, too. We are talking about an integral part of our programme, but we want to ensure that we get the best value for the massive investment of resources into that client group. I hope that my hon. Friend accepts that we must constantly reflect on what the most effective parts of the programme are.

I share my hon. Friend's passion about the condition management element of the programme. One thing we know from incapacity benefit claimants is that if there is no early intervention to provide support to individuals once they start on the trajectory or escalator of dependency on incapacity benefit, they quickly get locked in for the long term. We know that people who have been on the benefit for two years are more likely to die or retire without coming off it. Early condition management helps to deal with the early signs of mental illness and some of the musculoskeletal conditions that so often take people out of the labour market. That early intervention—getting access to the appropriate cognitive behavioural therapy or to a physiotherapist—is an essential component of the pathways to work intervention and has proved popular and effective in the pilots.

Equally important has been a role that my hon. Friend did not talk about in his contribution: the role of the job brokers, who link individuals' capabilities, competences and skills to the employers who need them. The job-broking role that we have defined has been important, as has the role of personal advisers in Jobcentre Plus offices. It is important that people have somebody to talk to and to work through all their problems with when they are feeling insecure and lack confidence in themselves, but want to take steps to get back into the labour market. If they build a good relationship with that personal adviser, that unlocks a lot of potential and helps to secure huge benefits.

My hon. Friend the Member for Caerphilly (Mr. David) and my hon. Friend the Member for Rhondda talked about the linking rules and trying to make the move from dependency on benefits into work easier. We have done a lot in that area. Later in this calendar year, we will introduce an automatic right to link back to one's previous level of incapacity benefit for anybody who comes off the benefit and into work over a two-year period. As we proposed in our Green Paper, we are working through what else we can do on issues such as housing benefit and council tax benefit to ensure a quick return to those benefits for those who try to shift themselves from benefit dependency, but for whom work does not work out. We are doing all we can to support individuals in making those difficult transitions in their lives and to ease their fears of poverty and destitution, which so often mean that they do not take the leap off benefits back into work.

I am pleased that pathways to work is consistently demonstrating an 8 per cent. increase in the number of people who come off benefit within the first six months of being on that benefit. We have trawled the world looking at what other countries are doing in relation to disabled people or people with a long-term illness who are locked into benefit dependency, and we believe that the combination of interventions that we have christened "pathways to work" is the most successful way that anybody has found of providing opportunities for work.

The whole of our welfare reform agenda, as set out in the Green Paper and symbolised by pathways to work, brings old Labour and new Labour very close together. The agenda is not about cutting benefits. It is entirely about making real the value that is at the heart of everything we believe—people's right to have the opportunity to work. We all know that work is the route out of poverty for those who can work. It provides a means by which one can support oneself and one's family and it provides one with a position in society that gives one self-esteem and a sense of value, purpose and belonging. It also provides important things, such as a network of friends, that enable people to participate and get the most out of their lives.

For far too long, people on incapacity benefit in particular have been left totally unsupported to spend their lives dependent on benefit, without seeing any hope for the future. As one comes to understand more about the sort of people who get locked into incapacity benefit, one of the interesting things that one observes is that four out of 10 people coming on to the benefit demonstrate a mental health condition, but six months, a year, or two years into their life on benefits, eight out of 10 say that they have a mental health condition, possibly in addition to other physical or mental conditions that prevent them from working. That makes

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sense—we all know that the longer someone is out of work, the more they lose confidence, so what starts off as mild anxiety can quickly become long-term depression.

Our reforms are not about cutting benefits but about providing opportunity. The Government have been successful in tackling unemployment. Now, we have to move our attention to providing intervention. Our strategy is both to prevent people moving on to incapacity benefit and to support people as they come off that benefit through programmes such as pathways to work.

I was pleased that my hon. Friend the Member for Rhondda mentioned the GP pilots, because they are part of the structure that we are trying to put in place to provide that early intervention. The first person that people go to see when they fall ill is their general practitioner. The general practitioner usually has only 10 minutes per person and the easiest thing is to write a sick note. We want to transform their culture and the culture of employers, families and individuals so that people see work as a route out of poverty into good health and well-being.

Microfinance

1 pm

Annette Brooke (Mid-Dorset and North Poole) (LD): I am very pleased to have the opportunity to speak on the importance of microfinance. I have had a great deal of correspondence on this subject with the Minister since he took up his position in the Department for International Development, and I am confident that he shares my high regard for microfinance and for the organisations involved in it, both in the United Kingdom and in developing countries.

I established the all-party group on microfinance/microcredit way back in the summer of 2002, having been approached at one of my local surgeries by a constituent who was an active local member of RESULTS UK, a national charity with a particular interest in microfinance. The all-party group has developed relationships with a number of national and international organisations that have been involved in promoting and raising awareness of microfinance in Parliament and nationally, and I should like to use this occasion to thank them for their ongoing support. They include Opportunity International and PlaNet Finance and individuals such as the chief executive of Cobra Beer and the actress Natalie Portman.

The United Nations designated 2005 the international year of microcredit. Its aim was to increase awareness of microfinance among individuals and international development organisations and to increase interest in microfinance throughout the banking and corporate sector, not to mention Government. The United Kingdom national committee developed out of that partnership between the all-party group, non-governmental organisations, corporates and DFID. As the Minister knows, in September 2004, the United Kingdom national committee received official recognition from the Secretary of State for International Development, with the request that it widen its membership in the corporate sector. By October 2005, the committee's membership included six NGOs, eight corporates, representatives from DFID and myself as the chair of the all-party group. The corporates included Clifford Chance, Citigroup and HSBC. The UK national committee represents a unique partnership, focusing on advocacy and tackling specific projects to improve the profile of microfinance and its role in assisting the achievement of the millennium development goals.

I should like to mention just some of the initiatives undertaken by the UK national committee during the past year. Professor Muhammad Yunus spoke to corporate representatives and Government and NGO leaders in London in a call to action in the United Kingdom for the 2005 year of microcredit. The launch of the Microfinance Club of London was followed by six events in 2005 and two events by a microfinance student society; more than 60 individuals attended each event. The opening of the London Stock Exchange by Alice Jere was a memorable occasion: Alice is a chicken farmer who started her business with a loan and purchased 20 chickens, and there she was, alongside the chairman of the LSE.

The UK national committee made its own submission to the Commission for Africa. It was involved in a major consultation of more than 50 stakeholders at HSBC's

group headquarters, and it went on to make a submission to the United Nation's blue book on financial inclusion. Our committee was the only national committee of a northern country to make a presentation of its stakeholders' consultation to the United Nations conference on microfinance and financial inclusion in Geneva in May 2005. We have also arranged a briefing for NGOs at the House of Commons. In summary, the United Kingdom national committee has used a variety of methods to reveal the lack of awareness among opinion formers and the wider public about microfinance as a sustainable tool for development.

There can be no doubt that the events of 2005 have served to raise awareness of microfinance and to bring together stakeholders. We have plans to take forward the excellent work that has been accomplished through a new collaboration of NGOs, corporates and Government. The year culminated in the committee receiving an award for excellence from the United Nations and CGAP—the Consultative Group to Assist the Poor. I sincerely hope that ongoing consultation with national committee members will form a longer term organisation for the development of a national strategy beyond 2005, through 2006 and onward. That will need ongoing support from DIFD. Much of the energy, passion and commitment needed to organise and arrange the committee came from its co-ordinator, Dr. Phyllis Santa-Maria, whom I thank for all her effort.

The importance of microfinance was recognised last year in the Commission for Africa report, which was published in March. In chapter seven, there were many references to enterprise and access to finance. For example, the report pointed out that

"Access to credit and other financial services is important to growth and investment, yet few small businesses or individuals are able to get the access they need.

Poverty reduction through growth requires a focus on the indigenous private sector, which in sub-Saharan Africa is composed of a myriad of micro, small and medium enterprises . . . they are the primary source of jobs and economic opportunities.

Micro-finance institutions (MFIs) . . . have grown under the pioneering work of non-government organisations. But much more needs to be done in this area."

The report also says:

"Levels of financial exclusion—the number of people without access to bank accounts—can run as high as 90 per cent in some African countries."

That is indeed a daunting figure. Governments should encourage the development of a variety of financial intermediaries that serve poor people with diverse financial services, not just loans.

Following on from the Commission for Africa report, and with Britain placing Africa at the top of the agenda for its chairmanship of the G8, the importance of microfinance was also recognised in the communiqué published after the summit of G8 leaders at Gleneagles in July 2005, which stated:

"African countries need to build a much stronger investment climate: we will continue to help them do so . . . through the promotion of a stable, efficient and harmonised legal business framework . . . and increased access to finance including strong support for the development of micro-finance in Africa."

The communiqué concluded:

"Partnership between the public and private sectors is crucial."

At the United Nations General Assembly in September last year, 151 Heads of State from around the world gathered. The summit was the first opportunity for world leaders to review the progress in reaching the millennium development goals, whose primary aim is to eradicate extreme poverty by 2015. I was pleased that microfinance was prominent on the agenda of that historic gathering. Significantly, the importance of microfinance was recognised in the summit's outcome document, which stated:

"We recognize the need for access to financial services, in particular for the poor, including through microfinance and microcredit."

The links between microfinance and the millennium development goals are very important. The impact on hunger and poverty—goal No. 1—is perhaps strongest of all, but microfinance has also been shown to widen access to education, improve women's and children's health and empower individuals, particularly women. Microfinance contributes directly to the achievement of at least half of the goals.

I wish to stress the impact on women. The timing of this debate is not quite perfect; it would have been nice to have had it closer to international women's day on 8 March, but it is close enough to make these points. The ability to borrow a small amount of money to take advantage of a business opportunity, to pay for school fees, or to bridge a cash-flow gap can be a first step in breaking the cycle of poverty which helps toward the achievement of millennium development goal No. 1. There are just so many examples of this, and I love them because they remind me of the colour and activity that I have seen when visiting projects. They sound rather dry just going through them, but I shall touch on a few. A study of borrowers on the island of Lombok in Indonesia reports that the average incomes of clients increased by 112 per cent., and that 90 per cent. of households moved out of poverty.

Millennium development goal No. 2 deals with education. All over the world, one of the first things that poor people do with new income from micro-enterprise is invest in their children's education. That might be because a high proportion of women are involved in educating children and it is one of their highest priorities. Studies show that children of microcredit clients are more likely to go to school and to stay there longer than other children—student dropout rates are much lower in microcredit households. A study of a BRAC—formerly the Bangladesh Rural Advancement Committee—area in Bangladesh found that basic competency in reading, writing and arithmetic among 11 to 14-year-olds in member households had increased from 12 per cent. at the start of the programme in 1992 to 24 per cent. in 1995, and there are many other stories about the tremendous rate of progress in such matters.

I turn now to the impact on gender equality and female empowerment. Microcredit programmes have generally targeted women as clients because women's performance on repayment often proves to be better than men's. They are also more likely to invest increased income in the household and in the family's well-being. Most important, microcredit can empower women to become more assertive, which is a good thing. Women are then more likely to be participate in family and community decisions. The women's empowerment programme in Nepal found that 68 per cent. of its

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members were making decisions on buying and selling property, sending their daughters to school, negotiating their children's marriages and planning their families—all decisions that have traditionally been made by husbands.

Millennium development goal No. 4 relates to the impact on child health and mortality rates. Microcredit clients' households appear to have better nutrition, health practices and health outcomes than non-client households. Increased earnings allow clients to treat health problems promptly, rather than wait for conditions to deteriorate. A study in Ghana found that Freedom from Hunger clients had better breast-feeding practices and that their one-year-old children were healthier than non-client children in terms of weight for age and height for age.

That list of achievements is quite impressive, but there is so much more to do. We need to focus on the importance of microfinance in alleviating poverty and meeting the millennium development goals. There is still a significant belief among NGOs that Governments are not supporting microfinance to the extent that they could. DFID is increasingly moving away from direct support for microfinance institutions toward budget support for national Governments, and there might be moves to focus more on the formal banking sector than on microfinance institutions in extending financial services to the very poor. I have a real concern about that. Will such a move have a negative impact on the grass-roots organisations that deliver microfinance projects through specialist MFIs with local and country expertise? Surely, we need an holistic approach, with specialised microfinance programmes that work, that make use of local expertise and that have strong records of success running alongside the work that is done directly with national Governments. My own visits to a project set up by an NGO illustrated the importance not only of banking, but of the training that goes alongside that. There is real fear about what will happen to the training that NGOs traditionally provide, which deals not only with business issues, but with the wider health aspects and other issues that are important for the individual's and the community's quality of life.

DFID's own paper "Meeting the challenge of poverty in urban areas" recognises the role that NGOs and the private sector play in providing pro-poor services. In particular, it recognises NGOs' comparative advantage in reaching poor people and their capacity to work at micro-level. Clearly, DFID is saying the right things, but I still have concerns. There is a discernible move by DFID and other international agencies to invest almost exclusively in strengthening and widening the financial sector in developing countries, and that is a worry. Although the need for an holistic approach to poverty reduction and access to financial services is recognised, I do not want that to be to the detriment of the world's poorest people or to result in their exclusion. My first question to the Minister, therefore, is: why is DFID concentrating solely on widening the financial sector in developing countries, to the exclusion of targeting the very poorest?

There are concerns about commercialisation. The move towards strengthening the financial sector as a whole increasingly brings international and commercial banks into microfinance. That move must be commended, and I do not criticise it, but we must ask whether commercial banks will target the very poorest. Indeed, microfinance institutions such as the Grameen bank in Bangladesh, Opportunity International and the Foundation for International Community Assistance came into existence to meet the needs of clients whom commercial banks were unwilling or unable to assist. How will DFID ensure that a move towards commercial banking does not equate with a move away from providing access to microfinance to the poorest—those who live on less than $1 a day?

By maintaining a focus on the poorest, DFID and other donors can have a tangible impact on reducing poverty and, in particular, on meeting MDG No. 1—to halve extreme poverty and hunger by 2015. However, if we do not measure the number of people living in or graduating from poverty, the effectiveness of any investment will remain opaque. We need poverty measurement tools so that an agency can measure clients' poverty before they enter a microfinance programme and then monitor their progress towards leaving extreme poverty, which is defined as living on less than $1 a day. Why is DFID not part of the effort to develop cost-effective poverty measurement tools to monitor $1-a-day poverty? Surely, the Department must recognise that we need to target microfinance at the poor and to measure their poverty and their progress out of poverty if we are to know whether we are achieving MDG No. 1, which is surely our greatest objective.

My main question is this: is the potential role of microfinance in meeting the millennium development goals being undermined by DFID's current focus? My fear is that we will fail to prioritise the world's poorest people. To ensure that we make real progress towards reaching them, DFID needs to do a number of things, and the Minister will not be surprised that the first one is to increase funding for microfinance programmes. The Department also needs to increase its involvement in capacity-building in respect of MFIs, and UK organisations could perhaps work in the field. DFID must also dedicate at least 50 per cent. of resources to the poorest clients and invest in and use cost-effective poverty-measurement tools. Finally, I would like an annual report on progress, which could perhaps be laid before Parliament. In particular, it could set out the percentage of the poorest people who are being reached. So much has been achieved, but we all know that there is so much more to do.

1.18 pm

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): I begin by congratulating the hon. Member for Mid-Dorset and North Poole (Annette Brooke) on securing this valuable debate. I welcome the opportunity to discuss microfinance with her again. I also congratulate her on the leadership that she has shown. I pay tribute to the many organisations that she listed that helped to make the UK national committee's work during the United Nation's international year of microcredit so successful, and I congratulate the committee on its excellent work last year and on its well deserved reward from the United Nations.

I was particularly delighted to hear the hon. Lady refer to Professor Muhammad Yunus from the Grameen bank. He is one of the great microfinance innovators and his inspiration led to the bank's creation. I am also grateful to the excellent Dr. Ian Haynes from Birkbeck college for bringing my attention to the work of Professor Yunus two years ago.

Let me begin with a word of reassurance to the hon. Lady. We recognise the need to do more in relation to microfinance. The development of the financial sector is not the sole focus; there is clearly a role for dedicated microfinance institutions. Expanding and helping to develop the role of the financial sector and supporting microfinance institutions go hand in hand, as I shall demonstrate in the course of my remarks.

On the annual report, the hon. Lady will be aware of the private Member's Bill that my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) is taking through the House, which will provide much more information for hon. Members and the NGOs that campaign on development issues. I hope that that will be a powerful way of checking on the progress of efforts to help the poorest people.

The hon. Lady might be aware of the final statement of the UN year of microcredit, which underlined her fundamental point that much more work needs to be done. In particular, it mentioned the need to gather good data about the poor people's access to financial services, so that inadequate data will soon cease to be a factor in the slowness of the spread of microfinance. My Department and the World Bank have taken a lead in this area, working to agree on headline indicators for access to finance, as well as the methods used to generate those indicators. Last year, high-level consultations were organised in Paris and London with representatives of civil society, Governments and regulators by the Department and the World Bank. We now plan to roll out those indicators, encouraging uptake in developing countries to help with the more general take-up of microfinance. I hope that I have provided reassurance on that point. I shall come to the hon. Lady's other points in due course.

The hon. Lady is absolutely right to highlight the important role that microfinance can play in helping to reduce poverty, its importance in the G8 discussions last year, and the way in which poor households use microfinance to raise their income and build up their assets so as to protect themselves against the unexpected. She is right to say that microfinance is about much more than loans. Poor households use a variety of other financial services, such as savings and remittances. She is also right about the central importance of microfinance to the empowerment of women. It has been estimated that eight out of every 10 microfinance clients are women. One of the microfinance programmes that my Department has been delighted to support has given funding to the Kashf foundation in Pakistan, which will help it to increase its outreach from some 75,000 to some 300,000 poor women over the next five years.

I do not take issue with the main thrust of the hon. Lady's speech—the need to scale up access to microfinance more dramatically. She is absolutely right. She is also right to highlight the excellent role that microfinance NGOs have played in demonstrating what is possible. In particular, they have shown that poor people are good credit risks and that cost-effective techniques to provide financial services can be developed to offer them long-term sustainable growth.

CGAP, a World Bank-hosted, multi-donor initiative to increase access to financial services to poor people, has estimated that some 2 billion low-income people in the developing world still do not have access to bank accounts or financial services, and as much as 90 per cent. of the population in many African countries has no access to banking services. Microfinance NGOs cover only a fraction of the total number of low-income people who need financial services: it is estimated that about 2 billion clients need access to microfinance but only 80 million are covered—again underlining the hon. Lady's point that all of us need to do much more.

Whether we should broaden and develop the financial sector or support microfinance institutions is not an either/or question, as both have a role to play in increasing access for the poorest to financial services. I assure the hon. Lady that many of our country programmes still support NGOs—for example, six of our country offices have funding programmes for both NGOs and for banks, to encourage them to enter the field. Some banks—Citigroup for example, and ICICI in India—are also financing NGOs to help them to develop relevant products. The two sectors can come together.

The country that stands out as a beacon in terms of access to microfinance and that demonstrates its potential is Bangladesh. Perhaps that is because of the power and inspiration of Professor Yunus and the Grameen bank. We need to continue to remind people of the success that has been achieved in Bangladesh and to urge all donors, not just the UK, to do more than has been done so far.

Let me try to give the hon. Lady some additional reassurance by highlighting some of the support that the UK offers through the Department for International Development and its country programmes. We contribute some £30 million a year directly to microfinance or financial sector development programmes. We also support various international microfinance funds and we have funded microfinance institutions, most recently in Afghanistan, Pakistan and Uganda. The hon. Lady mentioned the excellent work of BRAC, which is one of the microfinance institutions that we have supported. With some 4 million members, BRAC has disbursed some $350 million in loans in the past year and provides a powerful example of the success of microfinance institutions. We are delighted by its recent decision to extend its operations into Afghanistan. That is an exciting innovation.

We have financial sector programmes in six African and two Asian countries that provide direct funding to microfinance and give technical and policy assistance to governments and regulators to help them to take advantage of the opportunities that microfinance provides. Our financial deepening challenge fund has provided some £15 million in grants to financial sector organisations, helping to catalyse some £24 million in new private sector investment directed at the poor.

The hon. Lady will be aware of the importance of remittances as another key form of microfinance. Last November, with my hon. Friend the Economic Secretary to the Treasury and representatives of the private sector, I was delighted to host the launch of a

[Mr. Gareth Thomas]

private-public sector working group report on how we can extend access to microfinance. We have remittance country partnerships with Nigeria, Ghana and Bangladesh, and another is being developed in Pakistan.

I hope that I have helped to give the hon. Lady some reassurance that the progress that we made last year through the G8 in terms of the attention that is given to microfinance will not be lost. Microfinance continues to be of huge importance to my Department. I have no doubt that the hon. Lady will continue to champion its cause in this House, and I look forward to her doing so.

Witness Care Units

1.30 pm

Vera Baird (Redcar) (Lab): I have never been a witness in a criminal case, either at the magistrates court or Crown court, though in a previous incarnation I have cross-examined a large number of witnesses. I was very nearly a witness in Crown court once. My house was burgled and the witness statement I gave as a matter of routine to say what was lost, which was not a great deal, inadvertently had at the top, "Vera Baird, aged 21." Usually it says "aged over 21" and one of my colleagues, who was defending the miscreant, threatened to call me to give evidence with a head start on challenging my credibility on the basis of that obvious lie. All I had to give evidence of, however, was the value of two tins of John West salmon that had been taken from my kitchen.

I was primarily a defence barrister. There was a tendency among defence barristers and defendants to hope that witnesses would not turn up. I am aware of many cases in which the papers showed that there was no alternative other than to plead guilty, but in which the game plan was to wait and see whether the key witness turned up. If they did not, there was no case. If they did, a guilty plea was entered, but not until the witness had come to court, perhaps at some personal inconvenience and trouble. They were often nervous at the prospect of being cross-examined by somebody like me or at being faced with a hostile experience, head to head with someone they saw as a criminal, in an unfriendly environment in which they felt likely to understand little about the process and how it would work.

It is odd that historically we have not taken much care of witnesses. They are the key people in ensuring that the criminal justice system brings the guilty to book and frees the innocent. As I say, in many cases they are the difference between conviction and acquittal. They are the players without whom all our thousands of criminal statutes, the Crown Prosecution Service as represented by my hon. and learned Friend the Solicitor-General, the magistracy, the Sentencing Guidelines Council and the judges are fairly purposeless. The document that launched the witness care units is called, "No Witness, No Justice." How right that is.

We have not been aware of the needs of witnesses because many people do come to court to testify because they regard it as their duty as a citizen. However, it is notable that, before the witness care scheme was launched, surveys showed that the people who had least faith in the criminal justice system were the very people who had had contact with it in the previous year. They thought the least of the criminal justice system—they were not impressed by the contact that they had.

In the past if witnesses were unsure whether they wanted to come to court, our method of getting them to court was pretty simple. If they raised an issue relating to their attendance, such as child care, the distance they would have to travel, or family responsibilities, they were threatened with a witness summons, backed by an arrest warrant. That was that. It was assumed that their inconvenience was outbalanced by their duty to come to court, their concerns were given little credence and they were brought to court.

It is extraordinary that a person, either a victim of crime or a witness to a crime for whom attendance was not really in their interest, would be threatened with the sort of penalty that they thought the defendant ought to get as a result of their witness if perfectly ordinary incidences in their life had led to their expressing doubt about whether they should come. Full use of the court's time was all, and any slight murmur of discontent was met with such treatment. The people who make the system go round were not treated very well.

The courts are full of stories of witnesses who have been inconvenienced. There are stories of victims of highly traumatic offences, such as rape, being brought to court by police on the first day of the trial, as used to be the procedure. The court's time being at a premium, everybody had to turn up, notwithstanding the fact that counsel might want to take up a couple of points of law that might take three quarters of a day to sort out, resulting in the judge saying, "At this hour of night it's no good swearing in a jury, we'll come back tomorrow." The witness would be brought back the next day, only to find that there was some other delay, so they would have to wait a little longer. That was all to the disadvantage not only of the public but of criminal justice. People get a certain amount of adrenalin running when they come to court to give evidence, and they gear themselves up to it. Hanging around in the waiting room for day after day makes the whole thing go flat, and they lose the resilience to resist cross-examination simply because they have been inconvenienced. We would pay people loss of earnings and travel costs, but that was all the help that we gave.

Then came "No Witness, No Justice", which set up five pilots of a scheme to require the CPS and the police to set up witness care units to give support to witnesses—to give them a little attention, to knock the bugs out of their progress from seeing to testifying, and to make them feel wanted. The scheme has been a success, as I shall describe. It has now been rolled out nationally and properly funded, and so on 13 January I opened the Teesside witness care unit.

When an incident occurs, police officers assess the prosecution victims' and witnesses' needs when they take a statement from them. That assessment now forms part of the standard witness form. Dedicated witness care officers employed jointly by the CPS and the police work separately in their own office; they are dedicated to taking care of witnesses. They are a single point of contact from the point of charge and they keep victims and witnesses informed about the progress of their case via the witnesses' preferred means of contact.

The process goes like this. The assessment is made by the officer at the scene. If a charge is preferred, the witness gets a letter from the witness care unit saying, "Mr. Z has been charged with offence Y. There will be a hearing in a week's time, but you needn't come. That will sort out the process of the trial thereafter and we will get in touch with you again." I say "sort out" deliberately, because lots of letters from the CPS and many public authorities are not phrased in a reader-friendly way for a public who do not understand the criminal justice system, but these letters, as I saw for myself in Teesside, deliberately employ terms like, "this hearing will sort out the progress of the case." That is understandable, ordinary language, realistically put.

If the witness is required to attend, a proper needs assessment is compiled by the witness care officer. The officer will ask: is there a child that needs care? If so, can the witness's sister, mother or brother be brought in to help? If so, we will pay for that out of the public purse. They tell me in Teesside that they have never had a difficulty. If there is no relative available, it must be problematic to get a child into a nursery for half a day when they have not been going there as a rule. I threatened my senior prosecutor, Mr. Goldman, with the idea that he would have to get himself a bunch of toys, because in the end the children would be in the CPS office. That has not yet occurred, but the service will certainly pay for child care.

If the person lives in east Cleveland, which is a rural area well away from the Crown court, and there is not a bus in time, they will be brought in either in a police car or in a taxi from an official taxi firm picked for its reliability. If they have a problem telling their boss what is going on and explaining it, that can be dealt with by the witness care officer. If the witness is self-employed, witness care officers will see what they can do to help with covering the business for that short time.

The witness care officer compiles a list of whole range of needs and does everything possible to meet them. Victim Support and the witness service at court are less well-placed to help with all that and to pass information between the court and the witness. After all, the CPS and the police are participants in the case with leverage to understand at each stage what is going on and to transmit it directly. Victim Support and the witness service are excellent at giving comfort and support at court, but I have often come across cases in which witness support thought that a message had been received from a police officer involved in the case telling the witness to come back tomorrow when in fact that was quite wrong, and the police officer went round and gave a conflicting message that night. Such cases are very unhelpful. It is important that witness care is carried out by people in the middle of the case, as the CPS and the police are.

More can be done to help. Sometimes witnesses need special measures in court to enable them to give their evidence with confidence. If they are afraid of a defendant, they might ask to give evidence from behind a screen so that they do not have to look in his face and he cannot stare them out. If the witness is vulnerable or young and the case is in the Crown court, counsel—perish the thought—might take off their wigs and gowns to try to look like ordinary human beings and not to be so intimidating. It is possible in certain circumstances to give evidence over a video link. The witness care unit will check that all out and deal with it at the earliest possible opportunity, then tell the witness what to expect. Those are hugely important steps forward.

Intimidation, whether actual or the fear of it, is a key issue for witnesses. Responsibility will fall on witness care units to deal with it, clearly buttressed by police resources. We recently saw a little intimidation close to home when the Secretary of State for Education had an egg broken forcefully on the back of her head by someone from Real Fathers for Justice, as the group now calls itself. That was disgraceful and action should be taken about it. Although there is an argument for not prosecuting the person for such action because it will give the group undue publicity, the contrary argument

[Vera Baird]

is that, if someone were willing to do that to the Secretary of State when she was giving evidence in a very small case, what is a more serious criminal likely to do to me if I gave evidence?

The first witness care unit opened in Teesside in 2005, and I formally opened it on 13 January. After three months, it was reviewed and praised. It had handled more than 500 cases and ensured that more than 900 witnesses had been contacted within 24 hours of the court hearing with the result of that hearing. It is important to keep the public involved.

There are some direct good news stories. A lady at the witness care unit, Miss Andrews, dealt with a burglary case that involved a 72-year-old, wheelchair-bound man. Under the old system, he would more or less have had to fend for himself in getting to the court, although the police would have done what they could. He was willing to give evidence, but physically getting him there was a challenge until Miss Andrews found A & S Wheelchairs, a specialist taxi firm, to take him to court, collect him after he gave evidence and take him home. There was then a retrial, at which time he was collected again. The defendant entered a late plea—I guess because the witness had turned up—and the elderly gentleman was disappointed that he did not have the opportunity to speak in court a second time. That was a transformation of the usual attitude that would have prevailed if, without the witness care unit, the man had been fetched and carried to court a couple of times or, even worse, had had to make his own way there.

Rape trials are dear to my heart. In one such case in Teesside, the injured person had given evidence at a trial in August last year, but there had to be a retrial in Teesside Crown court in December. She was willing to come back in December, having formed a good professional relationship with the witness care officer who had supported her throughout the process. The man was convicted and sentenced to five years' imprisonment. Arrangements had had to be made to organise taxis, child care and to bring the witness's mother from work so that she could be with her daughter.

Inconvenienced witnesses are a statistic these days. In 2003, there were 924 inconvenienced civilian witnesses in Teesside. By the end of 2005, only three months after the witness care unit had opened, the number was down to 754—marked progress, indeed. There were effective trials—the case is listed for trial and runs its course—in 25 per cent. of cases in 2002. By the end of 2005 and three months into the scheme, there were effective trials in 48.5 per cent of cases. Consequently, the statistics for ineffective trials have reduced.

Results from the British crime survey show that the percentage of people who believed that criminal justice agencies are effective in reducing crime increased from 26 per cent. in 2003 to almost 42 per cent. by the turn of this year. The number of people who have confidence in the system bringing people to justice also showed a big increase from a little more than 30 per cent. to almost 40 per cent. during the same period. Bad news about the way in which courts treat witnesses travels fast, but so does good news. That confidence is an indicator that good news is being promoted by the system.

I want my hon. and learned Friend the Solicitor-General to have regard to some worries that I shall now explain. My senior Crown prosecutor in Teesside, Martin Goldman, who is an excellent officer, is worried that there is a risk of too much contact. There are witness care units, but there are also slightly different obligations under the victims code that concern many agencies. There is consultation in respect of the victims charter and the charter and code in respect of children. There are other obligations under different regimes that the police and the CPS have in respect of victim and witness care. Almost as much damage could result from overkill of contact between the authorities and witnesses, especially if it were conflicting contact, as could result if there were none. Are too many initiatives being established in such an area? Is it time to back off and let things just roll along under "No Witness, No Justice" for a while before any complications mess matters about?

How will police reform have an impact on the availability of local witness care units when the police are reorganised regionally? I repeat my interest in victims of sexual assault and domestic violence. The worry outside the CPS is that vulnerable witnesses especially should have specialist support, which witness care units are not geared to provide. How can we weave that in? Previously, the idea was that such victims would have a specialist officer who would be with them from start to finish; however, the witness care unit is to process them through its usual system in the ordinary way. Teesside has a directory of available support services, but there has been a complaint from Women's Aid that it has tried to contact the Teesside witness care unit to ensure that it is not being ousted. It would be terrible if specialist advice were being ousted for the sake of a system that rolls along very well for ordinary witnesses. Women's Aid is worried about that, or at least about the possibility that it may be involved with cases in which the witness care unit is also involved but that conflicting information may be given because of the lack of liaison.

How can we mesh together the work of a specialist police officer dealing with vulnerable witnesses from start to finish, the work of a specialist outside organisations that can give trauma counselling and support that is outwith the ability of the police, and the work of the witness care unit that looks after the way in which people get to court and what support they need? Is there a danger of overkill? Will there be conflicting advice? Will one oust the other? Those are concerns for us all.

Conservatism—not changing things or improving them—must have governed the whole area of criminal cases and witness care during the Thatcher and Major years because not one finger was lifted to prevent the situation that I have described and that prevailed throughout my early career at the Bar. It was hoped with a good deal of optimism that witnesses would not turn up because no one was looking after them. By contrast, through simple measures such as witness care units and other good schemes based on a radical shift and the perception of who is important in a criminal case, we have—without disadvantaging the defendant, who remains the important focus of a criminal case—brought increasing public satisfaction and enabled the courts to provide much better value for money and more

people to be brought to justice. My concern centres on the imperative to make the schemes inclusive. They must not become colonisers of witnesses. They need to be promoted and publicised, so that witnesses come to court and know from the outset that they take no risks if they perform their public duty, that they will be minimally inconvenienced, that they will be properly compensated, and that due care will be taken of their interests.

1.49 pm

The Solicitor-General (Mr. Mike O'Brien): I congratulate my hon. and learned Friend the Member for Redcar (Vera Baird) on securing this debate on an important area in which the Government have had considerable success. I welcome the opportunity to highlight the steps that we have taken to improve witness care. I welcome her support for those efforts. On 13 January she opened the Teesside witness care unit, which has 15 fully trained witness care officers who will provide a great deal of support for victims and witnesses.

We know, as my hon. and learned Friend has said, that criminals have played the system in the past, hoping that decisions by witnesses not to turn up would result in the dropping of the case. I well remember from the time when I practised law defendants taking the view that witnesses not turning up was the best way of getting off when there might be a strong case against them. The establishment of witness care units, through the "No Witness, No Justice" programme is about giving power back to victims and witnesses of crime. In the past, victims and witnesses often felt powerless in the face of crime.

The result of that powerlessness has been, first, that people do not report crime in the first instance, because they do not want to become involved in a system that they often see as remote and uncomfortable for them. Secondly, if a crime has been reported, people may not co-operate with the police, because they do not want to get involved and become witnesses in a court—an environment that, again, they sometimes see as uncomfortable. Thirdly, witnesses may fear intimidation, or just worry about the experience of going to court, or they may lose interest in the case. For many witnesses, the first that they hear about a case after giving a witness statement may be when, many months later, they are told that the court will convene the following day or week. They are expected to be there and to remember everything that they recalled some months before.

The consequences of all that are that fewer offences are brought to justice than should be, trials are often ineffective and must be adjourned or abandoned because crucial witnesses are not there, and more not guilty pleas than necessary are entered because defendants hold out to see whether something turns up—or, in the case of the witness, does not turn up. That is especially worrying when the victim has been the subject of a sexual assault, rape or offence of domestic violence, or if a witness is worried about possible reprisals from the defendant or his friends or relatives. All that means a loss of public confidence in the criminal justice system. Without witnesses there can be no justice.

The "No Witness, No Justice" programme, which originated in discussions between the Attorney-General, my noble and learned Friend Lord Goldsmith, and the Home Office, has benefited from an investment of £36 million from the invest to save budget. It enables the criminal justice system to offer better support to victims and witnesses. The programme was successfully piloted, as my hon. and learned Friend said, in five areas in 2003–04, and a national roll-out began in April 2004.

Dedicated witness care units have been established in each of the 42 criminal justice areas, staffed by trained specialists from the police and the Crown Prosecution Service, and by specialist witness care officers. The units offer a single point of contact and a tailored response to the individual needs of the witness in question. My hon. and learned Friend identified the case of an elderly gentleman who was assisted when he needed the help of a taxi service that could accommodate his wheelchair to get to the court. Those are the sorts of facilities that can be provided.

The units provide very practical help with matters such as child care, transport and housing. A witness may need to be transported to another town to give evidence. Sometimes witnesses must travel from abroad. In those circumstances, assistance with accommodation can be provided. Also, in the court itself, special measures such as a video link or screen in court can ensure that the witness will not be intimidated by a defendant.

National implementation was completed at the end of December 2005, and 165 witness care units are up and running, with at least one in each criminal justice area. Some of the units have been operating for longer than others, but there is already good evidence of improvements in the service. In cases that have been handled by witness care units witness, attendance rates have increased from 78 per cent. to 85 per cent. That means that the average number of trials aborted because a witness has not attended has been reduced from 908 in a month to 645 a month—a decrease of 29 per cent.

It is early days, but within two years of full implementation the expected performance improvement in the "No Witness, No Justice" programme should enable 12,000 more trials to go ahead every year than would have gone ahead otherwise. Through "No Witness, No Justice", we are reversing the trend and making victims feel more confident that they can come forward to report a crime and give evidence in court. We are also letting criminals know that it is no longer as easy as it was for them to play the system. We are getting more witnesses to court and convicting more criminals. That must be good.

The benefits for victims and witnesses are obvious. They get dedicated support and their needs are individually identified. There is an expectation of minimum standards of care for everyone who comes into contact with the criminal justice system as a victim or a witness. Let us be clear: we cannot wipe out the impact of an offence on a victim. However, we can make the impact of going to court and ensuring that the witness gives evidence in order to get the criminal convicted less traumatic. That is the aim of "No Witness, No Justice".

There are also benefits to the criminal justice system in improving the care that is given to victims and witnesses so that they come forward and attend court to give evidence. That is an effective way of securing more convictions. We are improving the way in which public confidence in the system can be shown. The public can

[Mr. Mike O'Brien]

see that something is being done for victims and witnesses and that it is sensible for them to give evidence. As my hon. and learned Friend said, confidence is increasing.

Benefits result for criminal justice staff too, of course. Through better victim and witness care, staff can feel that they are doing a good and more satisfying job and that they are achieving results and making a difference. That, after all, is why they came into the job. Helping people to give their best evidence in court is important, and I know that many criminal justice staff welcome the initiative and feel that it brings them real rewards and an incentive to continue doing their job.

I recognise that we must also examine issues that arise from the programme. My hon. and learned Friend has raised several points with me, which I shall deal with one by one. First, she asked whether there a risk of too much contact with witnesses and victims and a possibility of putting them off by becoming over-involved with them. I suppose that in theory that is possible, but at the moment our problem is the opposite. We need to improve the level of contact and ensure that victims and witnesses feel that they are properly informed and that the criminal justice system is responding to them. It has not done so in the past and its reputation for not responding to those people has grown, but we are changing that and increasing public confidence in the system. We need to get the balance right. At present, introducing too many initiatives is not a problem, but we need to take care that it does not become a problem. My hon. and learned Friend is right about that.

Another issue raised by my hon. and learned Friend was the possibility that police reform will have an impact. It should not, because there is broad-based police support for the programme and the continuation of funding from the police will no doubt be sought. We hope that after the establishment of any new, reformed police operations, the police will continue to play their full part and support witness care units.

We need to continue to provide support in rape cases. I am particularly interested in the work that has been done on domestic violence cases in Caerphilly and Croydon. I am considering whether work of that kind on providing more and better support for rape victims can be done in areas where rape victims need more support. We need to improve liaison between non-governmental organisations and the witness care units, and I hope for such improvements. My hon. and learned Friend identified a case in point.

Witness care units are providing increased support for witnesses. I want that to continue and I welcome my hon. and learned Friend's support for it. I assure her that the Government will continue to be very supportive.

Question put and agreed to.

Adjourned accordingly at one minute to Two o'clock.

Westminster Hall

Wednesday 15 February 2006

[JOHN BERCOW *in the Chair*]

Ascension Island

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Cawsey.]*

9.30 am

Dr. Vincent Cable (Twickenham) (LD): I sought this debate because there is an emerging controversy—indeed, a scandal—about the small British dependency of Ascension Island. Over a period of years, its inhabitants, of whom there are just over 1,000, were led to believe that they had a settled future on a developing, liberalising island. Those expectations have been rather brutally removed following a Government policy U-turn announced at the end of last year.

Concern over the issue has been compounded by the suspicion—there is no proof of this—that much of that change in policy is attributable to the influence exerted on the Government by the Americans, who have a major strategic interest in the island. That, therefore, is the context of the debate.

I was prompted to seek the debate by a constituent, Mr. Hutchison, who is passionately interested in the subject. Since then, I have been deluged with e-mails and other messages from islanders, their elected councillors, people who have served on the island and former British administrators, all of whom feel passionately that the islanders have been betrayed and that we might well be on the brink of a case similar to that of Diego Garcia, which aroused much controversy four decades ago and whose consequences rumble on to this day. The island is, of course, very small, and the issue affects a small number of people, but it is worth remembering that this country went to war 20 years ago over the 2,000 people in the Falklands. The status and rights of just over 1,000 people on Ascension Island should therefore concern us, and rightly so.

Let me give a bit of background to explain why the issue is important and how it came about. The British started using Ascension as part of the empire roughly at the time of the Napoleonic wars; that was related to Napoleon's incarceration on St. Helena. From the outset, there have been arguments within the Government about what to do with the island. That was rather beautifully captured in a quotation about the first Admiralty commandant at the beginning of the 19th century, Captain Bates. It was said that he was

"by no means the last commandant of Ascension to be crippled by changes in—or rather the lack of—any proper policy in London. The Lords of the Admiralty seem never to have made up their minds about what they wanted Ascension to be."

That is as true today as it was 200 years ago.

The geography is unpromising, as the island is on a volcanic outcrop on the Atlantic ridge. The rock is very new; indeed, it is so new that there was originally no soil on the island. However, when people involved in the campaign first showed me pictures of it, I was struck by the fact that there were forests and small farms at the top of the mountain. I was told that they were there because people had imported soil in the 19th century so that agriculture could begin. They had carried it to the top of the mountain because that was the only place where water could be captured. Great labour has therefore gone into creating this British dependency and into its active use.

The population is small, and there has been a long tradition of controlling it. A statement of policy in, I think, 1925 said that only friendly tribes could go to the island. That was a reference to St. Helenians, and migrant workers from St. Helena make up three quarters of Ascension Island's population. The pattern of population has been characterised by contract working. Workers on the island are, in effect, Gastarbeiter in the truest sense: they are there to work for a period and are required to leave when they retire. That has been the traditional pattern.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing this important debate. I can establish no connection between my constituency and Ascension Island, but a former mayoress of Kettering came from St. Helena, and the island was very proud of her elevation to that post. Does the hon. Gentleman agree that we owe a huge debt of gratitude to Ascension islanders, not least in connection with the Falklands war, and that it is up to Her Majesty's Government to do the right thing by the islanders as regards their future administration?

Dr. Cable: The hon. Gentleman has captured in a sentence the essence of what I am going to say at rather greater length. His reference to the lady mayoress raises the interesting issue of what constitutes a resident of the island. The Foreign Office doctrine, which it often repeats and which the Minister has echoed in his parliamentary answers, is that there is no indigenous population of islanders. That is a fundamental Foreign Office principle and it certainly reflects the intention, but the problem is that the truth is more complicated.

The situation was captured for me in an e-mail that I received from Mr. Martin Cole, who told me about his great-grandmother, Flora Wilson, who apparently was born on Ascension Island in the middle of the 19th century and always considered herself an Ascension islander. She wrote many times to the Foreign Office and the authorities on Ascension for documentary proof of her birth, and they always refused to answer her letters. On one occasion, she was told off the record that it would be rather embarrassing if they had to acknowledge that people had been born on the island, and that they were committed and attached to it, because that would blow something of a hole in the official definition of an islander.

Over the years, many people have been born on the island. The average is five a year, which is not an enormous number, but people have been born there, and there are grandchildren of residents. The extent of settlement is therefore rather more substantial than the official definition would suggest.

My final point by way of introduction, which is crucial to an understanding of how the place works, is that the island has long been a centre of communications and military activity. On the British side, it has long been

[Dr. Cable]

an RAF base. As the hon. Member for Kettering (Mr. Hollobone) said, it was used during the Falklands war, when it was described on one occasion as the busiest airport in the world. It is also an important base for GCHQ and for British military and communications activity. It is also important for the Americans. In particular, there is the Wideawake airfield, which I shall discuss later.

That leads me to the question of governance and administration. For many years, Ascension was managed by the Admiralty, and in 1922 it was passed to St. Helena, of which it remains officially part. However, the practical point is that it has been run for most of the past 80 years as a company island. Public and private sector users of the island formed a committee or consortium to manage and run it, using contract labour from overseas. They provided services and charged islanders for using them by means of what amounted to a poll tax.

All that came to an end in 1999, when the late Robin Cook issued his White Paper on dependent territories, which created new expectations about how dependent territories should be run. A key passage says:

"Discussion of constitutional change is already under way. We are planning, for example, to consult the people of St Helena and Dependencies about how to develop the democratic and civil rights of people living on Ascension Island".

A lot flows from that, politically and economically.

The next key step was that the Government encouraged a study to set out a plan for the island. It was called the Portsmouth study, after the university of Portsmouth, and I met one of its authors yesterday to discuss its continuing relevance. The Portsmouth report initiated its argument with a key passage, which said that

"decisions must be made about whether this island becomes normal or another Diego Garcia".

That is exactly the issue. Normality consisted of three main developments, and the logic of the proposals was that each development was interlocking.

The first element was the development of a proper economy based on what the report called the public finance option. In other words, public services should be provided by the state and people should pay taxes for them—a simple principle, but it had not operated in Ascension until then. That was acted on, and by April 2002 a system of income tax and property taxes for business had been introduced to finance the embryonic services on the island. The islanders then said, "No taxation without representation." They wanted democracy. Democracy was agreed and a council elected in November 2002. Much of the feedback that I have received has come from the islanders' democratically elected representatives.

The third element of the package is the crucial one, but it has caused the greatest difficulty. The Portsmouth report argued that it was not possible to have a meaningful economy or democratic polity without the wider liberalisation of the island. What was meant by that was property rights, the right of abode, the privatisation of assets—so that there could be an embryonic business system, with the growth of small business—and opening the island to visitors, with limited specialised tourism.

Since then, all three elements of the package have been gradually put into place, with the full and active support of the Government. A lot has happened. A land registry has been established, which is crucial, because there can be no property rights without the designation of land. The implicit assumption throughout has been that the islanders would be given property rights. Houses were built for the first time—there used to be only barrack-type residences for contract labour—and there has been privatisation, although we are talking not Railtrack, but the privatisation of the launderette, among other things. None the less, important assets have been created for private business, in terms of the scale of the island.

The Department for International Development has been actively involved in the development of the island, spending £500,000 to support a nature reservation, with some unique turtles and bird life being protected with the help of British taxpayers' money. All that has taken place on the assumption that the island will develop a tourist industry and that the islanders working on the island will acquire long-term residence and become stakeholders in the process.

The Americans were co-operative and agreed to the idea that there should be a limited number of flights to the island. There was no problem at that stage and, most crucially, legal advice was sought on how property rights and the right of abode could be consolidated in law. A leading lawyer, Michael Bailey QC, was commissioned to do that legal work. I received a slightly odd parliamentary answer when I asked how much that legal advice cost, which said that it was £2,500. My information is that it cost at least £60,000. There may have just been an accident in the Foreign Office, but that fits with the story that has emerged of the attempt to minimise the extent of the Government's commitment to the process.

This happy story was evolving very nicely and coherently until the end of November, when a delegation from the Foreign Office and the Ministry of Defence went to island, supposedly to consult—in fact, an announcement was simply made—on what was described as "new thinking" in the Government. A statement was made that said, among other things, that

"the UK Government could face unacceptable risks",

and that

"UK Ministers were ... moving ... towards the view that it would not be appropriate to grant ... right of abode and rights to property ... ownership to people ... living on Ascension."

That was followed by a letter from the governor, who said that he was reluctant to proceed with the reforms, and a letter from Lord Triesman about significant new risks that had emerged.

The islanders were horrified. They felt badly betrayed and have expressed themselves forcefully in letters to the Government. I shall read not some of the more emotional comments, but a low-key statement that captures, in essence, why the islanders have a powerful sense of grievance. A letter from the island council to Lord Triesman says:

"Expectations of right of abode and land tenure have been raised by a whole raft of Ministers, FCO Desk Officers, our previous Governor and Administrator and there must now be some accountability for this. Tax Payers' money has been spent on the construction of ... houses with the full knowledge of the

Administrator and Governor, neither of whom challenged this development at any stage and Individuals on Ascension Island have invested money, time and effort in small businesses and now face losing everything."

So, we come to the question, why have the Government done this? Why has there has been such a brutal and abrupt U-turn? If the Government had openly said, "Look, we have a serious problem here. It's all connected with security—we're sorry," they would have had some sympathy. Instead, they have hidden behind opaque Foreign Office language, which I am familiar with. As a former member of the foreign service, I used to use and manufacture such language in my day.

The first argument that is employed is that there are so-called contingent liabilities to British taxpayers. As my party's finance spokesman, I should be aware of contingent liabilities and duly deferential to such arguments, but the Government have never spelt out what those contingent liabilities are. They have been asked, but they have not said. One can guess what the contingent liabilities are. I think the Government are worried that if islanders are given the right of abode, some may stay and become old and sick, and somebody may have to pay for that. The Government consider five or 10 people becoming destitute on the island a rather horrific prospect for the Treasury.

Apart from being a little petty, that position is economically wrong, because if the island were to be run down, the contract workers would return to St. Helena. St. Helena would lose its remittances and the destitution would appear there instead, so we are not talking about additional cost to the Government. It would be interesting to know what the Government believe the contingent liabilities to be and to have them properly examined by the Public Accounts Committee, which is where I believe the issue will end up.

On the other hand, there are some contingent assets. As I said, the Government have spent more than £500,000 on environmental improvements such as a nature reserve. What will happen to that now? Will the money be written off because there will not now be a tourism industry?

More seriously, there is a direct link with the controversial development of the full-scale airport on St. Helena, which I understand will cost the taxpayer between £150 million and £350 million. The link is that Ascension Island could provide many activities that the St. Helena airport is due to provide. There is complementarity between the islands. None the less, the Government have decided, through DFID, to spend large amounts of money on the St. Helena airport. It is difficult to find out what the options were or whether they have ever been examined, because the Freedom of Information Act 2000 has been repealed on the island of St. Helena to disguise such information, so we cannot have a proper analysis.

The situation is worrying, not least because if the full-scale airport on St. Helena goes ahead, there will be no cross flights to Ascension and the Ascension islanders who are left will have to get back to St. Helena via London. There are some strange arguments being used. I do not know what the underlying facts are, because they are not being revealed and the Government will not reveal them. However, when we talk about contingent liabilities, we need to know the interaction between the cost to the island of maintaining its current path and the cost of terminating it. Many of those costs are involved in the St. Helena parallel development.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): During the hon. Gentleman's extensive researching of the island, has he managed to ascertain what the Government's investment in the island has been for the past few years—how much money have we given to it? Also, has he managed to find out what contribution has come from the United States of America, which has 150 citizens on the island?

Dr. Cable: That is a good and appropriate question. The further the controversy develops, the more exactly that question will need to be answered. I cannot give the hon. Gentleman the global figure. I know how much DFID has spent, and that the Foreign Office has spent a substantial amount on legal advice, but we should also consider the administration of the island.

Britain committed itself both politically and financially to the course of action that it now proposes to abandon, and the Americans have, in their own way, contributed to its development. One of the oddities of Ascension is that, despite its small population, it has two sets of roads. On one, people drive on the right, while on the other they drive on the left, because America has a big presence and nobody has thought to integrate the two sets of roads. That is one of the lasting legacies of American involvement there.

One set of the British authorities' arguments involves contingent liability, which has never been properly explained, while the other involves security, which has not been explained either. Indeed, it is a rather odd argument. When the development of the island was first raised, the British military authorities and GCHQ apparently saw no problem and raised no objection. Ascension is a very secure island—one has to get security clearance to go there, and then to go to Brize Norton to get on an aeroplane—and it is not as though people just wander in and out.

The British authorities saw no problem, nor did the Americans—indeed, they agreed that civilian flights should go there—but something suddenly changed in the middle of last year. I can only speculate, as I have no proof whatever, that the United States undertook a major security review of its strategic objectives. At some point, somebody in the Pentagon must have raised objections to having a permanent population and an increased number of tourists on Ascension. It would appear that the British Government simply rolled over and accepted that, regardless of the commitments they had made to the islanders.

That is a hypothesis; one can only assume that it is what happened. The comments made at a public meeting by the major responsible for the base on the island rather confirmed that that was what occurred, but I have no proof. Whatever the case, it appears that the British Government have been rather spineless in their dealings with the Americans over the matter.

My final point is that spinelessness might have been excusable if major strategic interests were involved. What is inexcusable is how the British Government have acted over the past two months. Instead of being honest in saying that we have a problem and that we will have

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to do a U-turn, they have reverted to the most extraordinary deviousness in their attempts to deal with information, and to denying the facts.

Let me give just two examples. I am not criticising the Minister personally, because he has put his signature to parliamentary questions on an issue that is not his direct responsibility. I asked him a fairly innocuous parliamentary question about whether the Government had ever set a timetable for legislation on property rights. He replied:

"The Government have provided no such timetable to the Ascension Island Council".

Actually, I have here—month by month, date by date—a timetable that was agreed with the British authorities. It was drawn up by the Attorney-General for the islands, who covers St. Helena, Ascension and Tristan da Cunha, and who came out from London, briefed by the Foreign Office, and prepared the work on the timetable with the full knowledge and support of the British authorities, yet the Government are now claiming that there is no such thing.

The Government have also supported and subscribed to a series of programmes and timetables, such as the Ascension Island strategic plan for 2003–08 and the land management plan. They even submitted a report to the European Commission on the plan for the island, so it is completely wrong to say that the Government have no responsibility for planning the transition to legal rights. I hope that the Minister will have a chance to talk to his officials about the things they have asked him to sign.

To take another example, I asked a parliamentary question about the basis of employment. The Minister replied:

"There has been no change to the basis on which people work and live on Ascension Island".—[*Official Report*, 6 February 2006; Vol. 442, c. 763–64W.]

That repeats the Foreign Office line that everybody there is a contract worker, which is simply not true. Substantial numbers of people, in Ascension Island terms, have been admitted on a flexible basis—not necessarily linked to contracts—such as business people and members of families who have been reunited. The expectation of normalisation was explicit.

The deviousness that I mentioned extends to foreign investors. In entirely good faith, British companies—Obsidion Group, for example—bought property under the privatisation programme. I have the contract for the privatisation here. It makes it clear that the document was approved by the British authorities, who said that the company would be issued with a long-term lease. It bid, it paid and it acquired its asset, but when it asked where its long-term lease was, it was told, "Sorry, we don't have one." When it asked for meetings at the Foreign Office, it was refused. So, the acts of bad faith do not relate just to the islanders, but affect other people who have brought their resources and given their commitment to the island. There is something very unsatisfactory about the whole episode.

I apologise, Mr. Bercow, for having spoken for rather longer than I should have, but I thought it necessary to spell out the facts. I think that this is a story that will run and run. We are probably just at the first stages of exposing a very seedy and disreputable episode in recent British colonial history, and I hope that colleagues from all parts of the House will join me in trying to take the matter forward. I was about to conclude, but I give way to the hon. Member for Cotswold (Mr. Clifton-Brown).

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I thank the hon. Gentleman for giving way. It seems that property rights are the key. Presumably, the Government have given the Americans a lease over Wideawake airfield, so a legal mechanism for granting property rights must exist somewhere. Has he investigated that?

Dr. Cable: Clearly, in respect of property, the relationships between states are somewhat different from those between individuals and the state. However, the relationship with the United States is governed by the 1956 Bahamas agreement, which governs British military co-operation in the Atlantic area. There is no doubt that the arrangement that the Government proposed and agreed for the island, and supported, could have been accommodated in the treaty arrangements with the United States. The Americans had never previously suggested that there was a contractual problem. For the second time, I shall draw my remarks to a close.

9.57 am

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I congratulate the hon. Member for Twickenham (Dr. Cable) on having secured the debate. When I first knew that we were going to have a one-and-a-half-hour debate about such a small island with so few people, I was rather puzzled as to how we could justify it. However, some of the points made by the hon. Gentleman have made it very clear indeed why this is such an important issue and why it needs an airing in our Parliament.

The hon. Gentleman gave a good account of the situation in the island, but I want to mention one historical aspect that he omitted. The island was discovered by the Portuguese seafarer Joao da Nova Castelia in 1501, although the visit apparently went unrecorded, and was rediscovered on Ascension day two years later by Alphonse d'Albuquerque, who gave the island its name. That is why it is called Ascension Island.

Ascension is an island of great strategic importance to our country. In effect, it is a permanent aircraft carrier in the mid-Atlantic. It must save this country a great deal of money because of where it is and how it is used. Therefore, as a tremendous asset, it needs to be discussed and we need to find out about the problems there.

I very much hope that the Minister will take on board the views that have been expressed. The hon. Member for Twickenham asked some important questions, particularly those involving the distortions between the answers he received from the Foreign Office on costs and what he was told by experts.

Today, I should be on Ascension Island en route to the Falkland Islands. Unfortunately, the trip had to be cancelled because of this evening's votes, but that gives

me a good opportunity to talk about the island. Obviously, as I was going to go there, I have done some research on it.

I am extremely concerned about the lack of Government accountability—not just for Ascension, but for all our overseas territories. That is why I shall introduce, in March, a ten-minute Bill on our 14 overseas dependencies. It will refer to the administration of those dependencies and how they participate in terms of voting and accountability with us and the European Union, which also, ultimately, makes decisions on their behalf.

Although Ascension is owned by the UK, it does not have the same status as French overseas territories—the départements d'outre-mer, which are an intrinsic part of France. The French have realised the importance of bringing those overseas territories into the 21st century and giving them proper status. The people there have the same rights as the people of France and can send representatives to the French Parliament. Such accountability and democracy, which are so important in this modern age, are granted to French overseas territories but not to ours, it would appear.

I am extremely concerned by the first part of the briefing that I received from my researcher, which tells me that Ascension Island is a dependency in the overseas territory of St. Helena. There is an overall governor of the territory who is based on St. Helena—he is not even on the island—and represented on Ascension by an administrator. It seems that the island is run by an administrator about whom we in this building know little, and who has little accountability to us. I would like the Minister to consider us having a similar option to the French départements d'outre-mer.

As I said, Ascension is governed not only by the UK, but by the EU. We have seen that the EU plays a major part in people's lives in overseas territories. It interfered on a massive scale in how the 40 people on Pitcairn Island live. Although the EU can issue diktats to such places, the inhabitants have no representation in the EU. That is totally unacceptable in the 21st century.

We should be proud of those islands. I am always talking to children in my schools in Shrewsbury about the Great British empire and our imperial past. I am not ashamed of the history of our country—we should be proud of it, rather than try to cover it up—yet when I talk to children in Shrewsbury about the history of our country and about the empire and its legacy, and when I talk to adults, I find that they know little about overseas territories such as Ascension Island, or any of the other 14 islands.

I believe those territories to be an integral part of our country, but it seems as though Governments of all colours in recent times have somehow tried to airbrush them out of existence and not talked about their importance. We have to hold on to those territories for future generations. That can be done partly by sharing information about them with future generations and discussing them in the House of Commons. We must increase knowledge of and interest in them, and increase tourism, because only by going to see them will we be able to grasp how we have to work with them in the future.

John Bercow (in the Chair): Order. The hon. Gentleman's disquisition on imperial affairs is of considerable interest I am sure, but I know that he will want fairly narrowly to focus his remarks on the administration of Ascension Island.

Daniel Kawczynski: Yes, certainly. I was about to conclude.

As the hon. Member for Twickenham said, when administering an island such as Ascension—as is the case with Diego Garcia—it is important that Parliament knows how much money is being spent on it and what is going on with the Americans. I ask the Minister, what are the 150 US citizens on the island doing? How much is the United States paying us for them being there? How do we benefit from their position on that island?

I conclude by again thanking the hon. Member for Twickenham for securing the debate. I hope that he continues to scrutinise the Government in relation to the administration of the island.

10.6 am

Peter Bottomley (Worthing, West) (Con): I was an expert on Ascension Island last autumn: I was in Ascension on a Monday and, later on, on a Sunday.

I think that the answer to the question posed by my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) is that the Americans find it useful to have a spare runway or landing strip for the shuttle in case it comes down in the wrong place. Ascension has a long runway.

The hon. Member for Twickenham (Dr. Cable) has done Ascension Island, the Government and the House a service by raising this topic. This is one occasion on which I would have preferred the Minister to speak second in the debate, so that the rest of us could contribute having heard what the Government have to say. A number of issues have come forward. The Minister has had some good material, and obviously has some more now. However, the rest of us would have been able to speak with greater advantage had we heard what he has to say.

I should declare an interest of sorts, as my grandfather was in the Colonial Office and my father was in the Commonwealth relations office of the Foreign Office, so, on the whole, I take the view that what the Department behind the Minister says and does are normally wise and often well considered. If that has changed, it is for Ministers to explain why, because it is they who take the decisions.

I went to Ascension on the way to the Falklands, which are one of the real reasons for the investment in Ascension, rather than, in particular, those who are resident there, whether temporary or more than temporary. The investment is made because Ascension Island fulfils a function. When I went there, I got the impression that the question of islanders' rights is a live issue. If the Government feel the need to adapt their policy, to make it clearer or to reverse it, that ought to be done in the open. Decisions are normally better if they are announced in the open and discussed retrospectively, but not prospectively. It will be interesting to hear whether the hon. Member for Twickenham is right that an American security

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assessment is leading to difficulty. I am not sure that that is necessarily the explanation, but when we hear from the Minister we will know better.

For those who have not yet been to Ascension Island, the greatest interest, besides the runway and the turtles, is the mountain, which is the wrong way up, so to speak. The tropics are at the top, eucalyptus trees are in the middle and there is nothing but volcanic rock at the bottom. It is an intriguing part of nature.

Having said that it would be better if we could have listened to the Minister first, I shall let him explain what the policy is and whether it has changed.

10.9 am

Mr. Mark Lancaster (North-East Milton Keynes) (Con): I, too, congratulate the hon. Member for Twickenham (Dr. Cable) on securing the debate. When I saw that there would be a debate on this issue, I could not help but come and say a few words, although I shall be brief. I shall concentrate on two areas: the environment of the island and the military impact on it.

I am fortunate to have been to the island many times. When I first went there, I was due to stop for just one day on the way to the Falklands, but in true style the Royal Air Force broke down and I spent a week there. I have been back on several occasions to do engineering work, not least with the Army, and to do environmental work, also with the Army.

Before I get on to my two main points, I shall try to add a bit of colour to this rather barren rock, because I think it the most remarkable place in the world. It is, of course, the second most remote island in the world, but other hon. Members have touched on how unique it is. It is an island full of surprises.

Green mountain, to which my hon. Friend the Member for Worthing, West (Peter Bottomley) referred, is remarkable. Reaching the Dew point on the way to the top, one enters a marvellous microclimate with a mini rain forest on top. One of my worst memories of Ascension is having to do the Dew point run, which involves running from the shore to the top of the mountain. It covers about 7 miles and the runners are absolutely exhausted by the time they get there. The island is probably the only place that I have ever played half a round of golf—there is only half a golf course—entirely on flint and rock with not a blade of grass to be found.

The community is unique because it has so many different elements. GCHQ is there, as is the BBC. There is an American community and there used to be a Royal Air Force community. All four parts of the community, as well as the St. Helenians, manage to work together well. The island is one of the few places in the world where I have spent any time where people did not have to lock their doors, and I would hate for that to be spoiled.

As one travels up the island through Donkey plain to Cricket valley around the back, one can see that it is the most remarkable environment. Although it is essential that tourism on the island is developed, I am concerned about how we will ensure that such a unique place is not destroyed by too much tourism. I would like to hear the Minister's view on that. We have already done our bit by introducing the rat to the island, which has caused some problems, although we have also done some quite remarkable things. As one goes up to the now defunct National Aeronautics and Space Administration centre—I know that it is defunct because I kicked the front door in during a military exercise once, and there is definitely no one there any more—one passes a remarkable plantation with incredibly tall, thin trees. I asked what it was, and was told that they are trees planted by the Royal Navy in the 19th century to provide spare masts. They are still there. That is the sort of place Ascension Island is—an island full of secrets.

I am concerned about the environmental impact of an increase in tourism. I was fortunate when I went in that the green turtle, which lays its eggs on the shores, was laying its eggs when I arrived. When I went back in the summer, they were hatching. I can see the appeal and that tourists would want to see such things, but that must be handled sensitively so that we do not impact on the island or on that population.

I also want to touch on the military aspect. I am concerned that the state of the island is deteriorating. I saw the range on the far side of the island only recently. It is kept in mothballs, but it is an essential facility. I am sure that during the Falklands war no one expected that Ascension Island would be as prominent as it was. It is essential that we keep it in top condition.

As the Royal Air Force squadron was withdrawn several years ago, I am concerned that the island is being overlooked to a degree. We rely entirely on the Americans to look after the runway. I realise that it is leased to them, but it is vital that as a country we maintain some form of military community there to ensure that it is there when we need it.

10.13 am

Bob Russell (Colchester) (LD): I apologise for my late arrival, Mr. Bercow. I was involved with the launch organised by the all-party group on small shops.

In my role as chair of the all-party group on St. Helena—Ascension Island, of course, comes within the orbit of St. Helena—I congratulate the Government on all they did to restore full British citizenship to the citizens of the overseas territories, which include St. Helena and Ascension Island. I also congratulate them on the progress that they have made towards the establishment of an airstrip on the island of St. Helena. Of course, Wideawake airport on Ascension Island can take jumbo jets as well as TriStars when it is working, but like the hon. Member for North-East Milton Keynes (Mr. Lancaster), I have been marooned on Ascension Island because of the inability of the RAF to provide flights from the Falklands through to Brize Norton.

The island is indeed remarkable and the American presence is the dominant feature, but it is strategically important for this country as well. We know that because of what happened in the Falklands war and in the years that followed. The community on Ascension is predominantly made up of people from the island of St. Helena. I asked many of them whether they regard themselves as Ascension islanders or Saints from the island of St. Helena, and they still regard themselves as Saints.

The rights of abode of the people who live on Ascension Island are the important aspect of the debate, and the Government were going down the road to achieving them. Serious questions have to be asked. When the island is so obviously British and its citizens have had their full British citizenship restored by the Government, why do those people find themselves once again relegated and, in effect, second-class citizens? Although they retain the full British citizenship that has been granted them, they have been told that they cannot have rights of abode on the island.

Those of us who have visited the only real village on the island, Two Boats—I am not sure what happened to "One Boat"—know that that community is home. Many people have lived there for decades. Some youngsters have lived nowhere other than Ascension Island and the village of Two Boats. I think that, per head of population, more young males are members of the scouts than is the case anywhere else in the world. Nothing is more British than the scout movement.

The 1,000 or 2,000 people, or however many there are, on that British island have rightly had full citizenship restored. The Government are doing a good job, although they need to do more, to bring the mother island of St. Helena fully back into the British family. However, the Minister needs to explain why Ascension Island is being treated differently from everywhere else. In simple terms, will he explain whether that is just an aberration, or will the good moves that were being made up until recently be reinstated?

10.17 am

Mr. Jeremy Browne (Taunton) (LD): I am in an unusual position as I have never been to Ascension Island and I am in a room of people who are all great authorities on that remote part of the world. However, for anybody of my age—I am 35—Ascension evokes our upbringing, because it was such a dominant feature of the Falklands war and the preparation for that conflict.

I want first to pay tribute to my hon. Friend the Member for Twickenham (Dr. Cable), who is an example to us all. He manages to be an authoritative Treasury spokesman for our party, as well as a diligent and conscientious MP for his constituents, yet he still manages to have a global scope to his activities and to promote causes such as this. He has a versatility that, as an MP who has been here for only nine months, I can only wonder at and learn from.

The debate has been effective already: not only has it drawn the Minister to this Chamber and given hon. Members the opportunity to raise their concerns, but it has provoked a large public and media interest. Only yesterday, I turned on the "Today" programme to hear my hon. Friend discussing the subject, and *The Daily Telegraph* and others have covered it. That shows that one can create interest in a subject and a wider debate by securing Adjournment debates here. That should encourage us all.

We in the House should be concerned about individual liberty and the freedom of people to live their lives against a consistent backdrop of rules, without the state moving the goalposts in a way that makes it difficult or impossible for their lives to progress in the way they would like.

I have read information about the situation on Ascension Island and I can see that there are cases to be made against opening the island up. I understand that there are serious problems with securing enough water for the inhabitants and generating electricity in sufficient quantities. Furthermore, as my hon. Friend said, there may be issues involving liabilities for the Government. He cited caring and providing for people who are sick or have reached old age, but there are also considerable environmental issues. I am referring not to the issues alluded to by the hon. Member for North-East Milton Keynes (Mr. Lancaster), but to the impact on the island of dumping waste and similar practices. I can understand the Government being somewhat concerned about having an open-ended commitment to clean up and preserve the environment of the island.

That said, I understand that there are no substantial infrastructure-related reasons why the island should not be inhabited and function effectively with a modest population. Ultimately, the point is that the Government have shown a serious disregard for those based on Ascension Island, who were led to believe that it would be opened up for residency and who, in many cases, invested a large amount of money—perhaps their life savings—as well as time and emotional energy in trying to make a new future. The Foreign Office has shown—this is a modest way of putting it—poor judgment in not being as straight and consistent with the island's inhabitants as they deserve.

To resolve the situation, the Government have an opportunity either to try to push ahead with opening up the island and devote adequate resources to that task or, at the very least, to be straight with the islanders and offer them compensation and clarity on the way forward. I look forward to hearing the Minister's response to those challenges.

10.22 am

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I congratulate the hon. Member for Twickenham (Dr. Cable) on securing the debate. I think that it was my first day in the House when I went into the Tea Room and someone said to me, "You know, whatever topic is discussed in the House, there will always be someone who is an expert on it." When I saw the title of this debate on the Order Paper, I obviously knew that the hon. Gentleman was an expert on the subject, but I did not know that my hon. Friends the Members for North-East Milton Keynes (Mr. Lancaster), for Shrewsbury and Atcham (Daniel Kawczynski) and for Worthing, West (Peter Bottomley), as well as the hon. Members for Colchester (Bob Russell) and for Taunton (Mr. Browne), were also experts. I congratulate them all on their speeches.

I also congratulate you, Mr. Bercow, as I think this is the first time that you have found yourself in the Chair for these proceedings. We are delighted to see you in that exalted position and hope that you will have many happy years sitting in the Chair, doing exactly what you are doing today.

I tend to the theory that there has not been a conspiracy over what is happening on Ascension Island and that the Government have found themselves in a bit of a muddle. As the hon. Member for Taunton said, they did not want to be totally open about their thinking on what the future of the island ought to be.

I declare an interest: like a number of my hon. Friends, I have been to Ascension Island on the way to the Falklands. I spent a happy lunchtime in the

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administrator's delightful residence. It had a lawn that many people in this country would be proud to tend, and a great deal of effort must go into tending it considering the problems on the top of the mountain there. We had to spend even more time on the island on the way back from the Falklands because the RAF would not take us out of there until the fog had cleared at RAF Brize Norton. The RAF did not want to land at Heathrow or Prestwick because of the cost.

Like my hon. Friend the Member for North-East Milton Keynes, therefore, I have spent several hours on Ascension Island. There is not much there, but it is no exaggeration to say that the Falkland Islands invasion could not have been repelled without the use of the island. It is strategically very important to the Government and to the Americans, as one can see by the size of the airport there and the facilities that GCHQ, Cable & Wireless and the RAF have there. It is a vital strategic base for us, as well as an important test base for the Americans, with their tracking of rockets and so on. The Government therefore need to be totally open about what they want to achieve for the island.

I, too, was struck by the article in *The Daily Telegraph* on 13 February, just two days ago. I picked out from it the phrase "contingent liabilities". The Government need to explain carefully to us what gave rise to the complete change of heart. They established an island council and they wanted to establish property rights, alternative American charter flights and a tourism business. Now, all of a sudden, the Government have changed their mind. It would be useful if the Minister explained clearly to us the reasons for that change of mind. As my hon. Friend the Member for Worthing, West pointed out, it would have been useful had the Minister spoken at the beginning, because we could have questioned him on what he said. In the absence of that, we have to ask a few questions.

I have given the Minister notice of my questions. If he cannot answer today all the points raised in the debate, I would be grateful if he put a note in the Library, or perhaps provided a written statement to the House on the points that emerge. Perhaps we could have a position paper on the Government's intentions for the future of the island. It might be helpful to have that on the record.

I shall ask the Minister a few of the questions of which I gave him notice. Do the Government regret their recommendation that there should be a review in relation to the constitutional rights of residence for people living on Ascension Island? Do the Government now believe that the residents of Ascension Island should have any influence on local decision making or not? What will be the future of the island council? If the people are to have some form of representation, the Government need to know how they are to be represented, both on the island council and directly to the Government.

What did the Government have in mind when they decided in April 2001 that fundamental changes were necessary in how Ascension Island was run? Do the Government regret their decision to introduce the idea of an island council in the 2001 concept paper, and their introduction of a new fiscal regime in April 2002, which brought in local income, property and customs taxes without the award of local democratic representation to the residents of Ascension Island? Those are critical questions, as are those on property rights, to which the hon. Member for Twickenham alluded.

Ascension Island's revenue budget for 2003–04 amounted to £4.3 million. Fiscal expenditure amounted to £3.3 million for recurrent expenditure and £0.7 million for capital expenses, leaving transfer reserves of £0.3 million—7 per cent. of revenue. Government expenditure funds one school, one hospital offering limited services but including basic operations, and police and judicial services, all of which are provided free to local taxpayers. Given that the economy is so fragile, surely the Government should reassure the residents of Ascension Island by employing a consistent and fair policy towards the island.

Following the completion of negotiations with the US authorities in October 2003 to allow air-charter access to Wideawake airfield, what approaches have been made by private transport groups to operate a link with Ascension Island? Have the Government considered promoting such links? Incidentally, Wideawake airfield is a misnomer if ever I heard one, because one nearly always arrives there in the middle of the night after a long flight from RAF Brize Norton anything but wide-awake. I think that the name refers to the birds, rather than the human condition.

What assessments have been made of the effect on the Ascension Island economy and on the local economy of a link with airports such as Brize Norton? It seems to me that that would be a possibility. Having visited Brize Norton, which is contiguous to my constituency, and knowing that the RAF is thinking about introducing a more commercial element to Brize Norton, there is an ideal opportunity to establish some form of tourism and more commercial activity with the island if the Government want to do so.

The hon. Member for Twickenham asked how many people were born on the island. It seems to me that if people, and perhaps their parents and grandparents, were born there, they have gone a long way down the road of citizenship. If they have citizenship of the island, will the Government recognise it?

What discussions have taken place in the past 12 months with the US Administration on changes in the administration of Ascension Island? Have those discussions impeded the agreed powers of the Ascension Island Administration? That is a key matter. I suspect that some discussions have taken place with the Americans and that some security implication has caused the Government's change of mind. It would be helpful—within, obviously, the bounds of open government—if the Minister gave us an idea of that today.

What are the contingent liabilities? The hon. Member for Twickenham, with his financial background, concentrated on the financial possibilities of contingent liabilities, but they could cover a multitude of possibilities—including even contamination and things of that kind. Alternatively, are we just thinking about the human condition and the problems of providing health, pensions and social security? Are they what is meant by contingent liabilities? We need to know. This is one of the crucial questions that we need to have answered in the debate.

According to Government figures, the cost of internal security and policing on Ascension has not been borne by the Foreign and Commonwealth Office. Who has shouldered that cost and what influence do they now have over the running of the island? Is it true that Ascension Island's local government paid for its own policing and internal security in 2004–05 and does the Minister believe that the Ascension Island Administration are now capable of running their own affairs? If there is to be a council, we need to know what revenue-raising powers, and thus the likely powers over administration of the island, it will have with regard to those essential public services.

What measures are the Minister's Department and the Ministry of Defence taking to ensure that the residents of Ascension Island who are entitled to a state pension receive a fair deal? If the Government will not award them quarterly uprating, does the Minister intend to give the Ascension Island Administration the powers necessary to provide for those residents? We need to know that with regard to not only pensions, but the entire range of public services.

Peter Bottomley: My hon. Friend and the Minister will be aware of the anomaly whereby many people with British state retirement pensions who go abroad to an old dominion do not receive inflation upratings, whereas those who go to some other countries do. Perhaps the Minister will write to hon. Members about whether someone from this country who retired to Ascension Island would be caught in that way and not get the inflation uprating.

Mr. Clifton-Brown: My hon. Friend takes me down another route that I did not intend to travel, although I had it in mind when I raised the question. Many other countries, not least Zimbabwe, suffer from exactly the same problem.

Finally, we need to know what the islanders' future is to be. Will they be granted citizenship? If so, will they be granted property rights? What representation will they have to their own island council, if that is allowed to continue? What rights of representation will the island council have to the Government, and what rights will the islanders, whatever their status, have to lobby the Government?

Will the islanders have voting rights in the future, as voting rights are a vital part of citizenship? Will they have voting rights in the EU? My hon. Friend the Member for Shrewsbury and Atcham said that the EU likes to interfere in the running of such islands. If it is to do that, it should certainly follow the precedent set in the case of Gibraltar and give the islanders voting rights in European elections.

I am afraid that I have asked the Minister a host of questions, but the debate has been very interesting. Ascension Island is a hidden corner of the world and a spotlight has been shone on it this morning. We owe the hon. Member for Twickenham a debt for that. Let us hope that the Minister will shine not only a spotlight but a searchlight on the problem, so that we all emerge fully informed about what is going to happen.

10.34 am

The Minister for Europe (Mr. Douglas Alexander): Thank you, Mr. Bercow, for chairing this important debate this morning. It would be remiss of me to begin other than by paying tribute to your chairmanship on your first outing in this new role. Having crossed swords with you in this room and in the Chamber, I feel some relief that you are the referee in today's debate, not a player. This has none the less been an important debate in which several hon. Gentlemen have raised points. I would like to deal with one or two of those before moving on to my main remarks.

First, I shall of course endeavour to respond to the specific points raised by the hon. Member for Twickenham (Dr. Cable) about parliamentary questions, legal advice, the timetable and terms of employment. He may rest assured that I shall discuss what he raised today with my ministerial colleague Lord Triesman and my officials.

Secondly, as to the point about the European Union raised by the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski), I was, I must say, intrigued to hear from a member of the Conservative party such a suggestion about the EU's reach and the proposal that Ascension should reach directly to Brussels. That is a novel line of inquiry, but it perhaps speaks to the new diversity abroad among those on the Conservative Benches. Certainly, notwithstanding your remarks about a broader disposition on imperial affairs, Mr. Bercow, clear distinctions can be drawn between the external départements of France and the traditional position of the overseas territory.

As to the question about United States citizens, they are working at the United States base. Ascension Island provides an important strategic base for, among other things, evacuation or humanitarian aid, which might be needed to enable the United States to undertake activities in west Africa. The 1956 Bahamas agreement, which was referred to by the hon. Member for Twickenham, allows the use of Ascension Island without charge. Those people are, however, liable for taxes for any goods and services purchased off their base and their main contractor pays income tax. I hope that that deals with the point that was raised.

I am humbled by the knowledge and experience of Ascension Island that Opposition Members offer. I am not sure that it has been the greatest advertisement for the reliability of RAF flights, but the experience of hon. Gentlemen has clearly illuminated aspects of the debate. I was asked about the environment by the hon. Member for North-East Milton Keynes (Mr. Lancaster), and about the concerns that understandably have been raised about the ecostructure. The Government are strongly committed to protecting the environment on the island and the rich biodiversity of Ascension.

I understand that, under the joint FCO-DFID overseas territories environment programme, £169,310 has been committed for projects relating to environmental issues specifically on Ascension Island. Ascension has been involved in a further three cross-territory projects. The FCO has also funded £500,000 towards the seabird restoration project, in conjunction with the Royal Society for the Protection of Birds. I hope that that is evidence of the enduring commitment

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to the environment, which the hon. Gentleman raised as a specific issue.

Several other points were raised. I reiterate that, although I am Minister for Europe, I am answering the debate on behalf of my noble Friend Lord Triesman, the FCO Minister directly responsible for the overseas territory, and I shall ensure that he is fully aware of the points and comments made by hon. Gentlemen this morning. I am aware that the debate takes place in the wake of several stories—some of which have been referred to by Opposition Members—that appeared in the papers at the weekend in anticipation of our discussions.

The debate offers the opportunity to set out the Government's position with regard to Ascension and to refer to the issues raised by the hon. Member for Twickenham. I am also aware that the hon. Member for Cotswold (Mr. Clifton-Brown) has raised some specific questions. I am grateful to him for giving us notice of those, and I will endeavour to deal with them in my speech. If they are not covered by what I say, I shall ensure that Lord Triesman is aware of them.

Perhaps it would be most useful if I were first to set out the context of the situation on Ascension Island. Ascension has no indigenous population, no exploitable natural resources and a very limited water supply. All that is needed to meet the needs of those who work on the island—everything from food to pharmaceuticals—is therefore imported. Today, the major employers, or "users" as they are known on the island, are the UK and US military bases, the BBC, Cable & Wireless and the Ascension Administration.

According to the most recent statistics available to me, there are just over 900 people living on Ascension Island, including those on short-term visits. Ascension Island is unique in that all those working and living there are on the island only because they or their families are employed by one of the users.

The administrator of Ascension has authority to grant permission to enter and remain on island. I was asked about the administrator. The administrator is the responsibility of the governor, who operates from St. Helena, as was recognised. In turn, the governor is accountable to the FCO, whose Ministers, as hon. Members can see this morning, are accountable to the House of Commons. There is no distinctive feature here. There is a chain of accountability leading through the governorship on St. Helena to the Foreign Office and on to Parliament.

Bob Russell: Does the Minister accept that once upon a time St. Helena did not have an indigenous population? Does he agree that many of those who live on Ascension Island have lived there for decades? Can he cite any other dependent territory where residents do not have the right of abode?

Mr. Alexander: Let me deal with the specific issue of the right of abode. Where Ascension Island is unique and can be distinguished from St. Helena is that all those working and living on the island are there only because they or their families are employed by one of the users. The administrator of Ascension has authority to grant permission to enter and remain on the island, and employees of the users and their families are entitled to enter and remain on Ascension for the duration of their employment contract. On the termination of their contract with a user, they are required by Ascension Island law to leave. There is, therefore, no general entitlement to enter or remain on Ascension Island, nor has there ever been under British rule.

The hon. Member for Twickenham argued that the Government raised false hope for the people living and working on Ascension—a point also raised by the hon. Member for Colchester (Bob Russell)—by giving them the impression over the last six years that they would be granted a general right to remain and own property on the island, separate from employment with a user. I shall set out the chronology surrounding consultations on this issue to explain how the Government reached their decision, as set out by Lord Triesman in his letter of 19 January, not to allow the development of these rights.

Daniel Kawczynski: Will the Minister give way?

Mr. Alexander: I am quite keen, not least given the specific questions that have been put to me, to set out my response comprehensively. With the forbearance of the hon. Gentleman, I shall make further progress.

First, I shall explain what the decision entails. Allowing the development of a settled population by granting a general right to remain would make the UK ultimately responsible for ensuring a viable future for those individuals who chose to settle on the island. That means that the UK would be taking on contingent liabilities, [illegible]ssible—indeed, it is judged, probable [illegible]ial commitments in relation to the fut[illegible]on of infrastructure and services. Before [illegible] such a decision, it was imperative to explore wh[illegible] this funding could be found, now and in the future.

In March 1999, the Government published a White Paper that set out the results of a review of the UK's relationship with the overseas territories. The White Paper used the words

"consult the people of St Helena and Dependencies about how to develop the democratic and civil rights . . . on Ascension".

Indeed, that quote was used by the hon. Member for Twickenham. But that White Paper also noted that every territory was unique and needed a constitutional framework to suit its own circumstances. There must be a balance of obligations and expectations. The White Paper also set it out that each territory had to be considered on its own terms.

In the late 1990s, the users on Ascension informed the Government that they no longer wanted to finance directly the majority of the services on the island, as they had been doing for many years. In the light of that, the UK therefore needed to address the future administration of the island. A consultation paper setting out options on how Ascension could be run was produced in April 1999, and a follow up fiscal and economic study by Portsmouth university, again

referred to during the debate, was commissioned. In line with the consultation document, it recommended the establishment of a publicly funded system.

The Foreign and Commonwealth Office agreed with the Ascension Island Administration that they should take over responsibility for core services from the users. A new fiscal regime was put in place in 2002. Revenue is now derived primarily from personal income tax and property tax, both borne primarily by the users on their employees' behalf, and customs duty.

Following that, those living and working on the island were consulted on the form of democratic representation for the island, which was only appropriate given they were contributing to the running of the island through taxation. A 10-strong Ascension Island council with seven elected members was set up in the same year. The council's establishment, therefore, resulted from the UK's intervention to ensure that Ascension remained economically viable for the users. As a result, there were continued employment opportunities. This was not taken forward as part of a staged process that was intended to result in those living and working on Ascension being given the right of abode.

The 1999 consultation paper, as the hon. Member for Twickenham pointed out, raised the issue of the development of a general right of abode and property rights, in addition to other issues including services and democracy, but it stressed that those were options only and stated specifically that the UK had not yet made up its mind on what those changes should be. Up until 2002, the possibility of developing the general right of abode and property rights on Ascension had not been developed. The island council engaged a legal draftsperson to draft proposed legislation. This process, which started in 2003, remains incomplete.

In 2003, the UK Government also concluded the Wideawake agreement, referred to by the hon. Member for Cotswold, to open up the possibility of commercial charter flights to Ascension, if viable. Partly as a result of these consultations, the Foreign and Commonwealth Office looked again in 2005 at whether the island would be economically viable to support a settled population, with regard to fishing and tourism in particular.

The Government commissioned an economic study by Oxford Policy Management Ltd. in August 2005. The report highlighted the limited scope for development without significant external investment. It concluded that the prospects for buoyant growth driven by significant inward investment seemed slender in the near-to-medium future, and that the costs entailed by the local and physical characteristics of Ascension made the development of tourism unlikely to succeed.

During 2005, the FCO continued to consult, but in the light of the Oxford Policy Management report published in October, it became increasingly apparent that the economic argument was outweighing the views of the minority of those working and living on Ascension Island who wanted a general right to remain and reside there and to buy property. FCO officials and Ministers were in contact with the island council during the year, including through two visits in May and November. Lord Triesman also talked to Councillor Lawson Henry in London in October.

The Government accept that the continuation of the process to assess whether this was politically and economically viable might have led to confusion on the part of some of those living in Ascension. That, of course, is to be regretted. However, it would have been wrong to prejudge the decision that my colleague Lord Triesman took last month without examining all sides of the issue, including the steps I have just outlined.

In exploring all the options, the Government consulted widely, with Ascension and across Whitehall. The FCO took into account representations made by those on the island to the governor, administrators and groups of visiting officials. Before the decision was made, the FCO considered fully the representations to the team that went to the island in late November 2005 and the letter of 7 December 2005 to Lord Triesman from the island council.

Dr. Cable: I do not wish to stop the Minister's flow and I know that he is pressed for time. He has acknowledged that confusion was created among the islanders. Does he not agree that that confusion was systematic? Why did the British authorities encourage the islanders by establishing a land registry, the only purpose of which was to entrench property rights? Why did they endorse the council's campaign to regard Ascension as a "family island"? That was its slogan, which, by implication, involves settlement and long residence. Surely the Government were not assessing the options, but were very actively involved in creating the framework they now wish to repudiate.

Mr. Alexander: As a Scottish lawyer, I was intrigued by the establishment of a land registry, given that Scottish jurisdiction has the distinction of having the last system of feudal land ownership in Europe, so I raised exactly that question when I spoke to officials yesterday. They informed me that it was important to have a public record of property on Ascension and who currently occupies it.

The question of individual leases, which have already been issued, is being examined by the Attorney-General, but the almost mechanistic view that the establishment of the land registry would, in and of itself, prejudge the decision that would ultimately be taken by Ministers—in this case, by Lord Triesman—is wrong. It is wrong in the sense that there was, I understand, a clear articulation at the outset of the process that options were being considered. I have acknowledged candidly that there appears to have been some confusion among the limited number of those who reside and work on the island—a number of whom were represented on the island council—who have come to hope for and aspire to property rights being secured.

None the less, from the Foreign Office's point of view, there was a clear view that a decision had yet to be reached and that the consultation that followed—in terms of the visit of the officials to the island and the

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further discussions that Lord Triesman had with one of the councillors—reflected that ongoing process before the decision was reached last month.

Dr. Cable: I shall not intervene again because the Minister needs another 10 minutes to complete his remarks, but can he cite a single case in the past five years in which the Government warned the island council that its expectations were unrealistic?

Mr. Alexander: My recollection from my discussions with officials is that when they visited the island in November, it was made clear to them that those with expectations of securing the property rights that we are discussing today were prejudging a decision that was ultimately for the Minister to take. I understand that there was some indication that clear consideration was being given to the outcome that was finally reached in terms of a decision made by my ministerial colleague in January.

I shall address a couple of further points that have been raised following those interventions. Up until 2002, the possibility of developing the general right of abode and property rights on Ascension had not been developed. As I have said, the island council engaged a legal draftsman. Those points have already been covered during our debate.

Mr. Clifton-Brown: A jagged edge has emerged from this debate. It seems that people were given an expectation of property rights, and as a chartered surveyor I know about such matters. If they were given that expectation, and they have invested considerable sums of money in building those four houses and are now to be denied any proper permanent legal rights, will the Government consider paying compensation to them?

Mr. Alexander: I am respectful of the past professional experience of a chartered surveyor, but I speak with the past experience of a solicitor, and a very clear distinction can be drawn between confusion and expectation. I have been scrupulous in my language today, making it clear that there may have been confusion. We accept that there may have been confusion, but that is an entirely separate matter. I make that observation not least in terms of the importance in public law of expectation. It is helpful to have clarified that point, but I would draw a clear distinction between expectation and confusion.

Reluctantly, the Government have concluded that granting the general right to remain could cost the UK taxpayer considerably, in the short and long terms. If the users were not on the island to provide a regular income for employees, the cost of meeting Ascension's reasonable ongoing needs—the provision and maintenance of utilities and infrastructure, and the provision of social and additional education and medical services—could easily run, on the Government's estimate, to tens of millions of pounds.

Daniel Kawczynski: Will the Minister give way?

Mr. Alexander: With the greatest respect, I have been generous with the Chamber in giving way and I am keen to make a little more progress.

Granting a general right of abode and property rights could impact adversely on the unique working environment of Ascension Island, rather than improve it. I am sure that all Members of the House recognise that the Government have an obligation to take responsible decisions for the good governance of their overseas territories. That spirit has been very much abroad in the Chamber today. The Government also have a responsibility to minimise the future risk to UK taxpayers by not unnecessarily exposing the UK to an increased likelihood of contingent liabilities.

At the same time, the Government remain committed to a sustainable quality of life for those whom they hope will continue to work on Ascension in the future.

10.53 am

Sitting suspended until Eleven o'clock.

Education (Northern Ireland)

11.00 am

Sammy Wilson (East Antrim) (DUP): It is unusual for me to be on the Front Bench and it is worth having a debate just to be here.

The Minister is used to occasions such as this. I think that this is the third time this week that she has been in such a room to discuss Northern Ireland, as she has already spoken about rates and selling the family silver. She is here now to discuss education, and I look forward to hearing her response.

Recent Government figures have indicated that more than 100,000 youngsters live in relative poverty in Northern Ireland. Many of them are concentrated in particular areas, some of which are relatively affluent but have estates in the middle with a high concentration of families living in poverty and deprivation. That impacts on educational achievement.

The debate on those issues has sometimes been mixed up with other big education controversies in Northern Ireland. For example, there has been an attempt to link educational under-achievement and disadvantage with the selection system, although I want to stay away from that issue this morning, because it is a red herring and it does not answer the problem; I see the Minister smiling, however, because she has sometimes tried to link the two.

I do not believe that the solution is simply to throw money at the problem, although resources are required. The important question is how to lift people's aspirations. In many deprived areas education is not seen as it used to be: as a way out of poverty and a way of improving opportunities in life. How do we give people the inspiration and aspiration to look to education as a way out of their current economic situation?

Mr. Christopher Fraser (South-West Norfolk) (Con): I sit on the same Select Committee as my hon. Friend—the Select Committee on Northern Ireland Affairs—and I know how passionate he is about this issue and how important it is to him in his constituency. Does he agree that education is the cornerstone of a civilised society and that we must inspire children to take the highest level of academic and vocational qualifications so that they can succeed in this uncertain world? As I have found in my constituency, education must remain the ladder out of deprivation.

Sammy Wilson: Absolutely. The problem is not unique to Northern Ireland. Many of the lessons that we have learned in Northern Ireland can be transported to other parts of the United Kingdom. Equally, some best practices need to be transported to Northern Ireland. I welcome the hon. Gentleman's intervention.

It is clear that there are problems, because there has been no lack of initiatives in Northern Ireland. The Minister will correct me if I am wrong, but I believe that there are currently 58 or 59 initiatives to deal with failing schools, raise standards, improve attendance and so on. Sometimes, all that happens is that jobs are created for those who administer the initiatives and a paper nightmare is created for principals who must find out about initiatives and how to apply for them, and then fill in the forms. Education and library boards provide some help, but resources are dispersed. The resources themselves are often time-limited and are stopped just when they begin to bite. Even worse, sometimes when the results begin to come through the schools no longer qualify. They may benefit from an innovative scheme, but the money may then dry up.

I want to look at two initiatives that illustrate some of the best practices and some of the problems. First, the school support programme amounted to £50,000 a school. Clear targets were set and one school decided that it wanted to spend the money on tackling the problem of school attendance. The money provided a home-school liaison officer who targeted families whose children had a poor attendance record. The liaison officer obtained parental involvement, which was important—sometimes, that meant putting parents on accredited courses to learn how to help youngsters with reading, homework, counting and so on—and brought in other statutory agencies. Sometimes it was a case of ensuring that youngsters came to school having had breakfast, and also came there clean. Money can be poured into breakfast clubs in schools so that youngsters at least start the day with some food in their stomachs, so that they can concentrate for the rest of the day.

The effect of that initiative was that the school moved from the bottom 5 per cent. at key stage 2 into the top 5 per cent. over two years. However, once it had moved up, the money was no longer available and the good work was lost. That is a problem with many initiatives. It might be better to have fewer initiatives, but to have more money going directly to schools while allowing them to decide how to use it in the long term.

It is important to get parents involved. Some community groups and initiatives have been helpful, such as the "Parents and kids together" initiative in the Sunnylands area of Carrickfergus in my constituency, but its funding is under threat. It identified a problem regarding the need for pre-school work and after-school clubs, but it did not allow parents simply to dump their youngsters at the community centre to be looked after. It demanded parental involvement. Sometimes that parental involvement was no more than an information evening about what services and courses might be available. Sometimes men were required to look after the youngsters playing football and fathers were asked to come down to help out with that. When I made a visit, I saw that many of the parents who had come along reluctantly at the start had seen the value for their youngsters, had become enthusiastic supporters and had begun to volunteer for more and more activities. Sometimes the scheme gave leadership to youngsters, such as when menfolk took them out for games. Sometimes it gave parents inspiration to find other ways of helping their youngsters. Many of them moved on to accredited courses and some then went on to other educational courses to improve their opportunities in life. Such initiatives require funding, but they can involve people who might not previously have been involved in their youngsters' education.

Some initiatives have not worked and lessons can be learned from them. One is the group 1 schools initiative, under which some schools received £200,000 over five years. Some received £1 million over that period. I

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visited some of those schools with the Assembly Education Committee. There has been a lot of good work and a lot of effort, but much of it has dissipated, perhaps because there was not enough direction. There were no boundaries for success, and although the core purpose was to raise standards, there seems to have been little monitoring. I understand that the schools involved deal with difficult youngsters, but so did many schools that received money from the school support programme, and we have not seen the same return.

One problem is that it was left to individual principals to come up with ideas. If we are to stick with initiatives, perhaps there should be sharing of best practice or even an initiatives forum so that people can find out what has happened and what has been good in other schools.

Another thing that we need to consider is the attitudes of the schools themselves. I want to be careful about what I say. Many teachers who teach in difficult areas have a difficult task. Perhaps it is because of that that they can become burnt out and cynical more quickly. I have visited many schools and seen the kind of inspirational teaching that is done. Nevertheless, in many cases, it is a fact that teachers who have been teaching difficult youngsters in difficult schools for a long time sometimes lose their initial enthusiasm. The schools themselves tend to be faced with declining numbers and therefore budgetary problems. They have all kinds of resource problems. Perhaps the new, enthusiastic teachers are the first to be made redundant in many such cases, thereby leaving a gap in those schools.

There is a role for the inspectorate, which I sometimes think is a bit cowardly. Inspectors may come in and say that such and such a teacher is having problems or that a class was not well taught, but leave it up to the school and the principal to decide what should happen. It is rare that an inspector will put his name to a report stating that a teacher needs to be moved on or needs retraining—the decision is usually left up to the school. Inspectors need to take a more proactive approach if they think that failure may be partly the result of the need for some staffing changes.

Dr. William McCrea (South Antrim) (DUP): Does my hon. Friend agree that it is very difficult for schools to get a bad teacher or head teacher moved on? One of the difficulties is how they do that but keep within the law.

Sammy Wilson: I thank my hon. Friend. That is exactly the point that I am making. Often, the inspector will not back up such a move, and the board of governors or the principal is left with a difficult decision. If the inspector will not back them up, what will happen if the case goes to a tribunal?

I know of schools with a high number of youngsters from disadvantaged areas and that had a bad reputation five or six years ago. With leadership, they were turned around in a short period. The quality of leadership is important, and perhaps we should target schools in the most difficult areas and even give incentives to put in the best teachers and principals to turn them around. That issue must be addressed. The role of the board of governors should also be considered. Sometimes there is an issue as to whether dynamic leadership by the board of governors could turn schools around.

The problem cannot be dealt with simply by throwing a whole lot of money at it. It is not even an issue for the schools alone. As I have said before in the wider education debate about the post-primary controversy in Northern Ireland and the transfer procedure, society's views must change. We must value not just academic education in Northern Ireland—or, indeed, anywhere else—but practical and vocational skills. Many youngsters do not have great academic aspirations—even their parents may not have such aspirations for them—but do not think of education in terms other than of good exam results, GCSEs, A-levels or university.

I welcome the changes in the curriculum, which will give schools much more flexibility on courses than was available under the set curriculum of the past. Attitudes to the whole spectrum of educational opportunity must change so that parents and youngsters from backgrounds where university is not viewed as the route to take nevertheless realise that education can also mean training for a vocational job, whether as a bricklayer, plumber or whatever else; that such education is valuable to them; and that they should use the opportunities provided by schools to achieve skills. That means that there must be intervention from an early age.

There are opportunities. The Minister has spoken in the House on several occasions about rationalisation in Northern Ireland and the number of surplus places. I accept that there is a problem, and I do not believe that we should spend money on empty school places. I criticise myself and political colleagues right across the board. In the light of constituency pressures, we sometimes feel under pressure to defend a school that has gone down in numbers and does not offer good educational opportunities for youngsters.

There are innovative ways to use such schools, however. Rationalisation offers an opportunity to turn them into child centres rather than simply schools. Other services could use the vacant premises; health services could be offered, for example. Youngsters could go for health checks and problems could be identified at an early age. A school could become a community focus so that parents would value the place, even if they did not much value education. It would be a place providing other activities for them and their youngsters, and attitudes could be changed in that way. I beg the Minister to consider some of those points, and I hope that I have given her enough time to reply.

11.17 am

The Parliamentary Under-Secretary of State for Northern Ireland (Angela E. Smith): I congratulate the hon. Member for East Antrim (Sammy Wilson) on securing the debate and on choosing what is perhaps one of the most topical issues in Northern Ireland at present. It is certainly one of the most important if we are to consider what happens in Northern Ireland in the future. I enjoy my discussions on education with the hon. Gentleman, and I believe that we are as one on many issues. We have similar outlooks on what we seek to achieve for the education system in Northern Ireland.

The hon. Gentleman is right to highlight areas of educational disadvantage. Kids have one chance in school. We fail them if we do not give them the

opportunity to make the best life chance that they possibly can through the education system, and we should take that on board in everything that we do to improve education.

This debate is not just about fairness for the individual, but about the future needs of our economy. The hon. Gentleman rightly highlighted academic and vocational education. Unless we offer a twin-track approach providing every child with the opportunity for academic and vocational education, we will not meet the needs of 21st century Northern Ireland. We will not produce the people whom we need as plumbers, doctors, parents and so on, and we will not address the need to ensure that people have the required skills and abilities.

The hon. Gentleman also highlighted the problem—we have to acknowledge it before we can do anything about it—of far too many young people leaving our schools without achieving their full potential. Across Northern Ireland as a whole, 6 per cent. of them leave school with no GCSEs. In the most deprived areas, about which I know he is concerned, that proportion rises to 14 per cent. One quarter of 14-year-olds fall short of the expected standard in literacy and numeracy. In some schools in the most deprived areas, which he and I have visited, the figure is closer to three quarters, and more than 20 per cent. of adults have low literacy and numeracy.

Those figures surprise some people. When we debate post-primary education and the removal of academic selection, we often hear about Northern Ireland having had the best results in the whole UK—no one can touch Northern Ireland's exam results. That is true at one level, but those figures and that success mask deep-seated problems that we have a duty to address. I fully take on board the hon. Gentleman's comments that just removing academic selection would not achieve the outcomes that we want, but I point out that it is part of a package to improve life opportunities for every child that includes changing the curriculum across Northern Ireland and giving support to schools that need it. Those things together can make a difference. I always think that there is only one opportunity in life and politics to make a difference, and we should take it. We are addressing the problem for the benefit of not only children, but the Northern Ireland economy as a whole.

We need to avoid the easy option that some people take of blaming the parents, school or teachers. We are talking about deep-seated issues, and we have to consider the answers to them in the round. We need to consider all the factors that influence educational attainment, and the hon. Gentleman is right to highlight that that is not a job for education alone. I often discuss with my officials and with politicians in Northern Ireland the fact that if we try to deal with disadvantage in education and lack of achievement through the education system alone, we will not succeed; we have to consider the matter holistically, and involve the health service and housing bodies. The Department for Social Development will look into those problems as well. Together, we can tackle the issues.

Parental support for the school is key; the hon. Gentleman highlighted the differences that it can make. We have found in disadvantaged areas as well as others that parents and young people recognise the value of education. We need to find ways of channelling that recognition and giving parents support so that they can help their youngsters in school.

The hon. Gentleman mentioned the number of initiatives. It is fair to say that the Department has not sat on its hands ignoring the problem; there have been a number of initiatives to achieve what is needed. He mentioned that there were 58 or 59 programmes, but the number is irrelevant. I met a group of primary and secondary school principals who were talking about the number of initiatives that came through to schools. I asked, "If you could get rid of some of these, which would you choose?" They said, "Well, none, because they are all valuable." Although there are initiatives and they are valued, we have to streamline them and make it easier for schools to be involved in them—and, where there are problems, we have to take them on board and address them.

The hon. Gentleman mentioned the school support programme, which normally gives a school three years of intensive professional help and support. Some 193 schools are or have been involved, and 26 are currently on the programme, which is worth £9.4 million. It is time-limited, and not open-ended. The idea behind the programme is that schools get the support that they need and move forward. There should then be a review on removing that support, because the school should have achieved its objectives through the programme. However, I take on board what he said, and I will come back to it.

The hon. Gentleman also mentioned the group 1 initiative, which provides £200,000 a year for schools in severe difficulties. He was concerned about the lack of monitoring and the role of the inspectorate. The action planning, monitoring and evaluation are intrinsic parts of the process, but I share some of his concerns. I will take on board some of his comments about the education and training inspectorate. Since I became Minister with responsibility for education, I have had regular meetings with the ETI, and I am impressed by its knowledge, commitment and drive for the education system. Perhaps we should incorporate it more in policy making and take on board its comments when we look to move forward on those issues.

The Government and the inspectorate have no interest in supporting those who are not going to be good teachers. If teachers are having the difficulties and problems that the hon. Gentleman mentions—if they are getting worn out, tired and put under tremendous pressure—they should get all the support that we can give them; but if teachers are really not able to teach, and teaching is not the profession that best suits them, then we should support them in looking into alternative professions. I share some of his concerns about the group 1 programme. There will be a review of the school improvements programme as a whole, and I give him an assurance that it will deal with the issues that he highlighted. Unless we review it and look into how we can do things better in future, we will not address the problems that he and I want to address. I shall announce the details of that review shortly.

The literacy and numeracy strategies have been very successful. We can see how results have improved in Northern Ireland schools and how, at the lower levels, where there is disadvantage and underachievement, those strategies are making a difference; I am pleased

[Angela E. Smith]

with how they are working. The reading recovery programme has also been very successful. The hon. Gentleman also mentioned the dissemination of good practice, and some £15 million is being put into that. There may be better ways to share good practice, as the inspectorate highlighted.

Mr. Jeffrey M. Donaldson (Lagan Valley) (DUP): The Minister will be aware of concerns in the primary and secondary sectors about the implementation of the Special Educational Needs and Disability (Northern Ireland) Order 2005 and the costs associated with it. Will the Department support schools in implementing the requirements of SENDO and in making adaptations to accommodate children who wish to move into mainstream education?

Angela E. Smith: We always recognised that there would be costs in implementing SENDO. If the hon. Gentleman is asking whether I can give a commitment that every school will have everything that it needs, I should say that that would be quite difficult, but certainly money has been allocated for that. Schools to which I have spoken have been very supportive of inclusion where it is appropriate for the individual child, the school and other children in the school. I have met representatives from a number of mainstream schools that have included children with disabilities, and they have reported that where inclusion suits the pupil, it has been a success. We keep that issue under review to give support to the schools.

I should also highlight the "Entitled 2 Succeed" programme, which looks into the curriculum, as well as collaboration and transfer between schools. That has the potential—largely through the curriculum—to address the points made by the hon. Member for East Antrim about ensuring academic and vocational support for every young person who wants it.

The hon. Gentleman also raised the issue of leadership in schools. It is important that there be effective, high-quality leaders in schools. In a number of schools that I visited, I could see where that made a difference. If a head teacher inspires the staff and pupils, one can see a school lift off, and it is not just the results that change, but the behaviour and aspiration of pupils. We are keen to pursue that. There are some good examples of regional training units and children's and students' services, but we want to do more in working with heads to improve capacity. The head teacher from my old school, in my constituency, was in Northern Ireland recently, talking with people involved in the education services, and one thing that I have found useful is heads giving support to other heads. Heads who have that inspirational leadership really want to pass it on to other heads. That is another area that we have to develop further.

The message that I want to give today is that the Government are very much attuned to wanting to give support to all pupils in Northern Ireland, so that we not only maintain our high levels of academic excellence, but ensure that young people who are currently underperforming in the education system have the opportunity to reach their full potential. Part of the answer is ensuring that the finance and support are in place, but we are spending the money that we have far too thinly across Northern Ireland's schools. I am very concerned whenever I speak to head teachers who have to give up being a full-time head to go into the classroom and teach full-time because of funding in the school. That is not because there is a lack of funding; the amount of funding going to schools is constantly increasing, but we are spending it across too many schools.

The hon. Gentleman asked about rationalisation. I have spoken to the boards about that. Under the capital programme that I shall announce shortly, we will see whether there are opportunities to rationalise schools, and to support merging, amalgamations and closures where appropriate. If we do not take that on board and make sure that we have a schools estate that is fit for purpose, we will have too many schools that are not sustainable. That will put unacceptable pressure on schools that have to finance their work while money is being drained by too many schools across the board. I assure him that we will take that on board.

I fully endorse the hon. Gentleman's point about schools being hubs in their communities. We already have breakfast clubs and activities to promote good health for young people; there is no doubt that children who eat better and who have good health learn better. There are also links to parents through Sure Start family learning programmes. There is support for study through homework clubs, too, where children have the opportunity to work with other children and get support enabling them to undertake the work that they have been given. There is clear evidence that that helps their studies to improve. There are also much closer links between education, health and social services, because we are bringing those together; we are taking a holistic approach to the young person. The children and young person's funding package, which the state announced in the budget process, is designed to tackle those issues to improve the life chances of young people. Further details will be announced shortly.

In conclusion, I thank the hon. Gentleman for raising the subject. I hope that I have addressed some of his concerns, and I look forward to discussing the issues further with him and seeing what more we can do to ensure that every single young person reaches their full potential and gets the life chances that they deserve.

11.30 am

Sitting suspended until half-past Two o'clock.

Post Office Card Account

2.30 pm

Mr. George Mudie (Leeds, East) (Lab): I see from the numbers in the Chamber that the business in the main Chamber is obviously non-controversial and that hon. Members need somewhere to come out of the cold. The pleasure of seeing you in the Chair, Mr. Bercow, is lessened only by the realisation that you are not on the Front Bench, where you so obviously deserve to be. [HON. MEMBERS: "Hear, hear!"] I hope that *Hansard* recorded that deserved applause. The Conservative party's loss is our gain.

I am delighted that the Speaker has chosen this debate, which is particularly welcome as it gives the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt), the opportunity to explain current Government policy on Post Office accounts and the contract, and to settle genuine worries that there has been a change in policy in recent weeks. The debate also gives hon. Members and the Minister the chance to have a dialogue about the three pilot schemes that have come to our attention, although not through the House. A fair number of Members wish to speak, so I shall go through my speech as quickly as possible. I also hope that hon. Members will bear with me if I read my speech, because if I depart from it, I fear I shall lessen the number of those who can participate.

The history of the subject, briefly, is that since 1997 the Government have invested between £1 billion and £2 billion in modernisation of the Post Office. Most of that money went on IT, to enable the Post Office to get up to date and to compete for other markets. That allowed the Department for Work and Pensions to realise an objective that it had sensibly had in mind for a number of years, which was to introduce the plastic card and direct payments because pension books and giros were costly and open to abuse. Once the IT system was in place, the Department went ahead.

The obvious move from books to plastic cards directly affected pensioners, but it also called into question the viability of thousands of post offices. We all know the results: thousands closed, although not in every case because of the new payment method. However, a major source of income was affected. That proved to be the last straw for a number of post offices, and, where the offer was made, postmasters took the opportunity to depart the scene. Some 2,500 post offices disappeared in that tranche.

The customers also had a hard time. The Minister present was not at the Department then, so I can say without causing personal offence that its behaviour was slightly unpleasant. It wanted customers to give up their pension books and open bank accounts to facilitate direct bank payments. The Department was reluctant to tell pensioners that they could retain their books, and its literature was deliberately evasive on that point. It also frowned on the Post Office account and instituted a convoluted method of opening one, for which one needed a degree from Cambridge and the tenacity of a bulldog. I know from having spoken to those in the DWP who participated in early discussions that it wanted only banks to be involved, because they were the cheapest, and it set its stall out accordingly.

David Taylor (North-West Leicestershire) (Lab/Co-op): Can my hon. Friend imagine the angst and chagrin of those 4.7 million benefit claimants—up to 5,000 in each constituency, and 10,000 in some—who, having survived an obstacle course of Olympic proportions to get the card account open, now find that the Government have abandoned the very assurances that they gave to us MPs? Is not that a deception of sub-post office staff and a betrayal of benefit claimants? I speak as a member of a third generation sub-post office family in the village in which I still live.

Mr. Mudie: I think that my hon. Friend has increased the number of pensioners and benefit recipients, but we will pass quickly over that. He uses strong language, but I shall touch on some of those matters, albeit in a gentler way—gentleness is the difference between us.

While the DWP was working in that way, No. 10, the Treasury and the Department of Trade and Industry took a more mature view. Although they recognised the financial benefits to the DWP, they understood the sensitivity of the pensioners' worries about the break with post offices and also appreciated that the Post Office needed time to build up other income streams. A seven-year contract was therefore signed to subsidise the Post Office accounts, and leading banks chipped in with a contribution of £180 million, which ends in 2008. The contract between the Government and the Post Office started in 2003 and will run to the financial year 2010–11.

Mr. Mike Weir (Angus) (SNP): Will the hon. Gentleman give way?

Mr. Mudie: A number of hon. Members want to speak and I am reluctant to take up too much time, so if the hon. Gentleman will forgive me, I will not.

Important to all parties concerned was the stated agreement to work together in the intervening period, between 2003 and 2010, to evolve the Post Office accounts into something more akin to a bank account, which was in line with the Government's financial inclusion agenda. The discussion centred on the concept of what was termed the universal bank, run through the Post Office. That has largely disappeared from public sight, but it is perhaps still alive, albeit barely, as an idea. Nevertheless, the position accepted by all participants and known to Parliament and hon. Members was that a seven-year contract was in operation, and it was intended to evolve into an acceptable, viable and convenient alternative that would fit in with the Government's wider intention of extending financial inclusion.

Mr. David Drew (Stroud) (Lab/Co-op): My hon. Friend makes his point strongly. Representing a semi-rural constituency, I persuaded people to use the Post Office card account instead of direct debits. We did that in my family, and I sent letters to constituents, a number of whom also did it. They did so because they wanted to keep their post office open, more than anything so that

[Mr. David Drew]

pensioners could use it. Does my hon. Friend agree that under the current position those people have been badly let down, if not completely deceived?

Mr. Mudie: I welcome this debate, because I always give the Government the benefit of the doubt. Perhaps others in the Chamber are less generous, but I want to hear what the Minister has to say, because I cannot believe that a Labour Government would act in that fashion. I am prepared to suspend judgment, although I will touch on the matter later.

I hope that the Minister will largely agree—although perhaps not entirely—with a fair summary of the position, which is that it was unchallenged and widely understood before 12 January. There was then a debate about the Post Office in the other place in which Baroness Prosser, a member of the Post Office board, made a speech; she seems to have put the cat among the pigeons. She said:

"Government actions threaten us on two fronts. The first is their proposal to set up 70 high street offices to vet and interview applicants for passports. This would dig into the £12 million net contribution this business currently brings in. Secondly"—

and relevant to this debate—

"the Department for Work and Pensions has notified us that the current Post Office account card will cease when the contract ends in 2010–11. It is simply not possible to maintain the service politically demanded while at the same time being deprived of the wherewithal to underwrite the cost of that service."—[*Official Report, House of Lords*, 12 January 2006; Vol. 677, c. 329.]

It was suggested that the DWP had unilaterally taken the initiative to indicate that it intended to end the Post Office account when the contract ended in 2010, despite a well accepted understanding that, although the existing contract was an interim one, with a seven-year life and an objective that had been agreed by everybody involved, every effort would be made to allow it to evolve into a better arrangement that suited post office customers, the Post Office and the Government.

Unfortunately, that statement by the noble Baroness was not referred to or expanded on by the Minister who replied to the debate in the other place. So the story is out: the implication of Baroness Prosser's remarks is that unilateral action has been taken via the DWP, and there is to be no "son of Post Office accounts"—no life after 2010. The attitude is, "We do not care what is said by the Treasury, the DTI or No. 10's performance unit, in 2010 we are coming out regardless of the consequences."

If the Minister in the other place had answered the point at the time, this debate might have been unnecessary. However, the remark in that debate referred to pensioners all over the UK, who did not want to give up their pension books and who eventually compromised and accepted a Post Office card account. They now feel let down, angry and fearful. They believe that their cards will be withdrawn and they will have to have bank accounts whether they like it or not. The hard-working people who run sub-post offices genuinely fear that the Government have reneged on the agreement and are determined to move the business out of post offices and into banks. That will mean massive closures and not a few bankruptcies.

This debate is a good chance for the Minister to kill that misunderstanding and reassure people. I sincerely hope that that will happen. This is not a pleasurable debate; it reflects a lot of worry among small businesses, vulnerable pensioners and benefit recipients. The sooner that fear is dispelled the better. I still worry, however. In the past half hour, I have received some e-mails. The one from Postwatch says:

"We were surprised to learn that the government's subsidy for the POCA will not be continued".

That is from people who know the situation. If they are surprised, one wonders what is going on. The most worrying one was from the Post Office itself. It says:

"The Department for Work and Pensions have informed Post Office Ltd that they will not support the Post Office card account beyond 2010. This notification is given under the terms of the current agreement."

That is worrying, and it needs to be dealt with, because we have a Government commitment to life after 2010 for the Post Office account and the plastic card for those who wish it, yet this suggests that the DWP is acting unilaterally and has given notice. It would be useful to clear that up.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I congratulate the hon. Gentleman on having secured this debate, because he has touched on a serious point. A major redirection of Government policy seems to have happened in the Department without the involvement of this House, although the Department must know how much concern there is about the issue in all parts of the House.

Mr. Mudie: I totally agree. We have reached the stage at which a statement during a debate in the House of Lords has gone unchallenged by a Minister and we have learned the facts from a written answer, while nobody has made a statement. The good news might be that that was because there was no statement to make; the three or four Departments are all acting together and we are still on track.

Having dealt with that point—I am sure that others will reinforce the message—it is necessary to seek assurances and explanations about the three pilot schemes. They, too, surfaced in such a way that hon. Members read about them for the first time in the newspapers. They are important, because they seem to go against the spirit, if not the letter, of the stated policy. The first pilot scheme is to frame the payment system information given to 3,000 new claimants in the north-east so that it does not include the Post Office account as an option for new claimants. That is disgraceful—London or the south I could understand, but surely not the north-east. I jest.

That is reminiscent of the Department's early tactics with pensioners over the right to retain the pension book, and the right to a Post Office account. It was not volunteered, and one had to be a persistent pensioner to fight to retain one's pension book or even to get a Post Office account. That is not an entirely open and straightforward way to deal with people and needs to be reconsidered. It is also unfair to the sub-post offices in the area, because it affects their businesses and futures.

Mr. Weir: Does the hon. Gentleman accept that it is worse than that in rural areas such as mine? The banks

have pulled out, so pensioners cannot go to them. The post office is their only option, and if that goes there is nothing for them.

Mr. Mudie: I totally agree. The hon. Gentleman is not alone. Rural areas have an additional problem with distances, but there have been post office closures in urban areas; I had five in my constituency, which is in a deprived part of the inner city of Leeds.

Mr. Philip Dunne (Ludlow) (Con): Just to endorse the point about rural areas, there is not just a lack of banks, but a lack of alternative provision of any kind in many villages. In my constituency, the sub-post office is the last thing left; it is the last place for social, let alone commercial, activity.

Mr. Mudie: The hon. Gentleman makes a very relevant point.

The second pilot scheme is totally unacceptable and raises questions of bad faith; it allows those minded to cause mischief and distress to vulnerable people to go ahead. The intention is to send letters to existing Post Office account holders who also have bank accounts to demand their bank details and to tell them to use those accounts. That is how the initiative is framed by the sub-postmasters. We have not been officially informed about it, but my only other source of information is impeccable: it is a briefing note from the parliamentary Labour party. As hon. Members can imagine, it is much more gentle—

Mr. Russell Brown (Dumfries and Galloway) (Lab): Genuine?

Mr. Mudie: It is genuinely much gentler. It states:

"DWP will . . . write to 35,000 existing POCA customers with bank account details, suggesting they may like to move over to a bank account payment and requesting their bank details."

It we consider the two approaches, the truth will lie somewhere in the middle. It is still a disturbing situation and we would welcome clarification from the Minister. Much gentler that might have been, but, however phrased, it puts pressure on the customer. It is reminiscent of past bad behaviour and, above all, it is a breach of faith with sub-postmasters and Post Office account holders and takes a potential 35,000 customers away from sub-post offices.

In my former incarnation as a trade union official, I would not have accepted it if an employer who had a seven-year agreement with me sought to interfere with it in such a way in only the third year. The Government and the DWP made an agreement and signed a contract. To do anything without consultation in the third year of a seven-year contract is provocative and needs to be rethought.

Mr. Christopher Fraser (South-West Norfolk) (Con): I have a communication from one of my constituents who runs a sub-post office, who says:

"The whole idea of the Post Office Account Card was to give people freedom to choose the most convenient method of claiming their pension or benefit . . . This village is way out in the country—we have no public transport and no bank."

He goes on to say:

"Now the Government—without consultation and without warning—is withdrawing the card. We were never told it would be a short-term or temporary measure."

I am sure that the hon. Gentleman will agree with that sentiment.

Mr. Mudie: I repeat my reply to earlier interventions: I hope that it is not true. The question is not about the Government, but about what the Post Office said. It said that the DWP has unilaterally reneged on the contract, sought to come out of it or indicated that it is not interested in having a contract or any relationship after 2010. There is no sign that other Departments or No. 10 are going in that direction. I am sure that the DWP has not carried out that unilateral action. We await the Minister's response with some interest.

Mr. Russell Brown *rose—*

Mr. Mudie: I have taken a few interventions. Will my hon. Friend let me finish this point? I am conscious of the time. I hope that you understand the difficulty with my taking a lot of interventions, Mr. Bercow.

The third pilot scheme is along the same lines, and is equally objectionable. In that pilot, 2,500 Post Office account holders who have one benefit paid into a Post Office account and another into a bank account have been told by the Department that the payment that goes into the Post Office account will be moved into the bank account forthwith. However logical and harmless that might seem when discussed around a ministerial table, it is offensive, not only because it cuts across the long-term contract to the detriment of people who are trying to keep small businesses afloat, but because it ignores customers' decisions. They were asked to use only a bank account—indeed, one could say that they were badgered into it—but they settled on a Post Office account. Now it is suggested, without a word of apology, that 2,500 people's payments will be moved into their bank accounts. As the Citizens Advice, sub-postmasters and others say, there are often individual reasons why people want to keep such accounts separate, and those should be honoured and recognised.

Mr. Brown: I thank my hon. Friend for giving way, and I apologise for the fact that I will have to leave to meet a constituent at 3 pm to discuss this very issue. For me, this came to light only two years ago when the whole issue of the pension credit was being considered, when I discovered through Pension Service staff that the account was short-term. If there is a problem, it is the fact that it was not spelled out to everyone when the Post Office card account was introduced that it would be only until 2010.

I agree with what the spokesman for the Scottish National party, the hon. Member for Angus (Mr. Weir), said about this being an issue in rural areas. We have a particular difficulty in Scotland, because of the major banks. It would have meant additional business if the major banks had joined up, and we might have been in a more sound position.

Mr. Mudie: I genuinely have a different opinion from my hon. Friend. There is a seven-year contract, but it was tied to an agreement that there would be work in the intervening period to put together some mechanism to

[Mr. Mudie]

move towards financial inclusion, as the Government wanted to, by making the Post Office account a more attractive financial vehicle.

When I started this debate, we were aware of the arrangement that we had seven years with Post Office accounts, and we were looking forward to the post-2010 arrangements and the universal bank. The worry is that people such as my hon. Friend are suddenly accepting that all that is going to disappear in 2010, but that is not the case. The contract was to end, but was to be replaced with something better. The suggestion now is that not only will that not happen, but steps are being taken to weaken the seven-year agreement.

I shall finish now, Mr. Bercow. I am grateful for hon. Members' patience and your wisdom. I hope that on the substantive issue there will be life after 2010 for an improved form of Post Office account, and that the Minister will confirm that there is no intention by the DWP of the sort described, and that no precipitate action was taken. I would equally welcome reconsideration by the Minister and his Department of the three pilot schemes, which I find provocative. Perhaps I am alone in that. In view of the misunderstandings and worries caused by the statement in the other place, to go ahead with the pilot schemes would send out the wrong message.

John Bercow (in the Chair): Order. I intend to call the Front-Bench winding-up speakers at approximately 3.30 pm. Many Members seek to catch my eye; naturally, I am in colleagues' hands, but the shorter speeches are, the more hon. Members will have the chance to contribute.

2.56 pm

Mr. Owen Paterson (North Shropshire) (Con): Thank you, Mr. Bercow, it is a pleasure to speak with you in the Chair. I reiterate the comments of the hon. Member for Leeds, East (Mr. Mudie); perhaps this will be a temporary sojourn on the Chairmen's Panel and you will be on the Front Bench soon.

I congratulate the hon. Member for Leeds, East on landing this debate, which is of great interest to many of our constituents. I have worked on this issue as a constituency MP for a long time. As I have told the House before, a few years ago I drove around 28 post offices in my constituency, a 150-mile drive, and established that in many of them the proportion of turnover related to benefits was extraordinarily high. It was 60 per cent. in Gobowen, 80 per cent. in Treflach, 70 per cent. in Pant, 60 per cent. in West Felton, and 50 per cent. in Baschurch and Prees.

At that time, I was working with a splendid postmaster, Colin Doyle from Knockin. I went to see the then Minister of State for Energy, E-Commerce and Postal Services, the hon. Member for East Ham (Mr. Timms), to discuss the real barriers that were being put up by authorities, which were being backed by the Government, to put people off getting a card account. We were told on the Floor of the House that there were only three steps to be taken, but I went through it with Colin and we established that in some cases there were a minimum of 22 steps, and that applications for cards would be rejected for the slightest of errors, in order to force people to take payments directly into bank accounts.

The outgoing Conservative Government had a perfectly sensible swipe card scheme, which would have had the advantage of the security that the Government wisely seek, and would have kept income going through sub-post offices. However, that scheme was unwisely scrapped because there was great belief in the universal bank. The hon. Member for East Ham, who is one of the most respected members of the Government and whom I completely trust, said that he genuinely thought that everyone would have an opportunity to partake in the universal bank in a few years.

The Minister who is here today gave me a parliamentary reply only yesterday saying that the following banks do not offer current accounts through post offices: Abbey, Bank of Scotland, First Trust, Halifax, HSBC, NatWest, Northern bank, Royal Bank of Scotland, Ulster bank and Yorkshire bank. We are a country mile away from having a universal bank option and enabling all benefits customers to take direct payments.

At no stage in any discussions was it hinted that for those who had struggled through the jungle with their machetes, survived the passage of 22 obstacles and got their cards, this was a temporary option. It was thought that having made a substantial investment—the Minister will tell us how much; the Government trumpet those figures all the time—in the new system, it would be there for good. I have a letter from the hon. Member for East Ham, which does not even hint that there was a 2010 deadline.

I enjoy the role of secretary to the all-party group on sub-post offices, which is chaired by the hon. Member for Vauxhall (Kate Hoey). We were astonished on 31 January, when one of our meetings was attended by Colin Baker, general secretary of the National Federation of Sub-Postmasters, to be told by him about the three trials. That was the most extraordinary revelation.

I ask the Minister to confirm what consultation he had with anyone, not least with his colleagues in the DTI. I asked the Secretary of State for Trade and Industry about the subject in questions recently, and he seemed bemused. I raised it with the Leader of the House in the main Chamber and he ran into semantics about the difference between the words "impermanent" and "temporary". Again, he did not seem to realise the consequences of what the Government are proposing through their arm, the DWP.

What consultation has taken place? What happens if one of the 3,000 new benefits claimants does not want to open a card account? What would happen to one of the 35,000 existing customers who did not like the tone of the letter from the DWP, however it is phrased and even if it is in cuddly language from the parliamentary Labour party? What happens if one of the 2,500 existing customers is not prepared to have their payments put into a bank account or if they are with one of the banks mentioned on the list in the reply to the parliamentary question? What will the consequences be? What is the legal basis for the change? What rights do benefits claimants have not to be bamboozled by the Government and forced into new arrangements that none of us have heard of?

It was alarming in our meeting that the chief executive of the Post Office, Adam Crozier, said that he would need 4,000 post offices to run a mail service. The Government have done grievous damage to post offices. An income of £400 million through the benefit payments has been taken away from post offices, and it is probably down to £160 million with the 4.3 million existing card account holders. If they are to be dragooned into some form of direct payment and made to surrender their cards in 2010, what will be the role of the 14,400 post offices when only 4,000 are needed to run a mail service? The Government do not appear to have thought that through.

There may be sensible, rational gains and savings to be made. We would all support that; we do not want the Government to waste public money. There may be savings in having direct payments and dropping the card account scheme. However, there has been substantial investment in recent years and benefit income is the core of the sub-post office network. The post offices that I have visited—we have been through this in previous debates—have other business tacked on. There is stationery related to the direct benefits payment at the post office, but it may also sell dry food, fresh food and fruit. Many post offices have an off-licence attached, or they may sell cold food or products for tourists. Benefits are always the core base from which the hub of the village shop is built up, and that performs a valuable service.

Mr. Peter Bone (Wellingborough) (Con): My hon. Friend is describing the exact situation in Little Irchester, a small village in my constituency. I was in the sub-post office last week; the splendid sub-postmaster is concerned about the change. His is the only business in the village.

Mr. Paterson: That case would be reflected in many rural seats. Indeed, an active post office and village shop in the heart of both our rural and our urban communities would be a valuable social product.

Jo Swinson (East Dunbartonshire) (LD): Does the hon. Gentleman remember—it was before my time in this House—an Opposition day debate on the introduction of Post Office card accounts on 11 June 2003? Talking about why the accounts had been introduced, the then Under-Secretary of State, the hon. Member for Croydon, North (Malcolm Wicks), said:

"If we did not make this change, the post office network would be bled dry by people increasingly choosing to have their benefit or pension paid into a bank or building society."—[*Official Report*, 11 June 2003; Vol. 406, c. 767.]

Does the hon. Gentleman not think that that is exactly what would happen? The Government were right to be concerned about the possibility and if the Post Office card account is abandoned that will have a severe impact on the viability of the post office network.

Mr. Paterson: The hon. Lady understates her case. The network would collapse. I do not see what will maintain the 10,000-odd post offices without a core business of benefits on which they can build a business of selling Post Office products, food and so on. The Government have not thought things through. Perhaps they will save money in the DWP, but there will be substantial economic costs in closing down the post office network. There will be massive social costs. There is not joined-up government.

I rarely sign early-day motions, but I drafted one with the hon. Member for Vauxhall about the abolition of the Post Office card account. I am delighted to see that on the first evening 81 Members signed that early-day motion, and you, Mr. Bercow, were one of them. I got myself into some trouble because I had not cleared the proposal with my hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley), but we sorted it out later and it now has full Tory support. We want a review of the DWP's proposals, but I would also like a review of the future of the Post Office. What does the DTI think the post office network is for and what does it think is its future over the next 50 years? What does the DWP think is the future of the network? What is the Government's social view? What social function do post offices provide? The Government must give a coherent strategic view. At the moment, we have a mess.

Mr. Christopher Chope (Christchurch) (Con): I, too, signed that early-day motion. Does my hon. Friend share my concern that a review is not the answer? In the meantime, all the people who have invested in their own post office businesses will find that their businesses are blighted and that the business plans that they entered into—perhaps with bank support—are complete mincemeat as a result of the Government announcement.

Mr. Paterson: That was a great question from my hon. Friend. It is just the point that I was going to make. Like many people, my constituent, Colin Doyle, bought into the business to round off the working years of his life and as a nest egg for his retirement. Many sub-postmasters cannot sell their businesses because the future is blighted. We do not have a clue of the Government's strategic view of the post office network, and there is a real problem as people are getting out and retiring. Above all, however, there is a huge blight on people coming into the business. To have a vibrant post office network we need a constant turnover of fresh, enterprising people to take on that role.

Several hon. Members *rose*—

Mr. Paterson: I will give way for the last time.

John Hemming (Birmingham, Yardley) (LD): There is obviously great concern about the future not only of post offices but of other shops nearby. In an urban constituency such as mine the parades that surround post offices are under threat from the Government's plan to shut down thousands more post offices.

Mr. Paterson: I am sure that that is a perfectly valid point.

I will wind up, because I know that others want to speak. Will the Minister please give us an answer about the three schemes? What is the legal basis for them and what will happen to people who say no? What is the Government's long-term strategic view of the post office network and will they have a review between all the relevant Departments?

3.8 pm

Kate Hoey (Vauxhall) (Lab): I congratulate my hon. Friend the Member for Leeds, East (Mr. Mudie) on obtaining this debate. We will need to debate the subject on the Floor of the House as soon as possible if we do not get proper answers from the Minister today. As chairman of the all-party group of which the hon. Member for North Shropshire (Mr. Paterson) is secretary, I obviously agree with everything that he has said. He has put a number of points that I hope the Minister will answer.

The Government have, I am afraid, committed a dual breach of faith. First, they have breached the faith of all those people, particularly pensioners, who went through such trauma giving up their book, which they were used to, and after a huge amount of work managed to get a Post Office card account. Most in my area have got used to it and begun to feel that it gives them the freedom to go along each week and get out as much cash as they want.

Secondly, the Government have breached the faith that many sub-postmasters and sub-postmistresses had in what they had said. Those people put in extra money, produced their business plans and thought that they had a future. Not only do they now see that they are likely to have no future after 2010, but they are facing those ridiculous three pilot schemes, which we only heard about at the last minute, which the Post Office and Adam Crozier told us that they had only known about for a short time and which seem to have been plucked out of the air by the DWP. They were probably worked on for many months by civil servants and signed off by a Minister who gave them no real thought, with no consultation at all of the DTI. I hope not only that we will obtain answers to the legal questions that have been asked today, but that the Minister will ask for the schemes to be withdrawn.

The wording of the letters that went out is so patronising; the attitude is basically "We know best." The letters state:

> "As you have been using your Post Office card account for some time, now is the time to make arrangements to pay your benefit/ pension into a bank (or building society) account. You'll go on receiving the same amount of money as often as you do now."

How dare any civil servant or Minister send out such letters to people who chose to have a Post Office card account? They may have a bank account but still want their card account. It is all very well saying that the people who have gone on to benefits for the first time have been told that they must have a bank account, but that if they say no, they will probably be told, "That's okay. You can carry on as you are." That will be made so difficult for them. They will have to do all the work to get their Post Office card account when the situation should be the other way round. If banks want to take people away from having a card account, it is up to them to spend the money to do that; taxpayers' money should not be spent trying to do it.

Peter Bottomley (Worthing, West) (Con): Would it be fair to ask the Minister to say when he winds up the debate whether there is any agreement between his Department and the Treasury on cost savings that may come to the Government? If there is, can they be open about that?

Kate Hoey: I hope that the Minister will try to answer that question. There is no doubt that the proposals will save the DWP money, and they probably tick a box in one of the spending plans that it has to produce over the next few years, but the long-term effect will be to destroy the post office network. Yes, some post offices will remain—the 4,000 that are needed, as was pointed out, to provide a universal delivery service across the country—but there is no doubt that the vast majority, having thought that they had been saved, will be lost. That creeping attack on the Post Office card account demonstrates so much bad faith. The Government are not saying openly and honestly, "Look, we want to get people off the account as quickly as possible. Let's do it this way." They hoped that everything would be happening almost before anyone knew about it.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): On that point, Mr. Jas Palmer in my constituency highlights the fact that the Driver and Vehicle Licensing Agency has recently been advertising for people to buy their car registration online, with no mention that that can still be bought at post offices, almost implying that there is a move from post offices to doing business online. That creeping effect will take place in a number of ways.

Kate Hoey: The hon. Lady is right, and that is exactly what happened when the pension books were originally withdrawn. The situation was made very difficult for people. The Government must get their act together on what their policy is on post offices, because clearly they are saying one thing to us and something else behind the scenes. It is amazing how a campaign or an issue such as this unites political parties. Whatever our politics overall, we know that for our constituents this issue is very important. It does not matter whether someone is a Conservative, a Liberal Democrat or a Labour MP: this issue matters to our constituents, which is why there is so much unity on it.

I say to the Minister, "You have been caught out." I do not mean the Minister personally—at least, I hope that it is not him who has been caught out—but the issue has now come to the attention of us all, and we will not give in. We want answers today, we want all three pilot schemes withdrawn and we want everyone to get round the table and find a sensible solution for the time after 2010—a solution that retains people's right to use the post office and to have the flexibility that they have at the moment.

3.14 pm

Mr. Alan Reid (Argyll and Bute) (LD): I, too, congratulate the hon. Member for Leeds, East (Mr. Mudie) on securing this important debate and on his excellent presentation of the case.

The recent announcement that the Government intended to abolish the Post Office card account in 2010 came as a big shock to us all. Sub-postmasters and the 4 million pensioners who had chosen to use that account assumed that it or a similar successor would continue indefinitely. At least 4 million pensioners had to battle to get the account. The customer conversion centre that they had to telephone tried to badger them to the banks, but those pensioners were determined that they wanted a Post Office card account. They were never told that the account would be temporary, which must now come as a big shock to them.

Mr. Philip Hollobone (Kettering) (Con): Does the hon. Gentleman share my concern about closure? Some

of my constituents jumped through various hoops to get the Post Office card account and registered it with their local sub-post office only to find that that post office was to close. They then had to move their account to another post office, which also closed. If someone does not have a local sub-post office, there is no point in having a Post Office card account.

Mr. Reid: The hon. Gentleman makes a valid point. Part of the problem with the Government's approach is that abolishing the Post Office card account and forcing people to go to the banks inevitably means that many post offices will close. Even though some of the bank accounts may allow the pensioners to lift their money at the post office, they cannot do that if there is no post office in their local village.

In all our debates during the previous Parliament, the Government never once made it clear that the Post Office card account would be temporary. They always argued that people could collect their money through a Post Office card account; there was no mention of the words "only until 2010". Of course, it is not only the abolition of the account in 2010 that has become apparent; the Government have started to take people off the account this very month. They know that if they are to abolish the Post Office card account in 2010, they need to move every pensioner and benefit recipient off the account by then. As we have heard, the Government have already written to 3,000 pensioners saying, "You must use a bank or a building society account; you are not being given the choice of a Post Office card account." When I asked the Minister in a written question what would happen to people who did not have a bank account, he effectively replied, "We'll send them giros." That practice, as we know from what has happened in the past, is open to fraud, but it is what the Government are going to do.

Sir Robert Smith *rose—*

Mr. Weir *rose—*

3.17 pm

Sitting suspended for a Division in the House.

3.32 pm

On resuming:—

Mr. Reid: I give way to my hon. Friend.

Sir Robert Smith: My hon. Friend mentioned how the Department for Work and Pensions seems to be resurrecting its desire to bully people into banking the way it wants them to, rather than letting them have a free, open and clear choice to do it their own way. It has also reverted to the old language of not telling the whole story. I received a letter from the Minister today, saying:

"People will still be able to collect their benefit or pension at the Post Office if they wish by using their bank or building society account there."

No caveat is given to show that many banks or accounts do not allow that. The DWP fell into that trap before, and it is falling into it again. If a post office is shut, no one will be able to access their bank account there, so unless the Government have a strategy for keeping post offices open, there will not be any access.

Mr. Reid: My hon. Friend is quite right. Before his intervention, I described pilot A. The DWP has two other pilots. In pilot B, it simply writes to pensioners who are collecting their pension through a post office account and asks them to supply their bank or building society account details. There is nothing in the letter to tell the pensioner that they have a choice to continue with the Post Office card account; it simply asks them to supply bank account details, thus conning them into moving to a bank. The pensioner receives a letter from the Government, does what the Government ask and phones up to supply their bank account details. Suddenly, without being aware of it, they will find that their pension has been removed from their Post Office card account to a bank account.

Mr. Weir: The hon. Gentleman mentioned earlier that the Minister had said that someone can always get a giro, but if there are no banks in rural areas and the post offices are closing, where will they be able to cash that giro? Given that the banks have moved out and post offices are closing, does the hon. Gentleman agree that we are increasing financial exclusion in rural areas of Scotland, Wales and probably even England?

Mr. Reid: The hon. Gentleman is quite right. In my constituency, of the three main Scottish banks, the Clydesdale is the only one that allows current accounts to be accessed at post offices. The Clydesdale is closing rural branches, however, so he is right: if people have a giro and there is no post office or bank to go to, they face the expense of journeying to the nearest town.

In the third pilot, pilot C, people are given no choice. The people involved are pensioners or benefit recipients who receive more than one benefit from the Government. One is paid through the Post Office card account, and they have chosen to be paid the other through a bank. The benefit that they currently receive through the card account is simply moved to the bank account without any choice being given to them. The Government are taking choice away from people again.

It had always been the assumption that if the Post Office card account came to an end in 2010, it would be replaced by another solution based in the post office. When I raised the matter with the Leader of the House at business questions, he said:

"We are not about to abandon the success of the card—we want to ensure that it continues but in an appropriate way."—[*Official Report*, 2 February 2006; Vol. 442, c. 474.]

However, by starting these pilots now and forcing pensioners away from post offices to banks, the DWP is pre-empting what the Leader of the House believes and, as we heard earlier, what other Departments believe. It is simply not joined-up thinking. The DWP may think that it is going to save money in its own budget, and as the hon. Member for Vauxhall (Kate Hoey) said, it will be able to tick a box, but that is not joined-up thinking. It will cost other parts of the Government money. The

[Mr. Reid]

publicly owned Post Office will lose money; and if it loses money as a publicly owned company, the Government and the taxpayer lose money.

The abolition of the Post Office card account threatens the viability of thousands of urban and rural post offices, many of which are in very remote areas or areas of urban deprivation. Often the post office is the only shop in such areas. Even if it is not, those around it may rely on people getting money there and then spending it in the shops. If the post office goes, there will often be no shop left in the village or the urban housing scheme.

Before it is too late, I urge the DWP to think again, because its actions will have devastating effects throughout Britain. As the hon. Member for North Shropshire (Mr. Paterson) said, we have heard from Royal Mail that the approach could mean 10,000 post office closures, leaving us with only 4,000 in the country. I urge the DWP to think again, abandon these pilot schemes, get together with other parts of the Government, initiate a full review of how we can secure the future of the post office network in the long term and allow pensioners to have the choice of continuing to collect their money at the post office from a Post Office card account.

3.37 pm

Nia Griffith (Llanelli) (Lab): I thank my hon. Friend the Member for Leeds, East (Mr. Mudie) for securing this debate and making his case effectively and eloquently. Rather than repeat many of the points that he made, I should like to draw the Minister's attention to just two issues.

The all-party group on small shops, of which I and many hon. Members present are members, published a survey today called "High Street Britain: 2015". One of its conclusions is that the Government should directly support and expand the specific services offered by the sub-post office network. The sub-postmasters' submission to the inquiry went further and suggested that they could be paid to provide advice centres for the Government. Many of them already give a wide range of advice for free.

The Welsh Assembly Government have given £4.1 million of Post Office development fund money to support and develop post office branches located in the 125 most deprived and isolated electoral divisions throughout Wales, including a number in my own constituency. The grant was given to improve their future viability. If a post office closes within three years of receiving a grant, the money, quite properly, must be repaid.

The killing off of the Post Office card account is a real threat to the viability of post offices that serve small rural communities or deprived urban communities. Is that really joined-up government thinking? The card account brings people into the post office who then make other purchases there or in an adjacent corner shop, helping to make those businesses viable. Furthermore, in a close-knit and caring community, if Mrs. Jones does not pop in to use her card account, the post office staff will make inquiries to check that she is safe and well and ensure that nothing untoward has happened to her. I hope that the Minister is listening and that he realises post offices are the heart of our communities. If the heart is ripped out, the community is killed off.

3.39 pm

Mr. Mike Weir (Angus) (SNP): I am very pleased to follow the hon. Member for Llanelli (Nia Griffith), and I agree entirely with what she said. It demonstrates the cross-party support there is for the Post Office and the card account. When the Government launched the Post Office card account in the first place, they did so under intense pressure because they were trying to transfer benefits to banks. For the life of me, I cannot understand the Government's obsession with giving business to banks and taking it away from post offices. It does not make sense, it undermines the post office network and it undermines many villages and small towns in Scotland.

Looking at my constituency, one sees that many of the larger towns are down to one or two sub-post offices. Two of the larger villages, Letham and Newtyle, have a post office, but they have no banks. They are quite large communities. Friockheim, another large village in my constituency, has neither bank nor post office any more. If we take away the Post Office card account, and we have plenty of evidence of what that will do to the post office network, it will destroy what is left.

I do not agree with the comment earlier that there will be enough post offices left for a universal service. That will be doubtful if we lose another huge tranche of post offices as a result of this measure. The universal postal service is essential to our rural area. It is as much under threat because of the threat to our post offices as anything else. The post office system was unified, and it is being broken up by this Government's action, and it will be killed off if this measure goes through.

The Government say that people can use banks instead. Where are those banks? Throughout rural Scotland and Wales, and throughout rural England I am sure, the banks have pulled out of small communities, and they have done so over many years. In Scotland, we are now in the ridiculous situation whereby one major bank is advertising that there is no bank closure programme. There is no bank closure programme because it closed all the branches years ago. It is using that as an excuse to poach business from one other bank that is in the middle of a closure programme. Many of our rural communities no longer have banks.

My hon. Friend the Member for Caernarfon (Hywel Williams) reminded me that a few years back, the Select Committee on Welsh Affairs produced a report on this very subject and considered financial exclusion in rural areas. The Committee raised the spectre of exclusion increasing in Wales at that time. It is increasing throughout our rural areas. He mentioned that in Caernarfon, the rural post offices have closed and been replaced by a post van, which will effectively reduce post

office services in those communities to a couple of hours a day. There will be no financial benefit. Throughout Scotland, Wales and rural England, the problem is serious.

We have heard about the pilot schemes. I can only imagine the situation of a pensioner who has gone through the whole procedure of getting a card account, and then gets a letter saying, "Go to your bank account." In many areas, people will be asking, "Where is that bank. Do I have to get a bus to the nearest town? How much is that going to cost out of my already meagre pension?" This measure will increase financial exclusion in many areas.

We are told that in one other pilot scheme, people who have a bank account and a Post Office account have been told that they should go to the bank account. Whatever happened to personal choice? Why are people not given such choice? They may have very good reasons for wanting ready cash in a Post Office account, and for using their bank account for other matters.

Sir Robert Smith: One of those ready cash reasons will the avoidance of bank charges. One safe thing about someone used to budgeting on a cash basis through the post office is that the card account does not incur them any charges. Bullied by the Department into prematurely going into banking, they go overdrawn and end up with £20 letters from the bank.

Mr. Weir: The hon. Gentleman is correct, and he makes an excellent point. Many people with bank accounts are having to take money out of cash machines, and in rural areas many of them charge. Again, it is a charge on their already meagre pension. I must ask the Minister again, why the obsession with banks? My experience of banks these days is that they do not want accounts into which people put money and take it all out again. There is no good business in that for the banks. We are told, I think by Citizens Advice, that one reason the Government may be doing so is that it costs considerably more to pay into a Post Office card account than it does to pay into a bank account. I cannot find the figure, but I think that it is something like 30p as opposed to 1p. That makes one suspect that the measure is purely financially driven. There is no evidence of joined-up government, and the Government are taking no account of the effect on rural communities. I urge the Minister to rethink the policy before it is too late.

3.44 pm

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): I, too, congratulate the hon. Member for Leeds, East (Mr. Mudie) on securing this very important debate. It ensures that Ministers at last have their first chance to explain to Members of Parliament what precisely they are trying to achieve with the Post Office card account.

I strongly agree with the comments made by other Members that the matter should be the subject of a full debate on the Floor of the House, and I hope that it can be secured in Government time in the near future. The anger that has been expressed by Members of all parties in this debate is shared more widely throughout the whole House.

The Government claim that it was known all along that this was an interim measure and that the Post Office card account would be wound up in 2010. Perhaps the Minister will tell us otherwise. That news has come as a devastating shock to many people. If the Government had always planned to end the account in 2010, it was a very well kept secret.

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): *rose—*

David Lepper (Brighton, Pavilion) (Lab/Co-op): *rose—*

Danny Alexander: I give way to the hon. Member for Brighton, Pavilion (David Lepper).

David Lepper: On the question about whether the measure was temporary, does the hon. Gentleman remember that back in 2001, there was a grand vision for the future of post offices as general practitioners for Government services, which would boost their business? I think that it was called the "Your Guide" scheme, and the Post Office card account seemed to be an essential part of it. Does he agree that we ought to be returning to that vision, rather than moving even further away from it?

Danny Alexander: I think that the Minister was trying to come in on that point as well, so I shall happily take his intervention and then respond to both.

Mr. Plaskitt: I am grateful to the hon. Gentleman for giving way. He says that the announcement has been some sort of shock. Is he unaware of the parliamentary answer given on 4 February 2005, which again confirmed that the arrangement and that my Department has with the Post Office—the contract—would end on 31 March 2010? *[Interruption.]*

Danny Alexander: First, I should like to agree with the point being made here very strongly. There is a great difference between the termination of a contract and the ending of a service. That distinction has been made by Members from all parts of the House. I have scoured in vain many previous debates on this matter in *Hansard* to find an occasion when the Minister has made clear not the term of the contract, but when the service was going to end. I have not been able to find a single quotation from a Minister making clear that the Post Office card account was a time-limited, temporary matter that would not carry on after 2010. Terms of contract are one thing; provision of service is quite another. It is that point that I should like to hear the Minister address when he responds.

For a Government who place such a high value on the presentation of policy, that aspect was well hidden at the time. The contract, which apparently makes this clear, was not made public for commercial reasons, and therefore, Members of Parliament and benefit recipients had no reason to believe that the card account would cease to exist after 2010.

Speaking in the House of Commons on 15 January 2004, the then Leader of the House, the right hon. Member for Neath (Mr. Hain), said:

[Danny Alexander]

"Two million pensioners have taken up the opportunity to get cash from the local post offices with the card, which replaces the benefit booklet, and that is a sensible way to proceed."—[*Official Report*, 15 January 2004; Vol. 416, c. 965.]

Would so many people have thought it a sensible way to proceed if they had known that the Government were going to pull the rug from under their feet a few years later? Those statements and many others, which I could list if there were enough time, contained not even a hint that the Post Office card account was intended to be only a short-term or temporary measure .

A joint DWP and DTI statement described the card account, and the package of which it was supposed to be a part, as the "cornerstone" of the services provided by the Government—a strange cornerstone when, seven years later, it is removed and the building collapses.

Will the Minister tell us today when Ministers explicitly told Parliament that the card account was a purely temporary measure? The announcement has also come as a shock to the National Federation of Sub-Postmasters. The general secretary said that he first knew of the decision when it was announced by Baroness Prosser in the House of Lords. She is not even a Government spokesperson.

We must think about the impact that the measure will have on the people affected. Some 4.3 million people throughout the country use the card accounts, and they are not just pensioners. According to an answer that I received this morning, giving a list broken down by constituency, in which other hon. Members may be interested, 6,500 people in my constituency use the account; 33,000 use it in the highlands and islands; 562,000 use it in Scotland; and almost 7,000 of the Chancellor's constituents and 10,000 of the Prime Minister's constituents use it. The figure in the Minister's constituency is smaller—5,500—but in relation to his parliamentary majority it is still a very large number indeed.

Like the switch away from pension books, this measure will cause real distress and anger. Indeed, 40 per cent. of those benefit recipients who were invited to convert to direct payment instead chose a Post Office card account. Of the many who did not, more than 500,000 people still receive their payments by weekly girocheque. Does the Minister want to see that number balloon when he removes the card account, with more people on the least secure form of payment?

The card account contract is worth around £1 billion to post offices between 2003 and 2010. Without that income stream, many thousands of branches will be unable to survive. Indeed, the National Federation of Sub-Postmasters has predicted that many thousands of post offices throughout the country will have to close. The worst hit will be post offices in rural areas and urban deprived areas, as the hon. Member for Leeds, East made clear. The people who most need the service of a post office will be worst hit.

Typical post offices run alongside a retail outlet, and it has been estimated that within a rural community alone £3.7 billion of retail expenditure is facilitated directly by having local post offices serve as an anchor to those services; thus a mass closure of post offices, as a result of cutting the card account, is likely to have a crippling effect on the local economy in rural and poorer urban areas alike.

By terminating the Post Office card account the Government are seriously damaging the post office network. Far from seeing it thrive, the Prime Minister risks making the destruction of Britain's post office network the most visible part of his legacy. Will the Minister tell us today how many post office branches throughout the country he thinks will have to close if the Post Office card account is removed?

I want to make a couple of points about the pilot schemes. They have been much discussed in this debate, but no evidence has been produced to suggest that they were introduced as a result of any consultation with stakeholders. Perhaps the Minister would tell us what consultation took place. It seems that the pilot schemes were implemented without any publicity to alert pensioners that they were able to open a Post Office card account. Will the Minister tell us, especially in relation to pilot C, whether people will be able to say, "No. I would like to keep my Post Office card account"? If not, what is the legal basis for that?

There have been rumours that the Government are considering making extra payments to people as an incentive or sweetener for them to move to card accounts. Will the Minister tell us whether that has been considered?

In the briefing to the parliamentary Labour party, the Secretary of State referred to the Government's intention to honour the full contract. If so, how will the phasing out take place? Honouring the full term of the contract presumably means that by the end of the contract no one will have a Post Office card account. That implies removing 1 million people a year from the card account for the next four years. Is that the Government's intention?

Why not build on the success of the Post Office card account instead of pulling the rug from under people's feet? The Government should look for additional services to be provided through post offices, not cut the services that are already provided. We need a joined-up approach. The Government's rhetoric refers to supporting post offices, yet the DWP is removing the card account, the DTI is considering ending or reducing the social network payment that keeps rural post offices going, the Home Office has decided not to allow post offices to be involved in delivering passport services and the Department for Transport is not allowing all post offices to issue driving licences. The Government's words to post offices may be positive, but their actions are deeply negative. If they want to be seen to be taking post offices seriously, the Government need a joined-up approach that says, "This is how we are going to support post offices and build on the tremendous network of outlets throughout the country." They should not undermine them at every turn.

3.54 pm

Mr. David Ruffley (Bury St. Edmunds) (Con): It is always a pleasure to serve under your chairmanship, Mr. Bercow.

I congratulate the hon. Member for Leeds, East (Mr. Mudie) on securing this debate and on a superb speech.

The future of the Post Office card account is escalating into a major political problem for the Government. More than one third of the Members of

the House of Commons have signed early-day motions 147 and 1531, which express concern about the future of that account. The Post Office card account cannot be debated in isolation from the future of the sub-post office network, as many excellent contributions today made clear.

I have no desire to play Punch and Judy politics on this issue. There is a great deal of cross-party agreement and I am prepared to accept that the Government have put many millions of pounds into social network payments and the urban reinvention programme, but there are still some serious questions that the Minister must address because Government rhetoric is simply not being matched by Government action.

The Cabinet Office performance and innovation unit's report of June 2000 assured us that over the next five years, there would be development of

"a shared understanding of the role that post offices should play in the longer term"

and that advice would be given to the Government on the options for the policy framework after 2006. It is now 2006 and there is not much sign of a framework. The Government have not said whether the social network payment will extend beyond 2008. They have not said whether Post Office Ltd will have its current duty to prevent avoidable closures in rural areas extended beyond March 2006. We are now told that after 2010 there will be no Post Office card accounts and that everyone should have realised from day one that that was the deal. Even worse, three pilot schemes have been introduced this year out of the blue, as hon. Members made clear, with no consultation and, as the hon. Member for Leeds, East said, without Parliament being properly informed.

The pilot schemes are likely to have the effect of ensuring that well before 2010 a large number of Post Office account holders will have their accounts closed. 35,000 existing customers will receive a letter from the DWP asking for their account details, 3,000 new benefit claimants will not have a right to open a Post Office card account, and 2,500 existing customers will unilaterally be told that their payments must be paid into a bank account and not an existing Post Office card account. As the hon. Member for West Aberdeenshire and Kincardine (Sir Robert Smith) and my hon. Friend the Member for North Shropshire (Mr. Paterson) said, all that echoes the rather high-handed, bullying tactics deployed by the Department when the order books were phased out.

Post Office card accounts are very popular and more than 4.5 million people use them. Some do so purely to support their local post office, as the hon. Member for Stroud (Mr. Drew) said in a powerful observation. In other cases, as Age Concern's director general made clear, people opened Post Office card accounts because it was

"easier for older people without a bank account to receive their cash securely without the fear of becoming overdrawn or paying extra charges."

That was the beauty of that simple, straightforward account. Many pensioners who did not have traditional bank accounts found that even basic bank accounts did not meet their needs.

The paper from Citizens Advice on banking benefits makes it clear that basic bank accounts are not a panacea. There may be difficulties getting a credit score to obtain eligibility for such an account. There may be problems with identification documents and the length of time it takes to open an account. Pensioners in my constituency said that they did not want a basic bank account because they would be bombarded with banking bumph trying to sell them things that they did not want. That put them off the whole idea of getting involved with the basic bank current account system with Barclays or any high street bank. Those are reasons why the Post Office card account was the choice of so many people.

We have heard that the National Federation of Sub-Postmasters was not told when the Post Office card account was created that it would be a temporary contract or that it might end in 2010. Most of us—the Minister is the exception—agree that that is the case. There was never a clear statement that the account would go beyond 2010, but nor was there a statement that it would not. In the Government's response to the Trade and Industry Committee's report, "People, Pensions and Post Offices", in September 2003, they said:

"This is the first year of a seven-year contract and it is too early to speculate about what might happen in the future."

I took the trouble of listening to the Minister on that great programme, "Moneybox" on 21 January. You may think that I should get out more, Mr. Bercow, but it is a very good programme. It disclosed a lot of information and the Minister said of the contract for card accounts:

"Well, they were always an interim arrangement."

Paul Lewis, the interviewer, said:

"Well you say it was always intended"

to be interim

"but I asked your office for any evidence from 2000 to 2003. They couldn't produce any."

The Minister replied:

"It's always been in the contract. Now we didn't speak publicly about the contract for commercial reasons."

The Government are speaking publicly now, but it is a bit late. It really is unacceptable for the Minister to say that people knew about the interim nature of the account. How on earth could they have known something that was stated in a contract that nobody could see or know about for commercial reasons, as the Minister said on the radio? Such logic is usually found in the pages of "Alice's Adventures in Wonderland".

The Minister tried to get out of the hole he had dug for himself by saying that there are four years left on the contract and that the Government would now start helping people in a sensitive way to migrate to other accounts. The Minister talks about new accounts that will be developed by Post Office Ltd. That sounds fine, but, unfortunately, the sub-postmasters in my Suffolk constituency to whom I have spoken know only that they have no chance of planning their business for the long term. They fear that the pilots will be extended and that they will drive people away from POCAs long before 2010, with a commensurate loss of subsidy to urban and rural post offices. It is for that reason that the National Federation of Sub-Postmasters referred to the DWP tactics as underhand. I believe that there is another word for them.

Direct payments removed more than £400 million of annual revenue from the post office network. Not coincidentally, that move resulted in the closure of 2,500

[Mr. David Ruffley]

post offices. The announcement of the termination of the POCA in 2010—in effect, before 2010, for the reasons that I gave—will be a further grievous blow to post offices. They will lose income; it is as simple as that. If post offices close, not only will pensioners stop accessing benefits and pensions through the POCA, but no one will be able to access money from basic bank accounts, or any bank account, because there will be nothing at all in the village, settlement or suburb.

In conclusion, we need an urgent review of the future of the POCA and the strategy for the post office network. First, it would be useful to know on what basis the Government say that it costs £1 a time to pay pensions or benefits on the POCA, compared with 1p on a traditional bank account. Sub-postmasters get about 15p for every £100 withdrawn from a POCA, but no one seems to know what the remainder of the money is or whether it is a subsidy that the Government will continue in the future.

Secondly, we need a clear indication from the Minister today that he has spoken to his colleagues at the Department for Environment, Food and Rural Affairs and the DTI about doing a cost-benefit analysis of the overall cost to the whole of Government should the change go through and lead to closures of post offices. My hon. Friend the Member for North Shropshire also made this point. What about the loss of jobs? More than 14,500 sub-post offices employ more than four people, many of them part-time. What will happen to them, and what will be the social and economic costs of those job losses?

I conclude by quoting the words of Sally Reeves, who is an NFSP representative in East Anglia and the sub-postmistress of the excellent Stowupland post office in my constituency. She stated:

"If you listen to the DTI and what they are saying about Government investment you want to give them credit for that. But when you hear the DWP talking about the scrapping of the post office card account ... you ask yourself 'whatever happened to joined up government?'."

Perhaps the Minister can tell us.

4.4 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): I congratulate you, Mr. Bercow, on your impartial chairing of this debate, given your signature on the early-day motion. I also congratulate my hon. Friend the Member for Leeds, East (Mr. Mudie) on securing this debate on the Government contract for the Post Office card account. Let me also thank the other Members who spoke: the hon. Member for North Shropshire (Mr. Paterson), my hon. Friend the Member for Vauxhall (Kate Hoey), the hon. Member for Argyll and Bute (Mr. Reid), my hon. Friend the Member for Llanelli (Nia Griffith), and the hon. Members for Angus (Mr. Weir), for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) and for Bury St. Edmunds (Mr. Ruffley), all of whom have made points that I certainly expected to hear, precisely because there has been a great deal of misleading coverage and comment about the issue over the past few weeks. This debate gives me an opportunity—I know that hon. Members are waiting for me to use it—to give what I hope will be some reassurances about what is actually happening.

People have been claiming that the end of funding for the Post Office card account will lead to the closure of thousands of Post Office branches, as I have heard again this afternoon; that people will no longer be able to get their benefit or pension at the post office, as I believe has been repeated this afternoon; and that we at the Department for Work and Pensions have in some way gone back on commitments on the Post Office card account. None of those things is true, so I am pleased to be able to put the record straight today.

Government funding for the Post Office card account will continue until March 2010, as was always going to be the case. All existing Post Office card account customers will still be able to use the post office to collect their benefit or pension, if they wish to, by using other accounts that are already available or that are likely to become available in the future. There is no reason why the viability of post offices should be threatened if customers continue to draw cash at the post office after moving on from the Post Office card account.

Many hon. Members spoke up on behalf of their local sub-postmasters or sub-postmistresses, all of whom have been reported to have expressed shock, dismay or surprise at what is happening, but that needs to be offset against what their national conference was told last year by Tricia Jenkins, the national president of the National Federation of Sub-Postmasters. She said:

"The post office card account does indeed have a limited life. When it finishes, we hope to convert existing POCA customers into using another Post Office Ltd. service. It could be that because POCA customers are used to banking, they might be prepared to switch to a bank account. And since we can offer a banking service, we would like to think we can keep those customers. So it is 'all change' in 2010, but it will not necessarily be all bad news."

That is the president of the federation speaking.

The POCA was introduced in April 2003 to help support some customers in the conversion from having their benefit or pension paid by order book to having it paid into an account by direct payment. The card account was aimed at those who did not already have a suitable account, and was designed as a stepping stone to help people who had not used a bank account to get used to banking before moving on to an account offering more features. It was intended that people's money would be paid into a card account for a period before they moved on to a more suitable account.

Danny Alexander: Will the Minister give way?

Mr. Plaskitt: If the hon. Gentleman will let me make this point, I will take interventions.

That intention was specifically covered in the contract signed by the Government and the Post Office in 2002. It is unusual to quote from contracts, but in view of what has been said by others in recent weeks, I shall do so. I shall not breach any commercial aspect of the agreement, as that would of course be wrong. The contract states:

"Under the Government's present policy to combat social exclusion and in order to improve efficiency and effectiveness of government and minimise fraud, Benefits recipients will receive benefits by Direct Credit. A POCA will complement the range of Bank Accounts available to customers; in particular, to promote a service to those who do not have or cannot otherwise obtain a Bank Account."

David Lepper: Will the Minister give way?

Mr. Plaskitt: I am in the middle of a quotation, and I must conclude it. It goes on:

"The POCA is intended to be an interim step for Account Holders who will be encouraged by both Parties to migrate to Bank Accounts which provide services and opportunities not available through the POCA."

Several hon. Members *rose—*

Mr. Plaskitt: I think that the hon. Member for Inverness, Nairn, Badenoch and Strathspey sought to intervene first; then I will come to my hon. Friend the Member for Brighton, Pavilion (David Lepper).

Mr. Alexander: Can the Minister give the *Hansard* reference for the point at which the intention to which he refers was made explicit to Parliament, and will he deposit a copy of the contract, which he has now effectively brought into the public domain, in the Library so that Members can study it? Will he also make sure that the Secretary of State provides me with a copy of the contract, as he promised in the Chamber only a couple of weeks ago?

Mr. Plaskitt: I will not place a copy of the contract in the Library, because most of it is highly commercially sensitive. *[Interruption.]* The contract is still in force and will run until 2010. I quoted from the preface and introduction a section containing no commercially sensitive information, because it is necessary to correct some of the things said about it in the public domain by, I am afraid, the Post Office. It has not accurately reflected the contract that it signed with my Department back in 2002.

Sir Robert Smith *rose—*

David Lepper *rose—*

Mr. Plaskitt: I promised to give way to my hon. Friend the Member for Brighton, Pavilion.

David Lepper: It is interesting to hear what is in the contract; of course, this is the first that most of us have heard of it. How was the Minister's point about the limited life of the Post Office card account made at the time to those customers who went through the tortuous process of being directed towards and taking out one of those accounts?

Mr. Plaskitt: Certainly, in the course of this debate, many hon. Members have referred to the time when the card accounts were introduced, and told of the alleged barriers that the Government put up—

Kate Hoey: They did!

Mr. Plaskitt: Well, let us just reflect on what hon. Members have said about that. If, when my Department was accused of putting up all sorts of barriers to discourage people from taking up a Post Office card account, we had been actively saying, "Of course, it's a temporary arrangement," that would have been interpreted as yet another barrier to discourage people from taking up the account. The circumstances in which the account was introduced were perfectly clear. I set that position out; it was in the contract and was stated at the time. It was part of the process of moving to direct payment of benefits.

Sir Robert Smith: The Minister says that the circumstances were perfectly clear in the contract, but there is no way that they were perfectly clear to the customer taking out a card account. In fact, the Minister is saying that the Government did not want to tell the customer, because we would have spotted them telling the customer and would have been alerted to what the Government were trying to do. Does he recognise that, in a sense, all our constituents with Post Office card accounts have been mis-sold a product? It was not made clear to them that the contract said that the account was only a temporary phenomenon, and that they were going to lose it.

Mr. Plaskitt: I do not accept that. Again, I refer the hon. Gentleman and other hon. Members to the contract that the Post Office itself signed. I am making it perfectly clear to hon. Members who have spoken in this debate that the Post Office accepted a liability, falling jointly on it and on us, for helping to migrate people from the Post Office card account to alternative accounts. That was the declared purpose from the outset, which is important.

Mr. Ruffley *rose—*

Mr. Mudie *rose—*

Mr. Plaskitt: There are only a couple of minutes left, and hon. Members have made a lot of points. I am happy to take interventions, but the inevitable consequence will be that I am unable to respond to many points that I had hoped to address.

Mr. Mudie: The Post Office made the point that the Department for Work and Pensions has unilaterally—it is seemingly the only Department to have done it—already given notice. Will the Minister tell the House whether that is correct, and when that notice was given?

Mr. Plaskitt: I am grateful to my hon. Friend for that intervention, because he mentions an important point that others raised, too. It is simply not true that the Department for Work and Pensions has made some unilateral change of policy. The reality is that discussions commenced with the Post Office last summer, in a manner entirely consistent with the contract that it signed. Both parties began to explore the options as to how would that migration process would be begun. The Post Office was fully part of the early discussions, which, incidentally, led to the pilots now

[Mr. Plaskitt]

taking place, because both parties were doing what they were obliged to do under the contract that had been signed. It was to begin the process of working out—

John Bercow (in the Chair): I am sorry to interrupt the Minister, but we must move on to the next debate. I remind the House that we have already been interrupted by one Division this afternoon, so for the convenience of Members I shall explain that for each and every future Division I will suspend the sitting for 15 minutes a time.

Arbuthnott Commission Report

4.15 pm

Mr. Brian H. Donohoe (Central Ayrshire) (Lab): It is good to see you in the Chair, Mr. Bercow. I thank the Speaker and the House authorities for selecting this item for discussion. I want to put it on record that the Scottish Affairs Committee is also examining the whole issue of the Arbuthnott report, and I await its conclusions with interest.

As this debate has been restricted to half an hour, we need to consider the possibility of further debates on this fairly important issue. I suggest that the Scottish Grand Committee, which normally meets in this room and which has not met since Wednesday 12 November 2003, might be the vehicle for a full debate on the whole issue of the contents of the report and the way forward on its conclusions.

The legislation to set up the Scottish Parliament and Welsh Assembly was introduced in the House after the brilliant election of 1997, when we swept away 18 years of Tory misrule; we have also swept the Tories completely out of this room, by the looks of things—

The Parliamentary Under-Secretary of State for Scotland (David Cairns): There is only one of them here.

Mr. Donohoe: Well, there is one in the Chair.

Perhaps we took our eye off the ball as far as the detail of the Scotland Act 1998 was concerned, certainly as regards the representation of Members and the form of election. I, for one, made a fundamental error in not objecting at the time to the form of election proposed for that Parliament. I would not say that we were hoodwinked, but it was damn near. There is what I see as a major problem. We are in a crazy situation. In Ayrshire, for instance, there are some 21 added list Members and five constituency Members, so 26 Members of the Scottish Parliament represent the people of Ayrshire. In many instances, they all turn up at the same event, particularly events to do with the health board, and that is just madness.

Mr. Tom Harris (Glasgow, South) (Lab): Will my hon. Friend bear it in mind that many of us share his concerns about the detail of the Scottish Parliament's electoral system? Nevertheless, we want to make sure that we do not undermine the great work carried out by the Scottish Constitutional Convention between 1989 and 1997. That came up with the additional Member system. Does he agree that it would be politically dangerous for us to start from scratch again, and completely reverse the changes made?

Mr. Donohoe: I agree in part, and I will come to that point later.

Six years on from the 1998 Act, the Parliament is in place, and some good decisions have been made in it. However, there is absolutely no doubt that there were problems, and they were identified by my right hon. Friend the Secretary of State; otherwise, there would not have been an Arbuthnott report, and a commission would not have been set up to examine how things were being undertaken. Given the composition of the commission—the 11 good men and true—I had a very bad feeling about what was likely to happen.

Our consideration of this matter is overdue. It is interesting that yesterday in the Scottish Affairs Committee most of the questions being asked by Committee members were on a narrow party line. The Labour party has given away power, including a major part of its ability to undertake things. It must be the only party that I have known in my political life to have given such power to its political opponents. I cannot believe that that was ever intended—it certainly would not have been so, had I more foresight in terms of how things are structured.

John Robertson (Glasgow, North-West) (Lab): Perhaps I am pre-empting my hon. Friend. Does he think that it is time to go back to the people of Scotland and ask them what they want, rather than ask them about what has been given to them?

Mr. Donohoe: I suggest to the Minister and the Secretary of State that we start to adopt the same type of policy and look at things on the basis of party interest, otherwise we will be in great difficulty. The measure now proposed by the Scottish Parliament—the single transferable vote being introduced for council elections—is like turkeys voting for an early Christmas.

Pete Wishart (Perth and North Perthshire) (SNP): The hon. Gentleman is getting close to what this is all about: the narrow political interests of the Labour party. Arbuthnott was, as the hon. Gentleman correctly said, set up on an all-party, consensual basis to consider wide and varied evidence from many bodies throughout Scotland. For the hon. Gentleman, the report came up with the wrong answer, because it did not suit the narrow interests of the Labour party in Scotland.

Mr. Donohoe: I am sorry, but that is the very point that I am making. That is an example of a Member from the Scottish National party developing an argument along his party lines. That is the problem with the Scotland Act 1998, as it turned out.

It could be argued that the genie is out of the bottle and it is the most difficult thing in the world to get it back in—it will take a genius to do it. However, it has to be done in the context of what the Arbuthnott report has released, which is open to debate.

Last year I visited New Zealand, where I saw proportional representation, which has operated for some time, at first hand. Talking to all the parties involved—it is like a rainbow—and seeing how the Government operate in such circumstances, took me back 25 years to my days in the trade union movement, when we did all our business in smoke-filled rooms. Of course, after yesterday we will not be bothered with smoke-filled rooms. The decisions are all hatched behind closed doors and I do not think that that is good for democracy. On the basis of what I saw, there is no doubt that the tail is wagging the dog as far as the representation in that forum is concerned. That is not good for democracy.

I could go on about boundaries, the number of MSPs that are required to do the job and what needs to be changed. However, although we talk a lot about this issue, the public are not really interested. I can tell hon. Members that I know for a fact that the number of people voting, not only in Central Ayrshire, but right across Scotland, is diminishing by the year as a result of all the complication. This needs to be looked at.

The public are interested in having somebody that they recognise and know as the representative for whom they voted—and in whom they will continue to have confidence—being able to do the job for them. The public are not, in many instances, voting for the party pack that is on an added list; they are voting for the individual. From my experience of the system that is operating, we are seeing that for ourselves.

What is the answer? I have thought about this long and hard and have come to the conclusion that we must give the people the choice. The report by Arbuthnott is called "Putting Citizens First". Well, let us put them first and give them the opportunity to determine for themselves what voting system they want. I suggest that the Minister thinks carefully about having a referendum in Scotland, so that we overcome the situation with four different voting systems, which will confuse people.

Mr. Jim McGovern (Dundee, West) (Lab): Does my hon. Friend agree that in terms of ease of understanding, most of the electorate would prefer the first-past-the-post system?

Mr. Donohoe: That is going back to party politics. I want to leave it to the public in a referendum to determine for us, once and for all, what should happen. On that basis, all politicians of all persuasions would be able to see for themselves just what the public think of the process in which they are engaged at present.

Mr. Alan Reid (Argyll and Bute) (LD): I agree with the hon. Gentleman that the public should be given their say. Having the same voting system for different elections is also a good idea. Does he agree to include in the referendum a vote on whether to change the voting system for this House to proportional representation?

Mr. Donohoe: I would not rule anything out. That would be worthy of thought, at least. If it were possible for the whole of UK to be involved in a referendum to determine what way people wanted to vote, I would have some confidence in the result.

Mr. Harris: Welcome to the world of Scottish politics, Mr. Bercow, where a half-hour debate involves a dozen participants.

My hon. Friend has proposed a complicated exercise. Under his plan there would be a referendum asking the public to choose from four or five electoral systems for four different levels of elections. Does he propose that, in the referendum, that decision should be taken by first past the post, single transferable vote, or alternative vote?

Mr. Donohoe: It would be first past the post, if I had my way. That is the simple answer.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): If proportional representation was introduced to this House, would not there be a danger that disreputable minority parties would claim the credit for the good things that this Labour Government have

[Jim Sheridan]

done, in the same way that they do in the Scottish Executive, particularly in respect of the Dunfermline by-election?

Mr. Donohoe: I am not going down that road, because we would be here all day and I want to hear the Minister's response.

David Cairns: No, it's fine. *[Laughter.]*

Mr. Donohoe: The Minister wants me to speak for ever, but I want to know whether, if an application came his way, we would have a Grand Committee to discuss this issue. That is important. We have not met for some time. Discussion on this issue is overdue and, as a consequence, it should be considered by the Minister.

I suggest that the Minister takes away the idea of the referendum, which has to be looked at, rather than giving us an instant answer, and considers it on the basis of the report from Arbuthnott and the commission.

Finally, I want to know the Minister's views on the report. I understand, from questions asked in the Scottish Affairs Committee yesterday, that the Committee has had nothing more than acknowledgement of the receipt of the report. What, if anything, do the Government intend to do with the report and, if they accept its content, what do they intend to do about the local government elections in 2007? That is a major concern I should like the Minister to answer that question today, if possible.

4.29 pm

The Parliamentary Under-Secretary of State for Scotland (David Cairns): It is always a pleasure to serve under your chairmanship, Mr. Bercow. I ascribe my membership of the House in part to the sterling work that you did on a certain Bill a long time ago, although whether other hon. Members regard that as your finest moment, I am not entirely sure.

I obviously begin by congratulating my hon. Friend the Member for Central Ayrshire (Mr. Donohoe) on securing this debate on a publication that is still relatively hot off the press. However, he was beaten to it by our noble Friend Lord Foulkes of Cumnock, who managed to initiate a debate on the findings of the Arbuthnott commission's report at exactly the same time as Sir John was unveiling it at a press conference in Scotland. There must be something in the Ayrshire water to produce such prescient and astute politicians. I shall try to respond to the various points that other hon. Members raised and undertake to write in answer to the questions that I do not address.

My hon. Friend asked two specific questions and a more general one about the Government's response. Let me deal with those questions straight off the bat. He said that there had not been a Scottish Grand Committee since November 2003. As far as I am aware, there have been no requests for a Scottish Grand Committee since then. Such matters are dealt with through the usual channels. I am not, nor have I ever been, one of the usual channels. However, it is within the right of any Scottish Member of Parliament to request a Scottish Grand Committee, and it is then up to the usual channels to allocate one. The fact that there has not been a Scottish Grand Committee for some time does not meant that the Government are preventing them, but that no one has requested one hitherto.

My hon. Friend asked a straight question about whether the Government are considering holding a referendum. Let me say clearly—I know that this will come as a crushing blow to him—that the Government have no plans for such a referendum.

My hon. Friend asked in more general terms about the Government's initial response to the analysis and proposals in the Arbuthnott commission's report. My answer to that will form the bulk of my response, but first I shall reiterate the welcome that the Secretary of State gave to the report on the day of publication. I thank Sir John and the members of the commission for the time and effort that they put into producing the report, which forms the substance of this debate.

John Robertson: Those thanks for the Arbuthnott report will be even greater if we actually do something with it, so I will be interested to hear whether my hon. Friend intends to consider implementing some of the suggestions.

David Cairns: That is precisely what I hope to come on to explain.

Mr. Tom Harris: Does my hon. Friend understand that at least part of the disappointment that our hon. and right hon. Friends share about the Arbuthnott commission's conclusions is based not on getting the wrong answer—as Opposition Members might say—but on the fact that the commission seems to have rejected much of the evidence that was submitted to it, particularly by its focus groups? Does he understand that that is why many of us feel that the whole exercise was something of a waste of resources?

David Cairns: One of the things that we should pay tribute to the commission for is the fact that it published a large amount of the evidence on its website. The commission published the findings of the focus groups and of the surveys that it conducted. It is for any member of the public or Member of Parliament to balance what was in the evidence with what comes out of the report, and my hon. Friend the Member for Central Ayrshire has drawn his conclusions. The way in which the commission collected the evidence and disseminated it on the website redounds to its credit.

As the Secretary of State said on the day of the report's publication and in response to oral questions in the House, the report contains a number of interesting recommendations. There is now an opportunity for full consideration and debate on the proposals. That is why I welcome this afternoon's debate and the chance to hear hon. Members' thoughts. The report makes 24 recommendations. Some are for the Government to consider, while others are for the Scottish Executive and the Electoral Commission. I will restrict my comments to the proposals that are for this House to determine.

The recommendations are varied in scope and content. While some will attract universal support, such as those relating to the importance of educating voters and increasing turnout, others simply will not. That is

why my right hon. Friend the Secretary of State has already made two things clear. First, if the Government decide to make any legislative changes in response to the report, they cannot be made before the Holyrood election in 2007. Developments are already under way for the 2007 poll, which will see the introduction of the single transferable vote on local government and the possibility of electronic counting of votes.

Mr. Donohoe: Has the Minister therefore rejected the commission's conclusion that the local government elections should be separated from the Scottish elections?

David Cairns: That was the second of the two things that my right hon. Friend the Secretary of State made clear. Let me stick with the first one for a second. We say that it will not be possible to make changes in advance of a poll that is little more than a year away because the local government vote will be done by STV, which will require considerable attention, given that it will be the first time that it has been done. Electronic vote counting might be a possibility, as my hon. Friend is aware. The Electoral Administration Bill, which is working its way through Parliament at the moment, will have an impact on the way in which the run-up to that poll is carried out, and we are likely to promote secondary legislation to improve other aspects of electoral administration. Taking everything together, I do not think that there is any prospect of our legislating to change the system by 2007. In fact, we are not in a position to do so.

Secondly—this brings me to the point that my hon. Friend asked about—in response to the report's call for the decombining of the Holyrood and local government elections, which he mentioned, the Secretary of State has confirmed that we have no plans to open up the Scotland Act 1998 to adjust the timing of the Scottish parliamentary elections. Of course, the timing of the local government elections is a matter for the Scottish Executive. However, I can tell my hon. Friend that since report was published, the First Minister has made it clear that the date of the local government elections in Scotland will not be changed, and the relevant legislation will remain in place.

Pete Wishart: On the generality of the Arbuthnott commission report, does the Minister recognise that in the few weeks since it was released, there has been an attempt to look top-down at the findings of the commission, and even to disparage some of its members? Will he go on record to say that he recognises that the committee went about its business assiduously and professionally? Its consultation was wide and varied and it came up with the proper conclusions in the light of the evidence that was presented to it.

David Cairns: I am more than happy to pay tribute to the committee and the commission for the work that they did. I did so during the Adjournment debate secured in November by my hon. Friend the Member for Glasgow, South (Mr. Harris), and I am happy to do so again. I have absolute confidence that the commission went about the report in a professional way, and with integrity.

That is not to say that its recommendations command universal support. They do not, and I shall come to that. The hon. Member for Perth and North Perthshire (Pete Wishart) points across the House, but Sir John explicitly rules out, for the time being, the extension of STV, which I understand is his party's policy, so he would not be particularly overwhelmed with joy about that recommendation. I am happy to pay tribute to the report, but there is no escaping the fact that it has not commanded overwhelming support. I have not made any attempt to disparage the report and I have done nothing but praise the integrity of those who carried it out. At the same time, however, it is incumbent on me to point out that there is no consensus how we should proceed.

Let me return for a second to the business of decombining the elections, which is not a bureaucratic or procedural point. There is a belief, which I share, that combining the elections is one means of seeking to maximise turnout. My hon. Friend said that he thought that turnout was decreasing because of the complexity of elections. That point has been made by others on other occasions. In the most recent elections, we have seen a reversal in the decrease in turnout, and the figures beginning to go up. That has happened in general elections, and it occurred in the by-election in Dunfermline, which had a very respectable turnout. I shall say no more about it, but the turnout was respectable, which gave me something positive to say when I was interviewed on television that night, other than how nice the weather was. We continue to believe that having the elections on the same day is one way of maximising turnout.

Jim Sheridan: Have the Government considered changing the points at which people can vote, so that instead of having just the usual polling stations, people could vote at supermarkets?

David Cairns: Any local authority or electoral returning officer can always come forward to the Government with proposals to pilot such schemes. I think that in the May 2006 local elections in England, there will be about 16 pilots, which will include systems such as voting in supermarkets. However, I add the large caveat that the election in question is the first being done under STV, which is complicated to administer. Obviously, we must make it as simple as possible for people to vote, so we might not see an enormous amount of innovation this time around, but local authorities—and valuation joint boards in Scotland—might put forward different voting options. We will see that in the local elections in England in a few weeks.

It is clear from this short debate that there are strongly held views on the commission's recommendations on voting systems and boundary matters. It is also clear that those strikingly divergent views do not come together in a consensus about the electoral process or boundary patterns. After considerable consideration of the STV system's merits, Sir John explicitly ruled out extending it to the election of Members to the Scottish Parliament at present. Some hon. Members will welcome that aspect of the report, but others will find it disappointing, as they have advocated that approach for many years.

We have not heard a lot about this in today's debate, but the report does not promote coterminous boundaries between Holyrood and Westminster constituencies. It says that they are "desirable but not

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essential". It was, in part, anxieties about the implications of having non-coterminous boundaries that led to the creation of the commission in the first place. Some hon. Members will welcome that conclusion, while others will not.

Mr. Donohoe: If my hon. Friend the Minister had been privy to the discussion yesterday in the Scottish Affairs Committee, he would have heard that the commission was excluded from even considering having one Member of the Scottish Parliament to one Westminster seat. That is my understanding of the answers that were given. Does not that suggest that there are flaws in the report that have to be revisited and considered in more detail?

David Cairns: No, I do not accept that the report is flawed because of that. There is some contention—I know that this was aired in the Select Committee—about whether the committee had too narrow an interpretation of its remit because it respected the essential nature of the devolution settlement, which has a proportional element. However, it is not valid to claim that the Arbuthnott report is fundamentally flawed. An element of proportional representation is an essential feature in it, but there are ways of delivering an element of proportionality in the system other than the recommendations that Sir John made.

My hon. Friend the Member for Central Ayrshire is, of course, the eponymous creator of the Donohoe solution, as history will record it. The commission examines that solution in pages 12 to 15 of its report, but does not support it. I appreciate that that is a disappointment to him, although it might please others.

This debate has illustrated that there is simply no consensus on how to proceed. That is why I think it sensible to take some time to seek consensus, although that might not be possible as unanimity is rarely possible in these matters. When it comes to the very essence of democracy and how we go about electing those who govern us, it is incumbent on us to seek the broadest possible consensus, as we did with the Electoral Administration Bill that is making its way through Parliament, which is a broadly consensual Bill. We should therefore take our time in responding to the report. We should listen to what hon. Members have to say, but on the understanding that there is clearly no consensus on how to proceed.

John Bercow (in the Chair): Order. I am sorry to interrupt the hon. Gentleman, but we must move on to the next debate.

Torture and Rendition (Government Policy)

4.45 pm

Tony Baldry (Banbury) (Con): It is a great pleasure to be under your chairmanship, Mr. Bercow. I have given the Minister and his officials notice of the points that I intend to make so that they will be fully aware of what I intend to say.

On 5 December the Foreign Secretary issued a statement on rendition in which he said, among other things, that

"we, the EU and the wider international community must be clear on the terrorism threat we face. Modern terrorism means mass casualties, as we saw on 11 September and 7 July. We are exposed to an unprecedented threat of suicide attacks on innocent civilians using sophisticated technology and techniques."

The concern is that the United States and, by implication, the United Kingdom, by acts of omission and commission, in pursuing what in policy shorthand is now called the war on terror, has turned a blind eye to the use of torture if the wider ends are considered acceptable.

In giving evidence to the House of Representatives and the US Senate Committee on Intelligence, Cofer Black, a former chief of the counter-terrorist centre of the CIA, said:

"there was a before 9/11 and there was an after 9/11. After 9/11 the gloves came off."

The concern among many is that that is shorthand simply for the ends justifying the means. That is not a new dilemma in the history of civilisation or our nation's history. Sir William Holdsworth, in his "History of English Law", observed:

"We have seen that the use of torture, though illegal by the common law, was justified by virtue of the extraordinary power of the crown which could, in times of emergency, override the common law."

Indeed, one of the first acts of the Long Parliament in 1640, at the time of the civil war, was to abolish the court of Star Chamber, where torture evidence had been received.

On 5 December, US Secretary of State Rice, commenting on US policy on rendition, said:

"it is the policy of the United States ... to comply with its laws and comply with its treaty obligations, including those under the Convention Against Torture."

The Foreign Secretary issued a statement the same day—they were doubtless choreographed—which sought to set out the UK Government's position on rendition but did no more than to repeat and reassert the position of the Government of the United States. The Foreign Secretary said—

4.47 pm

Sitting suspended for a Division in the House.

5.2 pm

On resuming—

Tony Baldry: As I was saying before the Division, the Foreign Secretary said on 5 December:

"Secretary Rice's reply makes clear that US policy is to comply with the UN Convention Against Torture, and in this respect the United States Government complies with its constitution, its laws and its Treaty obligations."

As a statement, that does not really tell us anything more about the position of the UK Government, and as a memorandum from the Foreign Secretary's private office to the Prime Minister two days later, on 7 December, which was subsequently leaked and published by the *New Statesman*, makes clear, this minimalist approach was clearly deliberate:

"as far as possible,"

said the FCO memo,

"we should stick to the terms of the Foreign Secretary's statement in response to Rice's."

Even a casual glance at the Foreign Secretary's statement will show that it was not "in response to"; it was simply an unconditional, unquestioned adoption of the US position without qualification or reservation of any kind. It is this which causes Members on all sides of the House, and very many people outside Parliament, real anxiety

My hon. Friend the Member for Chichester (Mr. Tyrie) has established the all-party parliamentary group on extraordinary rendition. It is an indication of the concern in the House about the issue that the group already has more than 50 Members of Parliament, and its vice-chairmen include the acting leader of the Liberal party, the right hon. and learned Member for North-East Fife (Sir Menzies Campbell), and the hon. Member for Sunderland, South (Mr. Mullin), who until recently was, of course, a Minster in the Foreign Office in this Government. More information about the group's work can be found at their website www.extraordinaryrendition.org.

As Professor James Crawford, the Whewall Professor of International Law at Cambridge university has observed in an opinion published in December—

5.3 pm

Sitting suspended for a Division in the House.

5.18 pm

On resuming—

Tony Baldry: I was quoting Professor Crawford's opinion, which was commissioned by the all-party parliamentary group and published in December. It is entitled "Extraordinary rendition of terrorist suspects through the United Kingdom", and states that

"the United Kingdom is bound by its own obligations in respect of torture, and not by any view taken by the United States as to what constitutes torture ... Under international law, States are prohibited from sending a person to a territory where it is believed that he will be tortured. This obligation ... arises both under general international law and under international treaties to which the United Kingdom is a party."

Professor Crawford went on to observe:

"The United States ratified the Torture Convention with an extensive reservation dealing with various aspects of the application of the Convention in United States law".

Therefore, it is not sufficient for the UK Government simply to seek cover from Secretary Rice's assurances. The test in the UK is not the US implied test of whether the risk of torture is more likely than not, but whether there is a real risk that a person would be tortured if returned.

Moreover, it seems reckless of the UK Government to accept US assurances without reservation or questioning when we have all witnessed the way in which the US Government have operated Guantanamo Bay, whose procedures and presence offend every principle of international jurisprudence.

I understand that the officials who prepared the Minister's briefing in response to this debate are from the Foreign Office's counter-terrorism department. They cannot be insensitive to the fact that Defence Secretary Donald Rumsfeld approved 24 interrogation techniques for use at Guantanamo Bay. In an article entitled "US Abuse of Iraqi Detainees at Abu Ghraib Prison" in the *American Journal of International Law*, Tom Farrer observes that the techniques are aimed at

"significantly increasing the fear level in a detainee"

and

"attacking or insulting the ego of a detainee".

It is clear beyond peradventure that the US Government have engaged in cruel, inhuman and degrading treatment, both at Abu Ghraib and at Guantanamo Bay, yet they claim that that treatment does not amount to torture. The UK Government should not be associated with those semantics.

In last month's edition of "International Affairs", the journal of Chatham House, Alex Bellamy, who is a lecturer in peace and conflict studies at the university of Queensland and recently wrote a book called "Just Wars" and is an expert in that area of policy, observed that

"there is a significant amount of circumstantial evidence to suggest use of torture by the US and some of its allies in the war on terror is both widespread and systematic ... a coordinated strategy of information gathering, based on torture".

Bellamy went on to observe that

"there is evidence to suggest that successive US Attorney Generals have attempted to create a permissive legal environment for the use of torture ... the current Attorney General, Roberto Gonzales, played a key role as White House Legal Counsel in sidelining the State Department's concerns about the use of torture. In a memorandum to the President on 25 January 2002, Gonzales argued that:

'The nature of the new war on terrorism places a high premium on other factors, such as the ability to quickly obtain information from captured terrorists and their sponsors and in order to avoid further atrocities against American civilians. This new paradigm renders obsolete (the 1949 Geneva Protocol on the Treatment of Prisoners of War) strict limitations on questioning of any prisoners'."

Clearly, the United States has decided to abandon respect for international law. Indeed, President Bush clearly stated that in 2003 when he said:

"International Law? I better call my lawyer ... I don't know what you are talking about by International Law".

The issue for the House is whether the United Kingdom Government have also decided to abandon the principles of international law. Once torture becomes accepted in any legal system, it spreads like an infectious disease. It saves the labour of investigation and hardens those who become accustomed to its use. The Foreign Affairs Committee has accused the Government of failing to deal with its questions on rendition with

[Tony Baldry]

appropriate transparency and accountability and has recommended that the Government end their policy of what the Committee described as "obfuscation". Such behaviour by the Government raises the question of what they think they have to hide.

The matters that I am talking about clearly need proper explanation. For example, minutes of the meeting between US justice officials and EU officials in January 2003 show that

"both sides agreed on ... increased use of European Transit facilities to support the return of criminal/inadmissible aliens ... and improving cooperation in removals."

Ministers seem to suggest that such allegations are without foundation, so why did the legal affairs committee of the Council of Europe publish, a matter of weeks ago, a report that concluded that

"drawing on all this concordant information and evidence we can say that there is a great deal of coherent convergent evidence pointing to the existence of 'relocation' or 'outsourcing' of torture. Acts of torture or severe violation of a detainee's dignity through the administration of inhuman or degrading treatment are carried out outside national territory and beyond the authority of the national intelligence services" ?

Those are the conclusions of a committee of elected representatives drawn from throughout Europe, reflecting the whole range of political views.

Former CIA agent Robert Baer was quoted by the BBC as saying that

"if you want a serious interrogation you send a prisoner to Jordan. If you want him to be tortured you send him to Syria. If you want him to disappear ... then you send him to Egypt".

Does the Foreign Office consider that he was fantasising? Was a former British ambassador to Syria, Henry Hogger, making things up when in December, commenting on the case of Mahrar Arar, a Canadian citizen who was taken to Syria and tortured, he observed that

"what was going on in Syria at the time was not unlike the way it has been described" ?

When Craig Murray, the former British ambassador to Uzbekistan, published on the internet copies of telegrams that he sent to London between 2002 and 2004, warning that information being passed on by the Uzbek security services was "torture tainted", was he fantasising? Mr. Murray also published on the internet a document that clearly appears to be the text of a Foreign Office legal opinion seeking to argue that the use by intelligence services of information extracted through torture is not a violation of the UN convention against torture.

Perhaps it was a similar approach to information extracted through torture that caused the Government to contest the assertion that the Special Immigration Appeals Commission should not receive evidence that has or may have been procured by torture inflicted by officials of a foreign state in order to obtain evidence. The judgment of the House of Lords, given on 8 December in the case of A (FC) and others v. the Secretary of State for the Home Department, should be required reading for every Member of the House and every Minister. The Appellate Committee of the House of Lords, comprising Lord Bingham of Cornhill, Lord Nicholls of Birkenhead, Lord Hoffman, Lord Hope of Craighead, Lord Rodger of Earlsferry, Lord Carswell and Lord Brown of Eaton-under-Heywood, unanimously found against the Government. It is difficult to imagine a stronger representation by the Appellate Committee.

Lord Bingham observed that

"the English common law has regarded torture and its fruits with abhorrence for over 500 years ... I am startled, even a little dismayed, at the suggestion ... that this deeply-rooted tradition and an international obligation solemnly and explicitly undertaken can be overridden ... The issue is one of constitutional principle, whether evidence obtained by torturing another human being may lawfully be admitted against a party to proceedings in a British court ... To that question I would give a very clear negative answer."

Lords Nicholls said:

"Torture is not acceptable. This is a bedrock moral principle in this country. For centuries, the common law has set its face against torture ... Torture attracts universal condemnation ... No civilised society condones its use. Unhappily, condemnatory words are not always matched by conduct."

Lord Hoffman said:

"The use of torture is dishonourable. It corrupts and degrades the state which uses it and the legal system which accepts it ... many people in the United States ... have felt their country dishonoured by its use of torture outside the jurisdiction and its practice of extra-legal "rendition" of suspects to countries where they would be tortured ... the rejection of torture ... has a special iconic importance as the touchstone of a humane and civilised legal system."

If a member of the Appellate Committee of the House of Lords feels confident to say in terms in a judgment in a landmark case on torture, res judicata, that

"many people in the United States ... have felt their country dishonoured by its use of torture outside the jurisdiction and its practice of extra-legal 'rendition" of suspects'",

can Ministers be surprised that hon. Members on both sides of this House and large numbers of people outside it are less than convinced when the Foreign Secretary simply repeats the mantra of the US Secretary of State that that country does not indulge in torture?

Lord Hope observed:

"Views as to where the line is to be drawn may differ sharply from state to state. This can be seen from the list of practices authorised for use in Guantanamo Bay by the US authorities, some of which would shock the conscience if they were ever to be authorised for use in our own country."

It must be of very real concern that at the start of the 21st century it is necessary for the most senior judges in the land to express the view put simply by Lord Brown:

"Torture is an unqualified evil. It can never be justified. Rather it must always be punished."

There have been other recent cases in respect of which the Government's approach has been equivocal. There was the judgment on the torture and killing of Iraqis by British forces, published on 22 December. The Government argued unsuccessfully in respect of the right to rely on evidence extracted under torture and to be exempt from liability for torture carried out by British troops outside the UK. There is also the case of

Mitchell and others *v.* Al-Dali and others. I will not say too much about that case. It has been before the Court of Appeal and I understand that it is going to the House of Lords, so it is almost certainly sub judice, but what is not sub judice but is a matter of public record is the letter of Geoffrey Bindman published in *The Guardian*. It stated:

"My clients . . . seek redress against the officials responsible for torturing them in Saudi Arabia. Our Government intervened unsuccessfully in the Court of Appeal in support of the Saudi claim to immunity for the Saudi Kingdom and its officials. The Court of Appeal rejected immunity for the officials and the Saudi Kingdom is appealing to the House of Lords. Again, the British Government are seeking to intervene against its own citizens, yet Article 14 of the UN Convention Against Torture, requires every Government 'to ensure in its legal system that the victim of an act of torture obtains redress and has an enforceable right to fair and adequate compensation'."

There are a number of questions that Ministers should answer and of which I have given this Minister notice, so there should be no surprises for him here. In the Foreign Office memo of 7 December to No. 10, officials concluded that

"we now cannot say that we have received no such requests for the use of UK territory or air space for extraordinary rendition."

To whom do the Government believe that requests for rendition would be made? How was it that it took the machinery of government some weeks to resolve the line to take on the issue? What representations have the Government made to the US Administration about the practice of extraordinary rendition?

The US Government have now clearly acknowledged that they have rendered detainees to other countries for questioning; indeed, that practice is now well documented in a number of cases, such as that of Mahrar Arar, which I have already cited, who was kidnapped in Canada. Amnesty International has told me of some 78 Gulfstream V Turbojet flights that have stopped over in the UK since 2001 that could be connected to rendition. One could be walking down the street in any part of the world and be kidnapped. Have the Government asked the US Administration in terms whether, and if so how many, detainees have passed through UK airspace or airports?

Have the US Administration sought permission for any state flights to pass over UK airspace or land in the UK to transfer detainees? Has any agency in the US Administration, including the CIA, asked for such permission and have the UK Government ever granted a blanket permission for the passage of such flights? That is particularly important because the December memo to No. 10 admits that there is no way of the UK Government knowing whether any detainees captured by British forces in Iraq or Afghanistan have subsequently been transferred by the US to interrogation centres overseas.

Whatever the US Government choose to do, the UK Government have obligations under international law. Have the Government at any time reminded the US Administration of the higher threshold that must be passed in order to meet UK legal obligations with respect to the UN convention against torture? Has an explanation been given that UK law will have been breached if there are grounds to believe that rendition may carry a real risk of torture and that the US interpretation that such rendition will become unlawful if it is "more likely than not" that the person will be tortured is insufficient?

Let us step back from the carefully phrased denials and examine what we know. Evidence has emerged that makes these concerns plausible: the snatched photos of the cages at Guantanamo and the photographs of prisoner abuse at Abu Ghraib. The existence of secret CIA-run prisons in eastern Europe has not been denied by the Bush Administration. There is compelling testimony from people who claim to have been shipped abroad by the US and tortured. The UK Government have not questioned the definition of torture being used by the US Government, which differs from that set out in international human rights treaties, and appears not to extend to forms of cruel, inhuman and degrading treatment. The UK Government show no inclination to investigate reports of US aircraft using UK airspace or airports for rendition purposes. Is it out of the bounds of possibility that the US might not have made formal requests for the use of UK airspace for such flights, but carried them out anyway?

My shopping list of what I would like the Minister to do is short—only three things. First, given the mounting evidence that UK territory has been used to assist in unlawfully transporting detainees to countries where they may face disappearance, torture or other ill-treatment, the UK Government should launch an immediate, thorough and independent investigation. Secondly, as part of such an investigation, the UK Government should ask the US Government to declare whether they have used UK airports, airspace or US military airbases on UK soil for the purposes of extraordinary rendition since 1998, with or without the approval of the UK authorities. That would include transporting detainees from, to or through UK airspace as well as servicing planes about to embark on or return from a rendition mission. Thirdly, what steps are being taken or considered to prevent future use of airspace and airports in the UK by aircraft being used for such illegal activities?

Finally, I urge the UK Government to co-operate fully with the parliamentary investigations into the issue and the Council of Europe inquiry led by its secretary-general, Terry Davis, himself a former Labour Member of Parliament.

I submit that the Prime Minister has repeatedly failed to give a straight answer to questions about possible British Government complicity, but seeing nothing, hearing nothing and saying nothing is becoming less and less of an option.

5.33 pm

The Minister for Trade (Ian Pearson): It is a pleasure to serve under your chairmanship for the first time, Mr. Bercow, and I very much welcome the opportunity that the hon. Member for Banbury (Tony Baldry) has given us to debate these issues today.

Human rights form one of the cornerstones of this country's value system and one of the key elements in our country's social and legal structures, informing our policies, legislation, interactions with one another and our relationships with our international partners. The UK unreservedly condemns the use of torture, and is working hard with its international partners to eradicate that abhorrent practice by launching a global campaign

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for universal ratification of the UN convention against torture, as well as lobbying in support of its optional protocol; publishing and distributing a number of human rights handbooks specifically aimed at combating torture; and supporting anti-torture work by the United Nations, the Organisation for Security and Co-operation in Europe and the Council of Europe. The UK also used its EU presidency to take forward an EU initiative to combat torture around the world. That included démarches in 39 countries.

The hon. Gentleman made much of allegations about illegal rendition. As my right hon. Friend the Foreign Secretary has said a number of times to the House, our policy on rendition is clear. We do not deport or extradite any person to another state where there are substantial grounds to believe that that person will face a real risk of torture, or where there is a real risk that the death penalty will be applied. We have found no evidence of detainees being rendered through the UK or overseas territories since 11 September 2001. Nor have we found evidence of detainees being rendered through the UK or overseas territories since 1997 where there were substantial grounds to believe that there was a real risk of torture. We would not assist in a rendition if to do so would put us in breach of our national or international obligations.

The hon. Gentleman suggests that we have been seeing nothing, hearing nothing and saying nothing. That is not the case. We have addressed the issue with the US Government. As part of our close co-operation with them over several years, including in recent months, we have made it clear to them that we expect them to seek permission to render detainees via UK territory and airspace, including overseas territories. We have made it clear to them that we will grant permission only if we are satisfied that the rendition would accord with UK law and our international obligations, and we have also made it clear to them how we understand our obligations under the UN convention against torture and the European convention on human rights. We are clear that the US would not render a detainee through UK territory or airspace, including overseas territories, without our permission. The US has sought such permission in the past, as the Foreign Secretary has told the House.

The hon. Gentleman cited the Foreign Affairs Committee's suggestion that the Government have a policy of "obfuscation" on the issue. That could hardly be further from the truth. Preliminary searches of recent records produced no evidence of US requests to use UK airports or airspace. As the search continued back in time, we found four cases in 1998. The Foreign Secretary lost no time in updating the House as new information came to light, and he will continue to do so. The whole world loves a good conspiracy theory and is always reluctant to let the facts get in the way of a good story. The hon. Gentleman suggested that it would seem reckless to accept US assurances. I shall doubtless annoy the cynics by saying that we do indeed accept the assurances of our close ally.

That does not mean that we always agree, however. Indeed, we sometimes differ on matters of policy, and we say so. On Guantanamo Bay, the Prime Minister has stated that he sees it as

"an anomaly that has to end".

We have made it clear that we regard the circumstances in which the detainees continue to be held in Guantanamo Bay as unacceptable, and the US Government are fully aware of our views.

The hon. Gentleman raised the issue of Iraqi detainees at Abu Ghraib. He will recall that US servicemen and women have been disciplined, prosecuted and convicted for what happened there. The US Detainee Treatment Act, which President Bush signed into law on 30 December 2005, provides that no individual in the custody of the US Government or under their physical control, regardless of nationality or physical location, shall be subject to cruel, inhuman or degrading treatment or punishment, which it defines as the cruel, unusual and inhuman treatment or punishment that is prohibited by the US constitution. That legislation makes a matter of statute what President Bush has made clear was already US Government policy, and we welcome that.

As for our own laws, the hon. Gentleman suggests that the Government did not welcome the unanimous finding of the House of Lords that evidence that has or may have been procured by torture is not admissible before the Special Immigration Appeals Commission. On the contrary, it has never been the Government's intention to present to court evidence that we believe may have been obtained by torture. We believe that that would be wrong. The effect of the judgment was to reinforce that clear policy with an exclusionary rule of law. The Government have welcomed the clarity that their lordships' judgment of 8 December has brought to this important and difficult issue.

The hon. Gentleman also spoke about mounting evidence to indicate that the Government are complicit in cases of extraordinary rendition. He cited the inquiry led by Senator Marty, chair of the Council of Europe Parliamentary Assembly's legal affairs and human rights committee. Senator Marty produced his information memorandum on 24 January, which was debated in the Parliamentary Assembly on 26 January. The hon. Gentleman did not report what was said during the debate, in which several British members spoke about the lack of substance and evidence in Senator Marty's reports. I assure the hon. Gentleman that the Government are co-operating fully with Senator Marty's inquiry, as with the inquiry launched by the secretary-general of the Council of Europe, my good former colleague Terry Davis.

In addition to those inquiries and a temporary committee of inquiry established by the European Parliament, the Government have also been co-operating with the inquiry on rendition allegations co-ordinated by the chief constable of Greater Manchester.

The hon. Gentleman suggests that we asked the US Government to make a public declaration. It is not for us to make such a demand of another Government, especially about intelligence and security-related

matters. However, I repeat the following points. We have found no record of US requests for rendition through the United Kingdom since May 1997, other than those about which my right hon. Friend the Foreign Secretary has informed the House. We have made it clear to our US colleagues that we expect them to seek permission to render detainees via UK territory and airspace, including overseas territories. We have made it clear that we will grant permission only if we are satisfied that the rendition accords with UK law and our international obligations. We have made it clear how we understand our obligations under the UN convention against torture and the European convention on human rights. We are clear that the US would not render a detainee through UK territory or airspace, including overseas territories, without our permission.

The hon. Gentleman concluded by insisting that the Government have failed to give a straight answer to questions about complicity. I repeat my right hon. Friend the Foreign Secretary's clear statement of policy: we would not assist in any rendition case if to do so would put us in breach of United Kingdom law or our international obligations.

Question put and agreed to.

Adjourned accordingly at eighteen minutes to Six o'clock.

Westminster Hall

Thursday 16 February 2006

[MR. ERIC MARTLEW *in the Chair*]

Cash Machines

[Relevant documents: Fifth Report from the Treasury Committee, Session 2004–05, HC 191, and the Government's response thereto, Session 2005–06, HC 359.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Ivan Lewis.]*

2.30 pm

Mr. John McFall (West Dunbartonshire) (Lab/Co-op): It is my pleasure to speak on behalf of the Treasury Committee about our report on cash machine charges, which was our fifth report of Session 2004–05 and was published in March 2005. I welcome you to the Chair, Mr. Martlew. We were elected at the same time, and it is a pleasure to be under your chairmanship for the first time.

There are not that many people around this afternoon because this is the last day before the recess, but that belies the intensity of the public debate on this issue. When the Committee produced its report, there was a great deal of public discussion and public concern, and I hope that hon. Members will see from my remarks that we still have a very live debate on the issue.

The Committee examined three issues. The first was the principle of charging for access to funds through cash machines and the increasing prevalence of machines at which a charge is levied. The second was the transparency and clarity with which such charges were presented to the consumer. The third was financial exclusion and location, and there were concerns about the impact that the spread of charging cash machines might have on financial inclusion and low-income households. We took evidence from consumer groups, banks, leading operators of charging cash machines, the Post Office and the then Financial Secretary to the Treasury, now the Minister for Pensions Reform, my hon. Friend the Member for East Ham (Mr. Timms).

I turn first to the growth of charging machines. To understand how the market for cash machines has developed over the past five years, it is necessary to go back to the review of competition in banking that was completed by Don Cruickshank. The cumulative effect of the changes that were made as part of the Cruickshank review was that the ATM market developed with a recognisable split. There is generally no charge to a cardholder who uses a cash machine that is operated by the major banks and building societies. Opening up the market allowed independent ATM operators to enter and to provide cash machines that typically levy a surcharge to the consumer.

The number of charging machines has grown rapidly in recent years. In December 2005, there were 24,823 such machines. That was 43 per cent. of the total number of cash machines and more than 64 per cent. of the number of cash machines that were not located in bank branches.

David Taylor (North-West Leicestershire) (Lab/Co-op): There was a debate just yesterday in this room about the Post Office cash card, and the issue also came up in Trade and Industry questions today. Will my right hon. Friend refer later to the section of the Committee's excellent report that deals with the role of the Post Office in tackling financial exclusion and to the fact that three quarters of the cash machines in post offices charge a fee? Surely, that was not envisaged when the Government made the present arrangements.

Mr. McFall: My hon. Friend is so lively and intelligent that he has anticipated what I am going to say on the issue, which is no surprise. The Post Office card account is very much tied up with financial inclusion, and I shall refer to the issue later. Indeed, the Committee's ongoing inquiry into financial inclusion will take evidence on that very point, which is germane to this debate and to that inquiry.

Although the expansion of charging machines resulted in there being cash machines in previously unserved locations, free machines were forced out of some sites and replaced by charging machines. Major high street banks have sold free machines to the charging operators. For example, HBOS sold 816 non-branch machines to Cardpoint, and Abbey sold 50 machines to Moneybox. Information from the Cardpoint annual report indicates that more than 300 of the machines that HBOS sold to it have now been converted from free to charging. The Committee noted that if other high street banks

"follow suit, there could be conversion of a large number of free ATMs to charging and significantly lower access to free cash withdrawals for many consumers."

Mr. Andrew Love (Edmonton) (Lab/Co-op): Does my right hon. Friend agree that the recent tailing-off of the increase in free cash machines is a worrying sign that we may be entering an age of less competition in the ATM marketplace?

Mr. McFall: Exactly. The two buzzwords during our inquiry were competition and transparency. I shall refer later to the notion that there could be free ATM black holes in different parts of the country. That certainly collides with the Government's intentions on financial inclusion.

Many witnesses to our inquiry argued that the number of free machines has not declined and that there is no danger of consumer detriment. Although the number of free machines has increased, it does not automatically follow that there has been a commensurate increase in the number of different sites at which the general public can access free cash withdrawals. Some of the new machines are in locations such as casinos, betting shops and bingo halls, which do not have general public access. More importantly, the number of free machines could have become concentrated in fewer locations. For example, Westminster tube station used to have just one free-to-use cash machine, but now has four. Although that represents an increase in the total number of free machines, it is difficult to argue that it extends access to free cash withdrawals.

To supplement that argument, I should add that some card company representatives told us that they had increased the number of their cash machines in low-income areas or what are referred to as areas of

[Mr. McFall]

deprivation. One such area is Canary Wharf, but I do not think for a minute that we would see too many low-income people if we went down there. None the less, that is the situation and that is why the argument is very complex.

Mr. Philip Hollobone (Kettering) (Con): I was particularly struck by recommendation 10 in the report, which deals with the use of paid-for ATMs in public sector locations. For many fairly low-paid public sector employees, the only convenient way of accessing their cash is by paying a fee to use one of those ATM machines. I therefore very much applaud recommendation 10.

Mr. McFall: I accept the hon. Gentleman's point of view. During the inquiry, we found that that situation prevailed at several Ministry of Defence sites. I have written to the MOD about that, and it, too, is a live issue.

I turn now to the prospects for the future. The evidence that the Committee received indicated that the market's dynamics will continue to lead to free machines being converted to charging machines. The Committee expressed concern that

"away from existing branches, free access to cash withdrawals could decline as banks sell or close their existing network and the remaining machines become concentrated in fewer locations."

We concluded:

"This will lead to public policy concerns if areas of the country are left without adequate access to free cash withdrawals—particularly if this exacerbates existing financial exclusion".

We asked the Government to monitor the situation closely to ensure a fair and competitive market.

Since the report's publication, I have continued to monitor the situation. For example, Link told us that for 2005 as a whole, 500 machines were converted from free to surcharging, whereas 210 were converted from surcharging to free. We therefore e-mailed Link requesting a list of the 500 locations where, previously, surcharging machines had been free. I would have assumed that that information was readily available and that the Treasury was monitoring it closely to ensure that there was not a substantive reduction in the availability of free cash withdrawals, particularly in low-income areas. Alas, I was wrong.

We received an e-mail from Link saying that it was

"not currently able in an automated manner to create a list of every machine that has converted, making this a very labour intensive task that we cannot complete by your deadline. We have recognised, however, that this is a gap in our ability to provide useful data and technical work to make this possible in future is in hand."

On Monday evening last, Link managed to send us a sample of 200 locations that had had free machines, but which now have a surcharging ATM. Although we need to be cautious about drawing conclusions from such a small sample, particularly given the unreliability of the Link database, several things were clear: for 25 per cent., the nearest free cash machine was more than 1 km away; for 15 per cent., it was more than 2 km away; and about 13 per cent. were in postcodes in which the Treasury considers there to be concentrated financial exclusion. That seems to indicate that the number of areas without access to free ATMs is growing. Sadly, it seems to take the intervention of the Treasury Committee to uncover that information, as the matter is not being examined by the industry or the Government.

There remain serious gaps in the industry's and Government's knowledge of the issues that have not been addressed. How many of the increased number of free machines are located in casinos, bingo clubs and other locations not accessible to the general public? How many are accounted for by increased concentration, rather than expansion in the number of genuinely available and different sites? Is there any evidence of existing free machines becoming concentrated in fewer locations? In which locations are free machines being converted into charging machines, and to what extent is that resulting in localities where there is no access to free cash withdrawals? In which low income areas is there insufficient access to free cash withdrawals?

The Committee recommended that the Office of Fair Trading payment systems taskforce conduct research into the geographical distribution of cash machines as part of its work into the efficiency of payment systems. The response from the OFT was that while

"members of the taskforce believed that there might well be important social exclusion issues raised, they did not believe that the geographical distribution of charging ATMs was an issue that fitted well with the Task Force mechanism, given the Task Force's specific remit . . . The task force considered that the issue could be better dealt with elsewhere: possible locations could include HM Treasury or the Treasury's Financial Inclusion Taskforce".

The response went on:

"I should stress that members of the Task force felt that this issue was important, and some members said that it was an issue in which they would like to be involved, but in the appropriate forum".

So it seems that the industry, the OFT and individual Departments are passing the buck, rather than engaging in a serious, systematic analysis of the issue.

On transparency, it is essential that the industry provides consumers with clear information to enable them to make an informed choice about whether to use a charging cash machine. When I go to a petrol station, I see a clear sign showing the price per litre in large numbers. Why can there not be a similar high standard of transparency for cash machine charges? Although consumers using a charging cash machine are given notification of the charge and the option to cancel, that comes very late in the transaction—after the customer has inserted their card and personal identification number and selected the amount they wanted to withdraw.

David Taylor: Is my right hon. Friend surprised to hear that in one of the largest—and probably least well-off—former mining villages in North-West Leicestershire, there is a cash point near the local parish office that charges, but no one would know unless they had extremely good eyesight? Written at the top left of the machine in microscopic letters is "£1.50 per charge". That is written in biro on the wall of the office. That is the sort of thing that needs to be tackled, is it not?

Mr. McFall: I agree entirely. When we undertook our inquiry into the subject, we found that the signs for some

cash machines were in awkwardly low positions, and one had to search for them. As I said, anyone can go to a petrol station, find the price per litre, and so decide which station to go to; why can that not apply to the industry that we are discussing? The lack of transparency means that consumers found it difficult to identify which machines charged and which were free before they started to use the machine, as my hon. Friend says.

When we started the inquiry, the Link rules required all cash machines that charged to carry a sign, clearly visible to cardholders before a card was inserted, that stated: "This machine may charge you for Link cash withdrawals". Witnesses described that warning as vague, bland and non-specific. The Committee described the notice that a cash machine "may" charge as "disingenuous" and noted that it did little or nothing to inform consumers.

Which? told us:

"Some operators appear to be either disregarding or flouting the LINK guidelines by displaying warnings in a way that makes it difficult for them"—

that is, consumers—

"to spot".

On the point mentioned by my hon. Friend, we found cash machines displaying warnings in tiny print, on hard-to-read backgrounds, or at knee height, as I said.

The Committee concluded that

"Poor standards of transparency surrounding ATM charges are detrimental to consumers, in that they result in charges being incurred unnecessarily and make the practice of shopping around to find the cheapest cash machine difficult."

Steps were taken by Link to improve matters during—some might say because of—the Committee's inquiry. Link told us that all cash machines that charge will have an initial on-screen message that shows the charge. For example, it might say "This machine will charge up to £1.50". Secondly, there will be external signage on the cash machine saying "This machine will charge you for Link cash withdrawals". The sign must be at normal eye level, close to the ATM screen, with a minimum font size of 14 point. Thirdly, where there is signage away from a surcharging ATM that directs towards its presence, the sign must include the words "This machine will charge you for Link cash withdrawals".

The Committee welcomed the improvements to transparency agreed by Link but was disappointed that five members of Link voted against the new requirements. The Committee also identified a number of areas where further progress was needed. It recommended that

"the amount of the surcharge should be clearly indicated on external signage and any signs that advertise the presence of the machine."

Mr. Paul Goodman (Wycombe) (Con): The right hon. Gentleman referred to the five members who voted against the change. Does he have any information about who those five members were?

Mr. McFall: Yes. At our hearings, we asked that question, and that information came out. If the hon. Gentleman will bear with me, I will later refer to the votes taken by Link, and that might provide him with further information.

The Committee said:

"A larger minimum font size should be set for these warnings so the sign is visible from a distance."

Many charging machines prominently advertise the ability to make free balance inquiries. The Committee concluded that that practice should not be permitted on any machine that levies a surcharge on the consumer. We also concluded that

"When a machine is converted from free to charging it is important to give consumers advance notice of the change."

We noted that the banking code requires banks to notify customers when it closes the last branch within a specified distance, and it called on banks to examine whether a similar requirement should be introduced when removing the last free cash machine within a specified distance.

Many witnesses thought that it would be useful if consumers could see at a glance whether a machine was free-to-use or levying. It has been suggested by Nationwide and HBOS that that could take the form of red signs for charging machines and green signs for free machines. That proposal attracted support from some major banks, but was rejected by the majority of Link members last December. Unless the industry engages, and collectively tries to secure further improvements in transparency, it will give the public the impression that it is happy to make money out of the veil of secrecy surrounding cash machine charges.

On regulation and enforcement, to be effective it is essential that compliance with voluntary regulation is adequately monitored and effectively enforced. During the inquiry it became clear that Link's approach to enforcement was ad hoc and ineffective. Surveys indicated that up to 50 per cent. of cash machines were not compliant with the Link requirements. The Committee concluded that that degree of non-compliance was totally and utterly unacceptable.

We welcomed moves by Link to strengthen its enforcement procedures. A survey conducted in late 2005 found that 1.6 per cent. of machines still did not have the required on-screen warnings, and a disappointing 13.2 per cent. did not comply with all Link's surcharging rules. Fines totalling some £20,000 had been levied on those operators, but Link needs to publish details of which companies it has fined, so we can put pressure on repeat offenders to improve their practices. To date, that information has not been forthcoming.

The Committee recommended that charging cash machines be brought within the banking code. The Banking Code Standards Board wrote to me in January to say that as Link was now taking its enforcement responsibilities more seriously, the board did

"not intend actively to recruit Independent charging machine operators as subscribers."

However, the board was

"hopeful that one major operator that is a subsidiary of a banking group may decide to join"

soon, and informed me that it will be reviewing the situation at six-monthly intervals. I continue to believe that in the longer run there would be considerable benefit in extending the code to include all cash machine operators.

The Committee was particularly concerned about the impact that the spread of charging cash machines could have on financial exclusion. We concluded:

[Mr. McFall]

"As part of an agenda tackling financial exclusion, it is very important that those on low incomes have access to free cash withdrawals. We note evidence that the cash machines most likely to be converted to charging are those away from existing bank branches in low footfall locations. If there were to be a substantial reduction in the availability of free cash machines then that could exacerbate existing financial exclusion".

The Treasury document entitled "Promoting financial inclusion", published alongside the pre-Budget report 2004, contained analysis indicating the concentration of financial exclusion in certain areas of the country and concluded that 68 per cent. of the financially excluded live in the 10 per cent. most financially excluded postcodes and 25 per cent. of the financially excluded live in the 3 per cent. of postcodes with the highest concentration of financial exclusion. The Treasury initially told the Committee that it was unable to send a list of the postcodes as the terms of the contract with the company that provided the information meant that it was unable to provide the raw data to any third party. The Committee concluded:

"If the Treasury is going to spend public money identifying areas of concentrated financial exclusion, it seems unhelpful not to share this information with those organisations that might be able to make improvements in those areas."

After much cajoling, the Economic Secretary, God bless him, kindly agreed to share the postcodes with the Committee, but on the understanding that we did not give them to anyone else. But it would be far more helpful if the Minister shared this information with the Post Office and other banks so that they can review the provision of free cash machines in those areas. I understand why the Minister said what he did, but there is still an urgent need for that to happen. Low-income and financially excluded areas that lacked access to free cash withdrawals included Speke in Merseyside, Aston in Birmingham and Grangetown in Redcar and Cleveland.

The Post Office, which gave evidence in the Committee's inquiry, has a large network of branches, giving it a unique opportunity to be at the forefront of tackling financial exclusion and providing a method of free cash withdrawal where many people would otherwise have to use charging cash machines. The Post Office told us that more than 93 per cent. of the population live within 1 mile of a Post Office branch, with this figure rising to 99 per cent. in urban areas.

In March 2000, the Prime Minister announced that the Government would work with the Post Office to install some 3,000 cash machines in post offices. However, when the Committee examined the issue in December 2004, it found that there were 2,493 cash machines within Post Office branches, of which 1,856 charged a fee direct to the consumer. That meant that more than 75 per cent. of cash machines in post offices, including many of those in low-income areas, charged a fee to consumers. Witnesses, including Citizens Advice and the National Federation of Sub-Postmasters, expressed concern over this trend, telling the Committee:

"Since most benefit claimants and a significant proportion of all Post Office customers are people on low incomes, charges on Post Office based cash machines are likely to hit those using them particularly hard".

Sub-postmasters were also unhappy as they were given little or no choice as to whether they had a charging or free ATM installed. The Post Office told us that it was not making a profit from charging ATMs. Post Office customers were paying more than £10 million a year in cash machine charges, thereby threatening efforts to address financial exclusion, with apparently little contribution being made to the viability of individual sub-post offices or the Post Office network. The consumer was spending £10 million a year and nobody was making any money.

Mr. Love *rose—*

Mr. McFall: Perhaps my hon. Friend can crack that one.

Mr. Love: I thank my right hon. Friend for being so generous in giving way.

One of the recommendations in the Treasury Committee's report was that post offices should put signs on their machines informing customers that a free banking service is available if they have a basic bank account. Has there been any progress on that?

Mr. McFall: My hon. Friend needs a little bit of patience. There has been some progress and I will talk about that in my speech. He is a member of the Treasury Committee, so he will have the privilege, in a month or two, of questioning the Post Office personally to see what progress has been made.

The Committee noted that

"the large network of the Post Office and its presence in many locations without a bank branch gives it a unique opportunity to tackle financial exclusion. The Post Office needs fundamentally to re-examine its policy concerning charging cash machines".

I am pleased to note, as I mentioned to my hon. Friend, the Post Office's positive response to the Committee's report; it has withdrawn from its over-arching contractual arrangements with existing ATM suppliers and, going forward, will introduce only free-to-use ATMs. The Post Office has also reached an agreement with the Bank of Ireland to provide approximately 1,000 Post Office-branded free-to-use machines across the network. There will be at least 300 new free-to-use machines located in the network over the next three years. I am pleased to say that the Post Office has advised me that the surcharging machine in the Speke area, on which the Committee focused in its inquiry, will be removed as soon as it can install a free cash machine. Overall the Post Office is moving in the right direction, although it is not off the hook, and the Committee will continue to monitor progress and press it to do more to provide more free cash machines across its network.

On access to cash over Post Office counters, under the arrangement that set up universal banking services in 2003, the public can gain access to cash withdrawals over the post office counter if they have a basic bank account, or have a current account with a number of banks, including Barclays and Lloyds TSB. However, there is evidence that that provision was being poorly communicated to customers. Data that the Committee obtained concerning the post office in Speke found that more than 38 per cent. of people using the charging cash

machine could have made their cash withdrawal over the counter, free of charge. We concluded that the Post Office needed to make additional efforts to promote the ability to make free cash withdrawals at the post office counter. However, as we all know, more than 40 per cent. of the current account market, including customers of HSBC, Royal Bank of Scotland and HBOS, are not able to access cash for free over post office counters. We need to extend post office access to ensure that all current account holders are able to withdraw cash for free over the counter.

Ms Sally Keeble (Northampton, North) (Lab): Before my right hon. Friend moves off the subject of exclusion, will he pay regard to students, who make a lot of small-scale withdrawals and for whom the charges would be especially high and punitive? There is an issue, with regard to the university in my constituency, about students' access to cash.

Mr. McFall: That point was raised in the report in regard to students and people on benefits. My right hon. Friend the Member for Oxford, East (Mr. Smith) will tell me that when he occupied the distinguished role of Secretary of State for Work and Pensions, the Department advised people to take their money out in small amounts. Am I correct?

Mr. Andrew Smith (Oxford, East) (Lab): I dare say my right hon. Friend is.

Mr. McFall: Well, I am correct, as my right hon. Friend will see if he looks at the record. Whether students or low-income households are taking money out in small amounts, they are being penalised disproportionately. We will return to that.

The Government's move to direct payments will result in increased cash machine usage amongst benefit recipients, and if they have problems getting free access to their money they will have less available for other essentials. One safeguard that the Government stressed in their response to the Treasury Committee's report was that customers would be able to open a Post Office card account to receive their benefits. It now seems that the Government will be withdrawing the product when the contract expires in 2010. There are still 4 million people regularly using the POCA to receive their benefits. The Government need to consider carefully the effect that the closure of these accounts could have on access to free cash withdrawals, especially if it results in the closure of some post offices that remain one of the few sources of free cash withdrawals in many low-income areas. The Treasury Committee will be examining the future of the POCA as part of its current inquiry into financial inclusion.

If the Minister reads yesterday's Westminster Hall debate secured by my hon. Friend the Member for Leeds, East (Mr. Mudie) with the support of others, he will see that a political storm will be coming the Government's way if they do not plan in good time between now and 2010. We want to see a sensible, joined-up approach to this issue. The Government have made many valid points, but they need to make a co-ordinated response.

On the overall conclusions and further action, we need far more systematic monitoring by the Government of access to free cash withdrawals to ensure that low-income consumers are not adversely affected by the spread of charging machines. The Departments involved, the Office of Fair Trading and the cash machine industry need to stop passing the buck and take this issue more seriously and commission research into the geographical location of cash machines.

The Treasury needs to share with the Post Office its list of postcodes where there is concentrated financial exclusion. The Post Office should review cash machine provision in those areas and install a free machine, wherever it is viable. Link needs to provide all the locations where machines have been converted from free to charging and improve the reliability of its database.

The banks need to set out a specific commitment to the free-to-use network and to expand into under-served areas. It is the banks' responsibility to convince the public that they are not departing from the areas of greatest need in the country.

Don Cruickshank predicted that the Link arrangements would lead to concentrations of free ATM machines in particular areas. Banks therefore need to examine how they can rebalance the location of cash machines to combat financial exclusion and reduce the number of occasions on which customers are denied access to free cash withdrawals.

The transparency improvements proposed by Link do not go far enough. Consumers should be able to see at a glance whether a machine is free or charging, and the amount of any charge should be identified on external signage. In answer to the point made earlier by the hon. Member for Wycombe (Mr. Goodman), deciding regulation with secret votes at confidential meetings is certainly not best practice for a self-regulating body.

All the banks and independent ATM operators need to state publicly where they stand on proposals for standardising the labelling of free and charging machines. The director of the Link card scheme wrote to me saying that it was inappropriate to publish how individual banks had voted on this proposal, but it was agreed that

"individual card scheme members should be free to reveal their own position."

Today I shall take up his invitation and write personally to all Link members to ask where they stand on the transparency issue. Link needs to reassure us that its enforcement of the rules is systematic, and to provide a list of the companies that it has fined.

I welcome the Post Office's change of strategy. It should continue to review its network to determine whether free machines might be viable in more of its branches, particularly those located in low-income areas. As I mentioned earlier, the Committee will monitor that closely.

I refer the Minister to the three areas examined by the Treasury Committee: first, the increasing prevalence of machines that levy charges; secondly, the transparency of those charges and the clarity of their presentation; and thirdly, the issues of financial exclusion and location, and the impact of charging machines on low-income households. On prevalence, good statistical information is lacking and that should be addressed. On transparency, huge steps are still required to assist consumers. I look to the Government and the industry to work on that issue.

[Mr. McFall]

Lastly, there is a public policy issue. The Government and the industry need to work together systematically in the light of the Government's objectives on financial inclusion. They need to look at the statistical studies and geographical locations to ensure that there are no free-cash-machine black holes in low-income areas. If the Government address those concerns, they will have the support of the Treasury Committee—and, I am sure, Back Benchers—and ensure that there is a systematic approach to ATMs and that we do not let down consumers and low-income households in this country.

3.3 pm

Mr. Andrew Smith (Oxford, East) (Lab): I greatly welcome this debate and the chance to press for further action on the important question of charging people to get at what is, after all, their own money. Like others, I am particularly concerned to get more done to tackle the injustice of people on low incomes paying too much of their money just to be able to spend it.

I greatly welcome the Treasury Committee's report, and congratulate my right hon. Friend the Member for West Dunbartonshire (Mr. McFall) on his excellent introduction and the recommendations of the Committee. The report is a thorough and informative piece of work that asks all the right questions and makes sensible recommendations. While I am thanking people, I should say that we all owe a vote of thanks to the Nationwide, which has been such a consistent and staunch defender of free access to cash and an effective advocate of clear signing to indicate when machines are charging.

I should also like to thank Link for the briefing that it has given me on this issue and its particular impact in my constituency. Any Members who are not aware of its website should know that it is very helpful. It enables people to bang in a postcode and find the nearest charging machine; anyone wanting to do a survey of their constituency can sit at their computer and do it. I should also mention our local newspaper the *Oxford Mail*, which has taken a lead on exposing the unfairness of our local pattern of charging machines, which is the issue on which I intend to focus. I have some of the relevant cuttings with me.

The evidence shows that, certainly in Oxford, there is a clear pattern of communities where more people on low incomes live being much further from free machines than those where more people on higher incomes live. I understand that Link has undertaken analysis that shows that there may be a higher proportion of free ATMs than surcharging ATMs in more deprived areas. Whether that is the case nationally, I do not know. However, we have to be straight: that analysis does not make the issue any less of a problem for those living in communities that do not have access to the machines.

There certainly does not appear to be that higher proportion of free machines in deprived areas of Oxford, the geography of which is such that a number of social housing estates are on the edge of the city or some way from the centre. More people on lower incomes live in those areas, some of which fall within the most deprived 10 per cent. of wards in the country, but those communities have charging machines and are furthest from the free machines.

The Barton, Blackbird Leys, Minchery Farm, Northfield Brook, Rose Hill and Wood Farm estates all have charging machines; the Northway estate does not have a machine at all. The charges are typically £1.50 to £1.85, which represents a big percentage if people take out only £10 or £20. On the other hand, the free machines are mainly in the city centre, in some suburban shopping centres and on the radial roads. Frankly, it would surprise me if there were not a similar pattern in other parts of the country.

Analysis undertaken by the *Oxford Mail* shows the same pattern. People are charged on the estates, but there is easier access to free machines in more affluent areas such as Summertown. The banks and the machine companies argue that charges may be needed in some areas to make machines economic, and that if it were not for the charges, more areas would have no machine at all. That underlines the need for further research, which the Select Committee has called for.

I know from the briefing that Link gave me that at least some of the machines in the areas in my constituency that I mentioned are well-used high-volume machines that should be viable without a charge. We need to get to the bottom of how far that is the case more generally.

As my right hon. Friend the Member for West Dunbartonshire said, there is a clear and important public policy aspect to tackling financial exclusion. The Government and local authorities need to work with the banks, the Post Office and other public sector sites—community centres, area housing offices and so forth—to open up free machines wherever that is viable and consider installing low-charge cash machines where it is not. As my right hon. Friend and his Committee recommended, the analysis of areas with a high concentration of low-income earners and social exclusion should be available to the Post Office and others, which are working together to tackle that problem.

However, action does not even have to wait for that information; all local authorities are to some extent addressing financial and social exclusion—the Labour ones certainly are. Those in local authorities know where the areas of social exclusion are. There is room for local action as well; it does not all have to come from the centre.

As my right hon. Friend said, the trend towards higher and higher proportions of charging machines needs to be monitored and limited, as does market concentration among charging operators, to address the danger that, if the sector becomes unduly concentrated, more free sites will be poached by those who charge and competition will be restricted.

We also need to be alert to a point that is well brought out in the Select Committee report: banks who dispose of their machines have a vested interest in there being a transfer to charging machines, because where the machine operators are making the charge, the bank will not then be charged under the interchange fee arrangement. That installs quite a perverse incentive in the system, which needs to be addressed.

I welcome the steps that the Post Office has taken, not least in response to the Select Committee's inquiry, to install free machines. As my right hon. Friend said, there was a disturbingly high proportion of charging ones. I

encourage the Post Office to examine the possibility of putting free machines in the areas in my constituency that I mentioned. I also urge more banks to allow their current account customers to withdraw cash over the post office counter and, as has been said, for that facility to be more clearly advertised. We also need industry agreement. We must be firm about that. If such agreement does not materialise, we should say that there must be legislation to enforce consistent, clearly visible signs about which machines are free and which ones charge.

All of that is important now, but it will be even more important if the Government end the Post Office card account service for those in receipt of benefits and pensions. Many people with limited mobility could end up paying an extortionate and unaffordable amount in machine charges. That is not what the Government or I want, and I hope that my hon. Friend the Minister, who I know is taking a close and informed interest, will be able to tell us more about the action that they are taking. We must get this issue right or it will not just be those withdrawing their money who will pay a high price.

3.12 pm

John Robertson (Glasgow, North-West) (Lab): It is a great pleasure to take part in today's debate.

I start by congratulating my right hon. Friend the Member for West Dunbartonshire (Mr. McFall)—my neighbour—on the contribution that his Committee has made. The document is a lengthy one. A great deal of evidence was taken, but I know that a lot more still has to be done.

I got involved with the issue of cash machine charging after a constituent came to one of my surgeries. He explained that he had received £41 of benefit money and went round to the old HSBC hole in the wall to get his money out. He found that it was a Cardpoint facility, but he did not realise what that meant. He put his card into the machine and was told that he was to be charged £1.75 to extract his money, only to find out that he could take out only £30 because he had to extract his money in multiples of £10. By the time he had paid the £1.75 and withdrawn his £30, he could not get access to the other £9 or so. He would not get access to it until he received his next benefit payment, and even then it would have taken him about six months to get his own money out of that machine—until he got the balance down to almost nil.

Such a situation is not right and is not fair to the people who were mentioned by my right hon. Friend the Member for Oxford, East (Mr. Smith); the fee-charging machines seem to be put into deprived areas. If we ask the companies in question, they say that that is not true. They also tell us that they do not make much money on the machines. If my recollection is correct, the estimated profit from cash machines this year is about £500 million.

Let us consider that in comparison with the major banks, which will have a profit—a net profit; it is not running costs—in excess of £30 billion. Is it unfair to ask companies to foot the bill by not charging customers for getting, as my right hon. Friend the Member for Oxford, East said, their own money out?

There has been foul play. The people in my constituency have been ill-treated and the city of Glasgow has been unfairly treated. It contains about six of the most deprived constituencies in the country. In the area of the highest deprivation, the fee-charging cash machines outweigh the free ones by 2:1. The free machines are all in areas with high shopping value, shopping centres or retail parks. The expensive machines are in the corner shops, which our constituents have to go to because they cannot afford to get the bus to the city centre or to the retail park on the outskirts of the city where they can buy cheaper food.

It is not true what some banks are telling me—that they put in such cash machines because they are providing a service in an area where there are no cash machines. In the west end of Glasgow, probably one of the most affluent areas in the country never mind in the west of Scotland, there is a road called Byres road. It is well known to people who have been to Glasgow; they will probably have had an evening out there for a few libations and possibly a curry as well. It is a high-student shopping area, which has many banks and building societies, and therefore lots of cash machines, not one of which charges. Yet, less than a mile up the road is probably one of the more deprived areas, Maryhill. It has a cash machine that charges.

The banks tell me that they do not get rid of their free cash machines and that they are putting in more by the day. The other day I had an interesting discussion with a representative of the Royal Bank of Scotland who came to see me in my office. He told me that it had bought a company called Hanco, which is one of the biggest fee-charging cash machine operators in the country. When RBS bought the company, about 800 cash machines were involved. Today it has about 7,000 fee-charging cash machines in this country.

That has happened in less than a year and a half. I started campaigning for free cash machines at about the same time. I find it outrageous that the company has invested that kind of money, yet it tells me that it does not make much money on the machines. If it does not make much money and it is a bit of a bother having them, why has it obtained an extra 6,200 cash machines in the country to fight off the competition? If there is no money to be made, what competition are we talking about? I believe that RBS made £6 billion profit last year, yet it cannot afford to run free cash machines.

There is a real problem. The Minister and I have had discussions about it. He has been helpful, and I commend him on the work that he is doing. He promised me that he would examine the issues if we raised them with him. I told him that there was evidence throughout the country on this issue. My right hon. Friend the Member for Oxford, East has produced it, and my right hon. Friend the Member for West Dunbartonshire has quoted examples in areas of London. We know from Glasgow that fee-charging cash machines are not being put in areas that have high employment, lots of money and nice big houses, because if they were, people who lived in such places would jump into their cars and drive to a free machine.

Helen Goodman (Bishop Auckland) (Lab): This is also a serious problem in rural areas, which have suffered many bank branch closures. People are even more dependent on cash machines in such areas. Does

[Helen Goodman]

my hon. Friend agree that the needs of rural areas should be taken into account in future examinations of financial exclusion?

John Robertson: My hon. Friend makes a good point. I have tabled early-day motions on the subject. Charging cash machines are in areas of high deprivation and areas where the elderly live. Knightswood and Blairdardie in my constituency have the highest concentration of over-60s in Europe, yet there are no free cash machines in the area. There is one on the outskirts of Glasgow, and people should go to Anniesland Cross and hear about some of the feelings that prevail there. Fee-paying machines are near an old person's home and the corner shops.

Reference has been made to the Post Office, and I have a criticism of the Government. When payment books were taken away, our benefit receivers and the elderly were forced to change to a system in which money was obtained by cards. We made it difficult for people to obtain Post Office cards, but banks made it easy for them to take out bank cards. Banks have told me how well they did out of a lot of people.

Depending on whether we listen to Link or we listen to Alliance and Leicester, Alliance and Leicester bought between 800 and 1,200 cash machines in post offices. Of them, 400 to 800—depending on which company is to be believed—are fee-charging cash machines. Let us consider the situation of elderly people. We told them that they would be better off and that it would be easier for them to get their money. Yes, it is much easier for them to get their money, but it is also much easier for them to spend it before they even receive it. Did we really set up the system so that when pensioners withdraw perhaps £20 or £30 from their pension, we ask them to pay £1.75 each time they use a machine? That is not right. Those elderly people have worked all their lives for this country, yet we turn round at the time when they should receive their money from machines for nothing, and charge them. It is a disgrace. Companies such as the Alliance and Leicester must take a real look at themselves because they have deliberately cashed in on elderly people.

My hon. Friend the Member for Bishop Auckland (Helen Goodman) talked about rural areas. They have the same problem because sub-post offices have fee-paying cash machines. People could withdraw their money for nothing before we changed the system, yet we have—through no fault of our own—assisted companies to make money from those who can least afford it. I accept that I have had a bit of a rant, but I feel strongly about the subject, as do many of my constituents.

I wish now to say a few words about the report and the conclusions of my right hon. Friend the Member for West Dunbartonshire. I am pleased that the recommendations in my submission to the Committee were similar to those that my right hon. Friend made in the report. We must seriously examine the growth in the number of charging machines. I have also received letters from Link and the National Association of Citizens Advice Bureaux. Faced with the same statistics and questions, it is funny that two different organisations have two different answers. Link did not look too bad, with about 13 per cent. of machines being a problem that needed to be investigated. However, Citizens Advice stated that 50 per cent. of their people had trouble understanding how to operate the machines. That is not right.

Nationwide put forward the excellent idea of big red and green stickers that can be clearly seen. I received a letter from the Halifax Bank of Scotland in which it said that it would be willing to take such action and recommended it. The Royal Bank of Scotland has said the same. If those banks, which are particularly big in Scotland, can agree, why have we reached the stage at which five companies within the Link set-up suddenly say that they do not want to operate in such a way? We must ask ourselves why they do not want to take such action. Why do they not want people to understand how their machines work?

Mr. McFall: I mentioned further transparency in respect of the five companies at the meeting of Link on 12 December 2004, at which the green and red stickers for HBOS and Nationwide were discussed. They decided not to proceed with such action. We do not know how many members voted against such a decision because the meeting was secret. At the invitation of the director of Link, I am writing to those Link companies to find out what happened on an individual basis, and I shall share that information with my hon. Friend.

John Robertson: I thank my right hon. Friend. It makes matters worse when such companies can behave in such a way. I would not mind, but this is our money. It is not their money; it is ours. Not only do they use our money to make more money, but they charge people who cannot afford it to withdraw their own money. If a bank said to me, "We think that our profits might go down slightly, but I would like to use your money to ensure that those people do not have to pay a charge", I would say, "Go ahead. I am happy with that. If you make only £29.5 billion profit rather than £30 billion, I do not think that too many shareholders will be upset about it."

Mr. Love: Will my hon. Friend congratulate Citizens Advice on setting up the ATM watch that it will be carrying out later this year? Let us hope that it will illuminate matters and inform people about what is happening throughout the country and that, as a result of that exposure, we will obtain the changes that we want.

John Robertson: I thank my hon. Friend for that intervention. Now is an opportune moment to introduce the briefing that I received from Citizens Advice. I believe that what it says is right. I refer to its four bullet points, the first one of which is that

> "ATM charges should be restricted and possibly capped".

That has been mentioned by a few colleagues. The other bullet points are that

> "All non-financial transactions should remain free ... Machines should display a clear and prominent warning of charges before a card is inserted. Citizens Advice agrees with Nationwide Building Society that there should be a clear distinction between fee-charging and free cash machines by means of red and green signs ... All current account holders should be

able to withdraw cash over the counter at Post Offices without having to pay. We consider that Post Office Ltd should become a member of Link to enable this to happen."

That does not seem much to ask. Such a system will not cost a great deal of money, but it will ensure that those of us who can least afford it, such as my constituent who only gets £30 of his benefit of £41, will be better looked after than we are at present. I do not want my elderly constituents to go to the corner shop or the sub-post office to collect their pension in the knowledge that it will cost them £1.75 each time they go. It is as though they are taxed for being old, and that is not on.

3.28 pm

Kerry McCarthy (Bristol, East) (Lab): As a new member of the Treasury Committee and a new Member of Parliament, I was not involved in the investigation that led to such an excellent report. However, I wish to congratulate my right hon. Friend the Member for West Dunbartonshire (Mr. McFall) on securing the debate and on giving us the opportunity to discuss what undoubtedly affects many of my constituents in Bristol, East.

I also congratulate the *Bristol Evening Post* on its "Don't Feed the Money Monsters" campaign against fee-charging cash points, which it described as one of the great cons of the early 21st century. I carried out a mini-survey in my constituency the other day and discovered that of the 10 cash machines closest to my constituency office, seven imposed charges, with fees in the range of £1.50 to £1.75. My constituency is certainly not in an affluent part of Bristol. Far from it. It includes the Lawrence Hill ward, which is the most deprived ward in the south-west of England and the 133rd most deprived ward in England and Wales, out of more than 8,000 wards. It also ranks 108th in terms of household income deprivation. I therefore have a particular interest in ensuring that my constituents do not fall among the ranks of the financially excluded.

The industry will say that 96 per cent. of cash withdrawals from ATMs are free of charge. I am not sure whether that means that 96 per cent. of actual withdrawals are free of charge, or 96 per cent. of money withdrawn. That is an important distinction. However, what I do know—and what has been made clear by my right hon. Friend—is that about 43 per cent. of cash machines now charge, and 64 per cent. of machines that are not in bank branches charge.

As my right hon. Friend the Member for Oxford, East (Mr. Smith) outlined in compelling detail, the ATMs that do charge tend to be based in poorer areas, and it is self-evident that people in poorer areas who are on lower incomes will withdraw small amounts of money at any one time. The citizens advice bureaux found that over a quarter of paid-for withdrawals are for £20 or less. Therefore, people taking out £100 or £200 at a time are less likely to pay for that, whereas people who take out £10 or £20 at a time are more likely to do so. The person taking out £200 usually pays nothing for that, because they either live in a banked area or they have a vehicle so they can drive to a free cashpoint. The person taking out £10 at a time can end up paying £1.75 for that, and another £1.75 for the next £10, and the same sum for the next £10—and so on, until their £200 has, by my calculations, cost them £35, which amounts to a 17.5 per cent surcharge.

People whose state benefits are paid into their bank accounts are, in effect, charged simply for receiving their benefits, and if they abide by the advice given out by the Department for Work and Pensions not to withdraw all their benefits from the cash machine at once, they pay over and over again. For example, a single person aged 25 or over and in receipt of jobseeker's allowance gets £55.65 per week, and if they use a fee-charging ATM to take that out in several instalments they could face losing up to 8 per cent. of their weekly benefit.

As my hon. Friend the Member for Glasgow, North-West (John Robertson) said, if somebody has £30 in their bank account and they need that £30 to get through the week and they go to a fee-charging ATM, they will be able to withdraw only £20 if the machine dispenses only £10 notes because they will need £1.50 or so to meet the charge. Most of us would not miss that extra £10 in any given week, but for some people that £10 is the difference between getting through the week with enough money to feed their children or to travel to work—or to pay a bill that is already overdue with the bailiffs knocking on the door—and not having enough money to do so. They are faced with a choice between having the money to do that, or not having the money.

Of course, it could be argued that people have a choice about which machine to use. However, as in many areas of policy, choice is a luxury for some and no choice at all for others. For a mother on benefits with young children who relies on public transport to get around, making an extra trip across town with her children in tow to find a free cash machine is just not practical—with the level of bus fares in my constituency, it is not economical either. The disabled, the elderly, the sick, and the carers who cannot leave their responsibilities behind for more than a few minutes at a time are not free to exercise choice.

The rise in the number of cash machines also has a disproportionate impact on our student population. In the city of Bristol there are two thriving universities, the university of Bristol and the university of the West of England, as well as a large further education college, the City of Bristol college. According to Nationwide building society—I congratulate Nationwide on its free ATM campaign and its efforts to promote the use of red and green stickers—students pay £4 million per year in cash machine charges, nearly half of UK universities host fee-charging cash machines and almost 2,000 fee-charging machines are within a half-mile radius of UK universities. Students are also likely to be on tight budgets, and to make smaller withdrawals. If they take out £10 a time, they could be charged a fee of nearly 20 per cent. if they are not careful. The hole in the wall all too often leaves students with a hole in their pocket.

The rise of fee-charging cashpoints is a new phenomenon. Five years ago, nearly all cash machines in the UK were free; now, nearly half of them charge. Nationwide estimates that consumers could pay £250 million this year. The number of fee-charging machines has increased by 16 per cent.

Dan Norris (Wansdyke) (Lab): I join my hon. Friend in congratulating the *Bristol Evening Post* on its campaign against fee-charging machines, and not least for publishing the locations of those machines that do not charge, which is extremely helpful and allows consumer power to have an impact on this debate.

[Dan Norris]

However, does she agree that the real issue here is old-fashioned greed? The banks originally saved a lot of money on staff costs by introducing machines, and they now want to get a double-whammy by charging after the machines are in place in order to increase that saving. Therefore, the reason for these machines is simply old-fashioned wickedness and lack of moral fibre, which is being displayed by banks that already make huge profits.

Kerry McCarthy: I agree that that is the case in some instances. A huge amount of bank branches have closed. The Select Committee Chairman gave some interesting figures on the number of cash machines that have been sold off by the banks to companies that charge. I think that HBOS has sold 816 machines, Abbey has sold 50 and the Alliance and Leicester is looking to sell its cash machines. While I am on the topic of the Alliance and Leicester, it is interesting to note that its machine in the Lobby of the House does not charge, whereas elsewhere its machines do. It is clear who it is trying to impress.

I have been looking into the situation in the United States of America to search for an example of what could happen here if we do not take steps to address the growing phenomenon of fee-charging machines. In 2005, customers in the USA were estimated to have paid $4.3 billion on withdrawal fees from ATMs. Double-charging is still prevalent there: 96 per cent. of banks hit non-customers for withdrawing money from their machines, but 87 per cent. of banks also charge their own customers for doing the same thing. I am pleased that the UK Link agreements have now outlawed double-charging.

I shall conclude by picking up on some of the points that my hon. Friend the Economic Secretary made in an Adjournment debate on this topic that my hon. Friend the Member for Glasgow, North-West secured last autumn, and in doing so I will return to the issue of choice. In that debate the Economic Secretary said that

"it is hugely important that vulnerable and low-income consumers in all communities can access their cash for free."

He also said that

"we would—and should—be concerned if people on low incomes incurred a disproportionate cost in accessing their money."

He stated:

"The financial inclusion task force will explore . . . the extent to which fee-charging ATMs are disproportionately used by the financially excluded."

I welcome that move. He also talked about achieving "the maximum possible transparency" and said that people

"must be able to make informed choices".—[*Official Report*, 29 November 2005; Vol. 440, c. 73–76WH.]

Transparency is undoubtedly important for people who have a choice about whether to use a certain machine, but I dispute the contention that for some people the choice can always be facilitated by greater transparency. I simply do not believe that the majority of my constituents who use fee-paying machines have simply been caught unawares by a fee being levied. They know they have to pay the charge, but their personal circumstances all too often mean they have no choice but to pay.

The Economic Secretary also talked of the level playing field that our citizens deserve. We are far from achieving that level playing field at present, and I hope to hear from him today about what more can be done to ensure that we do.

3.37 pm

Mr. Andrew Love (Edmonton) (Lab/Co-op): I welcome you to the Chair, Mr. Martlew, and I apologise for arriving a second or two late for the start of the debate. I also wish to say to my hon. Friend the Member for Glasgow, North-West (John Robertson) that I well remember Byres road, but, sadly, before cash machines ever arrived there.

I also congratulate the Treasury Committee on undertaking its report, and I am grateful that, as a new member of the Committee, I now have an opportunity to speak in this debate—and, I hope, to be able to follow matters up in various future Committee hearings and investigations.

I shall begin by making a general comment that has not been made so far in our debate by reaffirming one of the principles that the Committee set out in its report, which is that charging machines are a valid and appropriate business model. In certain circumstances, they can offer the convenience that many people wish to have. However, we must look carefully at a number of issues. My right hon. Friend the Member for West Dunbartonshire (Mr. McFall) mentioned competition; I would also mention transparency and access. Competition has been at the centre of our discussion, and we must take into account all aspects of that principle.

It is perhaps understandable that so few Members are present, but that saddens me. I was a little surprised about that because accessing cash machines affects a large majority of our constituents, and it is therefore important to them. I looked up some of the figures in the material I was sent: 33 million people use cash machines every year, which is 84 per cent. of the adult population. There were about 58,000 cash machines as of the end of last year and, as several hon. Members have mentioned, 43 per cent. of those machines now charge people to access their money. Last year, £161 billion was withdrawn, and about £200 million was made from access charges. It is estimated that that figure will probably rise to £250 million this year.

It is important to take recent developments into account, and one worrying recent development is that while the number of machines charging a fee has increased by 16 per cent., there has been a reduction, albeit a very modest one—0.3 per cent. last year—in the number of free machines. Although that trend has levelled out, one of the big worries is that, in future, there will be a further decline in the number of free machines. That would cause quite a few alarm bells to ring.

John Robertson: Is my hon. Friend surprised to hear that one reason why the figure for free machines has remained so high is that sites with multiple machines have been introduced? At such a site, there may be

anything up to four machines, and they are counted as being at four different sites even though they are all in one place.

Mr. Love: I thank my hon. Friend. I was not aware of that fact. It just shows how important it is that we monitor effectively what is happening in the marketplace, so that we understand what action needs to be taken to ensure that people can access the type of machine that they want, with the convenience that they expect in this day and age.

Let me return to those wonderful statistics that we love to cite. It is important to place cash machine charges in context. About 96 per cent. of all transactions are still free. I think that everyone recognises that we want that to continue to be the figure in future. However, the Treasury Committee suggests in its evidence—this figure appears to be accepted fairly broadly—that the growth in ATMs that charge will level off when the figure reaches about 5 to 10 per cent. We need to consider what the consequences will be if that phenomenon takes place, and how we can ensure a proper market for the future.

Interestingly, according to the industry, ATMs owned by banks and building societies—which are generally but not always free, as other hon. Members have mentioned—have, on average, £13,000 withdrawn daily. The independent sector, which generally charges although not always, has, on average, about £800 withdrawn per day. That has consequences for the balance between free ATMs and charging ATMs.

One great concern, which other hon. Members have mentioned, is whether there will be a significant shift from banks and building societies holding ATMs to the independent sector holding ATMs. Of course, that would entail a move from free provision to charging provision. HBOS has been mentioned in that regard. I shall not go into the figures—they have already been cited—but there is that worry. We cannot know as yet that the balance will change significantly but, again, we must monitor the situation. I welcome the role that the Treasury has played in this and other matters by recognising the critical importance of monitoring all developments at present to ensure that we maintain an adequate marketplace, in which everyone can receive their money at a cost appropriate to them.

I would like to discuss a number of issues, the first of which is transparency. The second issue is affordability and financial exclusion, which several hon. Members have touched on. I shall then say a few words about the Post Office, because it will begin to come into its own if some of the changes that we are discussing do take place.

Let me first of all, as others have done, welcome the progress that Link has made on greater transparency. It has taken action to ensure both that a message now appears on the screen of its ATMs telling people that a charge may be made, and that there is an external sign to tell people before they get to the machine that a charge may be made. Link has also reviewed its compliance with those conditions. We are told that the figure for compliance is 98 per cent. and that penalties have ensued for those who have failed to comply. I accept all that. However, from my reading of comments from interested individuals and organisations and those affected, I believe that a number of outstanding issues remain.

The first issue relates to clarity. There are concerns that the minimum point size for the message that appears on the screen might not be appropriate for all members of the community. There is still quite a lot of confusion. For example, ATMs often state that balance inquiries are free, which might confuse someone into thinking that all the services are free. As my hon. Friend the Member for North-West Leicestershire (David Taylor) said, the position of the signage that goes along with a machine is often not appropriate to inform the individual. It might be very small or placed in an awkward spot. We need consistency of provision. Nationwide and *Which?* have suggested the red and green signage about which many have spoken. That suggestion seems appropriate for various reasons, in terms of clarity and of being widely understood. If it is not accepted across the board, it will be incumbent on all the organisations to suggest ways in which we can be reassured that there is clarity and that the provision is easily understood by all members of the community.

Associated with that is the concern raised by several hon. Members about non-financial transactions—people wanting to find out how much money is in their account. This issue particularly affects the less well-off, who may be worried about how much money is in their account. Reassurance needs to be given that charges will not be introduced for that service.

Secondly, let me consider affordability. It has to be said straight away that 25 per cent. of all withdrawals from ATMs that charge are for £20 or less, so there is very significant use of such ATMs by the less well-off. Those on low incomes might even withdraw smaller amounts. It has already been mentioned that sometimes people can withdraw only £10 at a time. Some people will choose to withdraw only £10 or perhaps £20. We are told that the average charge made at an ATM is £1.50. In Glasgow, it is £1.75. The figure will vary, and if we are monitoring the situation, we should be becoming aware of whether a differential charge impacts adversely on lower-income communities. However, just to take the average charge for a moment, if someone withdraws £20, the charge is 7.5 per cent. of the amount that they have withdrawn. If they withdraw £10, the figure is 15 per cent. That is the position for low-income households. I am not sure how we should deal with that issue. I would be interested to hear what my hon. Friend the Minister has to say about making charges proportionate to the income of the person withdrawing the money. I am not suggesting a cap, but the situation that I have described needs to be considered.

Thirdly, as several hon. Members have mentioned, more than 6,000 branches of banks and building societies—it is banks in the main—have closed since 1990, 1,000 of which were in rural areas. The Building Societies Association and others have carried out studies that show that generally—I do not want to go too far with this point—those bank branches have been withdrawn from less well-off areas. In addition, we are all acutely aware, because there have been many Adjournment debates on the subject, that post offices have been closing in many areas. Some have closed in rural areas, although that has slowed significantly. When there was a review of the post offices in my constituency, five of the nine local branches closed, but

[Mr. Love]

not all of those were in what one would term deprived areas. However, there have certainly been closures.

Regarding the concerns about the fact that areas where there are neither branches of banks nor post offices—or even ATMs—may develop, I remind the Minister of his letter to the Chairman of the Committee on 26 October where he said:

> "The Government would be concerned if it were found that people on low incomes incurred a disproportionate cost in accessing their money."

We all agree with that. In the case of my constituency, one in three of the ATMs available to my constituents are free, so two in three charge, and my constituency is in a relatively deprived, low-income area. Last year, we lost one of our free machines and added one to the total of charging machines. The largest single employer in my constituency is the local hospital. Many people are employed there and many patients pass through it. It has only one cash machine, which charges £1.50 and people have to walk half a mile to withdraw money from a free machine. That hospital is in one of the most deprived areas of Edmonton and Tottenham and I say without fear or favour that it represents probably the most deprived community in the whole of Greater London.

We need to consider carefully the distribution of free and charging machines. I listened carefully to the Chairman and read the letter from the Minister that provided the figures on financial exclusion. Those figures need to be matched up to the location of ATMs as soon as possible, with regard to those that charge and those that are free. As has been said, gaps in provision, such as those in my constituency, are critically important, and if we are to maintain competition and the ability to access funds, we must ensure that those gaps do not occur.

I welcome the work of the Treasury Committee and, more importantly, the Treasury on the matter, as well as the work of organisations, such as Citizens Advice, which consider the issues carefully. That all adds to our knowledge and leads to the drawing up of a comprehensive picture to ensure that our constituents and people nationwide are able to access their money.

I shall just say a few words about the role of the Post Office and a couple of issues that have already been touched upon. In its report, the Treasury Committee said that 75 per cent. of ATMs in post offices carried a charge. Indeed, the figure suggested that £10 million was raised in fees last year. The first thing we should do is strongly welcome the decision of the Post Office to convert 1,000 of its ATMs from charging to free machines. The Chairman went into detail about the way in which the Post Office is addressing that issue and I strongly welcome the critical consideration of the services that it provides. I suggest that if it can move to an entirely free network in post offices, it will add significantly to the need to maintain that branch network in rural areas and low-income communities throughout the country.

There are 14,500 post office branches nationwide, roughly 8,000 of which are in rural areas. As was mentioned earlier, almost everyone is within a mile of a post office branch so access is reasonable, although I am sure there are areas in Members' constituencies where access may not be as good as it should be, and we need to consider that.

I was pleased that the Post Office entered an agreement to allow free withdrawals from its branches for those who held basic bank accounts. That service was much needed and addressed a gap that existed in the marketplace; I strongly welcome it. As I mentioned in an earlier question to the Chairman, we must ensure that customers who use the post office are aware of that service, especially when they may be using machines that charge in the village or the post office. They must be made aware of those choices.

Concern has been expressed at the announcement that the Post Office card account will be discontinued in a few years' time. I fully understand the different cost structure of accessing funds through a Post Office card account compared with accessing them through a bank. It is a sensible move, if we ensure that those who have Post Office card accounts can, do and want to access the alternatives available. The latter point is critically important: people must have trust and confidence that the alternative system is one that they want to undertake.

To achieve that the Post Office needs to do two things. First, it should seek membership of Link. I understand that this will open up doors for the Post Office; it will be able to allow people with any bank account to access their funds—not just those with basic ones. That would give the Post Office a credibility in the banking structure that will be enormously helpful and may well encourage the national banks that currently resist the temptation to make agreements with the Post Office to do so. That should be urgently considered, not just in the context of the withdrawal of the Post Office card account.

Secondly, there is a role for the Post Office in relation to basic bank accounts. We know that there has been a massive increase in the number of people holding those accounts, but, to be honest, that is not particularly due to the work that the banks have done. Indeed, some banks are hesitant regarding basic bank accounts and there is more that the Post Office network could do. If it did so in relation to the card account, there would be a much smoother transfer than some of us believe might happen.

I strongly welcome the report overall. I am incredibly impressed with the thoroughness with which the Treasury Committee undertook the inquiry and the strength of the recommendations, many of which have been implemented, but many of which have not. This matter affects all our constituents: all of them have a vested interest in it, not just those on a low income. People have come to my surgery to complain about being charged £1.75 or £2, even though they may be relatively high-income earners, because they were not aware that they were going to be charged.

There are many issues to consider, but with good will on all sides, the continuing work of the Treasury Committee and the help and support not just of the Nationwides of this world, which are already on board, but all financial institutions, I hope that we can achieve the sort of marketplace that gives people real choice with regard to how they withdraw funds.

3.58 pm

Susan Kramer (Richmond Park) (LD): I am very conscious that a number of people have planes to catch; they do not have the luxury of going home on the tube, as I do. Therefore, I shall try to be brief and not reiterate many of the points already made, but I want very much to associate myself with the speeches that have been made.

I reiterate how much I appreciate the excellence of this report. I was not a member of the Treasury Committee at the time, so I can take no credit for a really superb piece of work, or its recommendations. However, I also read the Government's response, which I thought was weak and disappointing. I hope that today the Government will redeem themselves on a matter about which they have made a number of policy statements that ought to mean that they are taking a more active and forceful interest.

I suspect that none of us objects to charging for ATM use where it is genuinely just a matter of convenience. There is a wine shop at the top of my street, and as far as I am concerned, if anyone wants to pay to use the cash machine there, that is their problem; there is a free machine two minutes round the corner, if they can be bothered to walk. However, even in the area where I live, which is an affluent area of Barnes in my constituency, there are two free machines within five minutes' walk of my house.

If I were to live on the North Barnes estate, which is one of the most deprived in south London, the only machine in reasonable distance would be in a convenience store, and the machine charges. It would be even worse if I were a pensioner, or, as others have said, a mother with small children, dragging a buggy and whatever else. It is not in the interests of the site owner to put in a machine other than a charging machine, because of the basis on which the fee works. At the heart of this debate is charging within areas of financial exclusion where people are on low incomes, deprived and do not have any other reasonable options for obtaining cash without paying.

I hope that the Government's work to identify the postcodes of exclusion will be used as creatively as possible to understand the areas in which people are effectively shut out of using a free ATM. The Government say that they have been unable to make the information available, because it came from a private company and there were commercial constraints. The information is now available to the Treasury Committee.

My goodness sake, paying the small additional fee to get wider use of that material has to be a small price to pay for opening up the opportunity to work with the voluntary and private sectors and others to tackle financial exclusion. The benefits of dealing with that underlying problem must be so much greater than the cost that would have to be paid to use the data. Frankly, it ought to be a no-brainer for the Treasury.

The Government responded to the report, saying that they would be worried if people on low incomes genuinely had to pay to obtain cash, but that they were confident that that was not true, because people could go to post offices. In this debate, we have discussed charging at post office machines. I hope that it is fading and that it will end. However, the reality for many people is that there is no local post office, and there will be fewer post offices in the future.

There is not one single post office in Ham and Petersham—probably the poorest ward in my constituency. There is a post office within a mile—provided that one can fly across the Thames—which meets the criterion established for the Post Office on the number of branches that it has to have.

We are now looking at the withdrawal of the Post Office card account. There is a set of issues about that product, but I am worried about the predictions made by the Post Office and the sub-postmasters that the withdrawal of the account will force yet more branches to close. That will be as true in urban areas of deprivation as in rural areas. Adam Crozier himself said that he could meet the criteria set down for a full distribution of post offices with roughly 4,000 sub-post offices, of which there are presently in excess of 14,0000. A loss of even 1,000 or 2,000 post offices would be devastating for many communities, especially if that meant that we would lose—again—the avenue down which the Government were going to provide people with free access to their cash.

We must consider the dynamic, and I hope that the Government will do so and recognise that the situation is getting worse, not better. The issue must be considered in the context of financial exclusion more broadly. I believe that we are starting to realise what an impact financial exclusion has. It is not just a matter of convenience; it is the gateway for people to change their lives and achieve their personal goals. That issue is wrapped up at the heart of the debate; it is neither a side nor a minor issue. The hon. Member for Wansdyke (Dan Norris) made the point that for banks, the move to ATMs was a cost-saving measure. It is three times more expensive to serve someone at a counter than it is at an ATM. The banks withdraw counter capacity, shift to the ATM and then move on to close the branch. There is a lingering social obligation to serve the community, and it must be part of negotiations with the various providers.

The issue was raised of ATMs at public service sites. I reiterate the problem of fee-paying cash machines in hospitals. When that issue was put to the Government, they basically said, "Not our problem, guv; it is for the trust." An issue as fundamental as that cannot be for a trust. West Middlesex university hospital is just one example in my neighbouring constituency of Twickenham, where if someone has to pay for a prescription, they have to pay cash. It is probably not a poverty issue if the person is paying, but they still have to pay cash. Someone feels ill, is not at their best and needs medication. They go to draw cash and the only ATM charges. In addition—as others have said—for low-wage employees such as nurses, medical staff, cleaners and whoever else is dependent on that machine, it makes no sense.

I cannot believe that the differential between the cost of a free machine and a charging machine could wreck the viability of a trust, but it sure can be problematic for individuals who are attempting to deal with all the minor problems that one has obtaining cash in a hospital.

[Susan Kramer]

The issue of transparency is utterly fundamental. I am in a state of shock about the out-of-hand rejection of the proposals for the traffic light, red and green sticker system. It seems such a simple and obvious mechanism, and the Government must use all their ability to advocate it and to apply pressure for it. I support those who say that if necessary, we should legislate. However, we should go a step further: each paying machine ought to state clearly where one can find a free machine. People stand at the paying machine, and they have no idea where to go. Having additional information would be salutary and make it evident quickly if they were in an area where free machines were not available.

I find disturbing the direction in which some of the industry is going. I am sure that the Royal Bank of Scotland's purchase of Hanco was an appropriate corporate strategy, but it begins to underscore the conflict of interest between different parts of the community in supporting free machines versus fee-paying machines. We are all concerned about an underlying tendency to shift in the charging direction, except where there is an articulate and affluent population. When one sees such activity, a warning flag is raised, indicating that we are moving in the wrong direction.

Dan Norris: Does the hon. Lady agree that that is part of a cynical attempt to create a situation in which most machines charge? Then the banks that owned the free machines could simply say, "Market forces are now such that we must also charge."

Susan Kramer: I am not so cynical, but we must be aware of that cautionary note.

I said at the beginning of my remarks that the Government's response had been weak, and I want to illustrate that point. The Committee's recommendations were powerful, and they would have been effective if fully implemented and pursued. After the report came out, I noticed an interesting effect on the banks. Shortly after the report's publication, HSBC closed its last bank branch in Old Colwyn in Wales. Aware that so much tension was in the air and that the Government might act, it carefully negotiated with the local Somerfield supermarket to provide a free machine to replace the one in the closing bank branch. Having seen the weakness of the Government's response to the report, HSBC simply closed its branch in Ogmore—a community with almost identical circumstances and deprivation—and bothered neither to negotiate nor to look for a substitute. The Government's response to the Committee's very powerful report sent out the wrong message.

The Government have a chance to redeem themselves today, to take a strong position on this issue and to recognise that it reflects a far broader picture.

4.10 pm

Mr. Paul Goodman (Wycombe) (Con): It is a pleasure to see you in the Chair, Mr. Martlew, and it is a pleasure to be shadowing the Economic Secretary for the first time. I look forward to constructive exchanges with him on this subject today and in the future.

One of the first things that I do when I read a Select Committee report is to turn to the back to find out whether there was division in the Committee on the subject under consideration and whether amendments were tabled, voted on or voted down. I note that there seems to have been strong consensus on the conclusions in this report. It was signed by my hon. Friends the Members for North Dorset (Mr. Walter) and for Sevenoaks (Mr. Fallon) and by my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory). I want to tell the Chairman of the Committee, who opened this debate, that it is a thorough and measured piece of work.

I should pick up on a point made by the hon. Member for Richmond Park (Susan Kramer). Although I did not follow what was going on at the time, it seems that the banks, building societies and independent operators responded in some degree to the investigation, presumably from fear that when the report was published it would be even more critical than it turned out to be. It is evident from what the Chairman of the Committee said that there is a lot of progress to be made.

When I read the report in full earlier this week, it came to me that one way of thinking about its conclusions is as follows. We could live in a country in which the banks and building societies were allowed to charge what they liked with no regulatory framework. They could charge whatever transaction fees—disloyalty fees is one of the technical terms—they wanted. One could argue that in such circumstances the market would work perfectly and that there would be clear signage, font sizes would be adequate and the financially excluded would have access, but I doubt very much from reading the report and from the temper of the debate that that would be the case.

As we are a little short of time, I will not go through some of the stories buried in the report that prove that present practices are less than perfect, but I recommend that any hon. Members who have not read the report fully should turn to page 28, where an interesting instance is given of a practice that is less than perfect.

On the other hand, we could live in a country in which the Government effectively acted in such a way as to make it impossible for the banks, building societies and independent operators to charge. If that were the case, what would surely happen is that the number of machines would fall—the hon. Member for Edmonton (Mr. Love) referred to the proportion of transactions that are currently carried out on non-charging machines. The banks would argue that they were no longer receiving revenue from the charging machines that they would not, in this imaginary world, be allowed to provide. The conclusion that I draw from the report is that the Committee got it about right; it is all about the balance between freedom and regulation.

The report covered four main areas: the growth in the number of charging machines, financial exclusion, better transparency, and regulation of the banking code. Many of the points in the report have already been covered and I shall not rehash them all, but I want to comment briefly.

It is true that there was a sharp rise in the number of charging machines of about 25 per cent. between 2000 and 2004 and that the rise was much more rapid than the

growth in the number of non-charging machines, which was 3 per cent. However, the industry argues that the number of non-charging machines will continue substantially to outnumber the number of charging machines. The question is where all this is going.

Mr. Love: So long as we can monitor the situation, I think most people are relaxed about an increase in charging machines if that means greater convenience. I think the worry is a reduction in the number of free machines if that creates a desert in poor communities.

Mr. Goodman: That is exactly so, and it brings me to my next point, which follows on from the remarks made by the hon. Member for Richmond Park, who said that the Government's response was weak and disappointing. It was certainly confusing in one way. The response states on one page:

"The Government does not believe that free ATMs in the UK are under threat."

That seems pretty flat. On the next page it states:

"The Government would be concerned if evidence were found of a significant reduction in the number of free ATMs."

That comment was made despite having, a page earlier, apparently dismissed the possibility that that would happen. Perhaps the Minister will comment on that when he winds up.

A great deal has been said about post offices and there was a lively and well attended debate in Westminster Hall yesterday. The Chairman of the Select Committee produced some good news on free machines earlier. His report set out clearly some of the impasses between the postmasters, who would like to introduce free machines, the Post Office, which is apparently not taking that into account, and the operators, who are getting the money from them. That is good news, but the Government must give a fuller response on what will happen after 2010 when the Post Office card account contract ends. The Economic Secretary will know that early-day motion 1531 on the pilots that are running now has been signed by about 25 of his hon. Friends who are extremely concerned about the matter. I look forward to hearing what he has to say in that regard.

Citizens Advice has said that it has serious concerns about the lack of clarity on the future of the Post Office card account when the current contract runs out in 2010. It is frustrated by the lack of clear information from the Department for Work and Pensions about its plans for the account. The Chamber will be interested to hear what the Economic Secretary says about that.

On transparency, it seemed to me that the report was right to push the operators in the direction of clearer signage, larger font sizes and so on. I note that the industry's argument in the report was that it would take a great deal of effort to alter all the machines and that there would be a resulting cost, but the report pointed out that the operators must service the machines anyway, so surely it should be possible to improve transparency.

This has been a useful debate. I am aware, as the hon. Member for Richmond Park said, that some hon. Members and perhaps even Ministers have planes to catch, so I will not inconvenience them further. I wait to hear what the Economic Secretary has to say.

4.18 pm

The Economic Secretary to the Treasury (Mr. Ivan Lewis): I welcome you to the Chair, Mr. Martlew. It is always good to see you there. I also welcome the hon. Member for Wycombe (Mr. Goodman) to his new responsibilities and look forward to jousting with him in future. I thank him for his sensitivity to airline arrangements, although I do not know how they will pan out. I also thank my hon. Friend the Member for Colne Valley (Kali Mountford) for her usual excellent support. She always draws the short straw in the Treasury, which seems to mean ending up with me, but she is always a great support.

This has been an important debate and continues a long line of important debates on this area of policy. I want to comment briefly on the speeches and interventions that have been made. First, my right hon. Friend the Member for West Dunbartonshire (Mr. McFall) in his capacity as Chairman of the Select Committee has made a massive difference in this area of public policy. If he and his Committee had not taken such a close interest in these matters, we would not have seen the progress that has been made in recent times. We can discuss how much progress has been made and I shall come to that. It is exceptionally important that the Select Committee, under his leadership, is seen to be keeping a close eye on this important issue.

It is a pleasure to have my right hon. Friend the Member for Oxford, East (Mr. Smith) take part in this debate. He was a distinguished, highly respected Secretary of State, and brings specialist knowledge to the discussion. It is fair to say that my hon. Friend the Member for Glasgow, North-West (John Robertson) recently put me on the spot in an Adjournment debate. It is clear that he has decided that this campaign is important to his constituents and to citizens throughout the country.

My hon. Friend the Member for Bristol, East (Kerry McCarthy), who is a new member of the Select Committee, made an excellent speech. She rightly drew attention to the impact of the problem on vulnerable people in the real world in our respective constituencies. My hon. Friend the Member for Edmonton (Mr. Love) spoke about long-term implications. Long before this was a major public policy issue, he drew attention to its impact and serious consequences.

I thank the hon. Member for Richmond Park (Susan Kramer) for the way in which she presented her contribution. As ever, I shall do my best to redeem myself in her eyes. That is something on which I spend many a night reflecting. I hope that I shall have redeemed myself satisfactorily by the end of my speech.

My hon. Friend the Member for Bishop Auckland (Helen Goodman) rightly referred to the fact that financial and social exclusion is not just about means. If one lives in a rural community, the lack of cash machines is yet another thing that can cause disadvantage and make life more difficult. As usual, my hon. Friend the Member for North-West Leicestershire (David Taylor) gave an independent perspective on the issue. He does that on almost any matter that comes before the House of Commons. He and I saw off the same Conservative parliamentary candidate. After I beat her, she followed him to North-West Leicestershire. I am delighted that he was successful.

[Mr. Ivan Lewis]

My hon. Friend the Member for Wansdyke (Dan Norris) referred to the wickedness of the banking industry. That is one remark that was made today with which I, as the Minister in the Treasury with responsibility for financial services, simply cannot associate myself. I spend many of my days with bankers of one kind or another, and my job would be made unnecessarily more difficult if I were to endorse a view of them as being wicked. Many people in the financial services sector—not all, but many—share the concerns that have been expressed today. As representatives of that sector, they view their responsibilities as being about more than just profitability and the bottom line, and recognise the importance of the sector's credibility, of political accountability and of being responsive to public concern and opinion. Many people in that sector understand those things, although, as I said, not always and not everybody.

On the substance of the issues that have been raised and of the policy, it is absolutely clear that the Government and the Select Committee have a shared objective, which, as far as I can see, is to maximise access to free cash machines. That is particularly important for people in disadvantaged communities and vulnerable individuals.

The issue should be put in a broader context. It is central to the Government's financial inclusion objectives and beliefs, and, to some extent, to the credibility of the financial services sector. It is at the heart of the Government's determination inextricably to strengthen this country through the link between social justice and fairness, and economic success and competitiveness. Therefore, the issue is not marginal or minor. It runs to the heart of much of what the Government, uniquely, have tried to do to change this country for the better, and to our underlying philosophy and principles.

This is not an appropriate occasion to make party political points of any significance, but, frankly, there were no policies to tackle financial exclusion or poverty in this country only a few years ago. There was even denial in most public policy documents that there was such a thing as poverty. When the Government are criticised for being weak or indecisive, let us be absolutely clear that they are the first UK Government in living memory who are committed to getting rid of poverty in this country. This issue has a direct resonance to the philosophical value base that drives everything that we seek to do.

The Government and the Select Committee share the objective of maximising access, and also the belief that there will never be 100 per cent. access to free cash machines because of the legitimate financial viability case that is made by banks and building societies in certain circumstances. However, we also share the belief that there must be total transparency and no hood-winking of the customer or the consumer—no attempt to deceive—where it is accepted that charging machines are required. That is extremely important. If we accept that there has to be charging in some circumstances for financial viability reasons, the quid pro quo is that there must be complete transparency and no attempt to con the customer or the consumer.

Mr. Andrew Smith: Would the Minister accept the point that was made strongly in the report but has not been adequately reflected in this debate that the income expected by the proprietors of the places where machines are located is an important factor? If they expect too much income, that affects viability and charging. Therefore, public sector premises—whether post offices, community centres or other facilities—might play a useful part in providing cheap locations that make it viable for lower volume machines to be free.

Mr. Lewis: That is an entirely common-sense intervention; it has to be correct, and there has to be some reflection on what the Government can do to influence public sector policy in that area. My right hon. Friend referred to local government. We cannot do everything from the centre; we have also to consider how we can influence local government and local health trusts on policy.

The hon. Member for Wycombe suggested that there was some contradiction in the Government's response to the Select Committee report. I do not think that that is correct. Recently, there has been a significant improvement as a direct consequence of the Select Committee's pressure, the scrutiny that has been applied, and the Government's response. Without that focus from the Government and the Select Committee, we would not have seen some of the improvements that we have seen recently in the direction of travel towards access to free cash machines. However it is important to remember that we have a joint responsibility to keep an exceptionally close eye on the situation. It needs to be made clear that we shall do so; we will keep the matter under review. We expect the financial institutions to honour the commitments that they have made to the Government and the Select Committee, and retain the right to act if they fail to do so.

It is also important that we have a considered debate on the issue, basing our arguments and decisions on credible evidence, not on anecdote. The financial inclusion taskforce is collecting evidence that will help us to consider the impact in terms of financial exclusion. I am sure that my right hon. Friend the Member for West Dunbartonshire will accept that although we were told that collecting information on a postcode basis was not doable, the more that we open the door, the more it appears that it is very doable—so it is a question of willingness rather than of practicability. We need to demand more and more evidence, so that we can base our decisions on that evidence.

I would like to go one stage further than the Government have gone so far. The confusion, doubt about direction of travel and lack of clarity about progress are leading to a deceleration in that progress. In the next few weeks, I will broker a meeting between members of the Select Committee, key representatives of the industry and the chairman of the financial inclusion taskforce, Brian Pomeroy, to thrash out the current position, the outstanding issues of division between us and what action we expect over an agreed period in order to ensure that the shared objective to which I referred at the beginning of my speech is fulfilled.

Rather than holding parallel debates—perhaps firing shots across each other's bows—we should get together in the interests of all consumers, particularly financially excluded communities and vulnerable consumers, and see whether we can reach a consensus. At least we should be clear on where we do not agree. I hope that my right hon. Friend will feel able to respond positively—I am sure that he will—to my invitation, I expect the industry to respond positively, and it is important that the financial inclusion taskforce participates as well.

4.30 pm

Mr. McFall: I thank my right hon. and hon. Friends who have participated in the debate, and also the hon. Members for Wycombe (Mr. Paul Goodman) and for Richmond Park (Susan Kramer) for their contributions. The hon. Gentleman mentioned the Select Committee report. Throughout the last Parliament, almost all our reports were unanimous—unanimity is important if reports are to have credibility. I am grateful to all the members of the Treasury Committee, from all parties, who produced the report. They worked as one and their unanimity was its strength.

I agree with the Minister on total transparency. I mentioned earlier the veil of secrecy surrounding cash machines. If that can be lifted, that will be a step forward. I can tell the Minister that in the past few years I have had regular meetings with people who have come into my office—I have a nice office now, because I am Chairman of the Committee—to give me their point of view. However, there is a disparate element to that, so the suggestion that the Minister has just made is excellent.

May I also say that since the Minister has been in post, he has met me on every occasion on which I have wanted to meet him, and we have always had constructive debates? Today's statement could lead to a significant leap forward, and I think that I am speaking for all members of the Select Committee when I say that we will enter into the negotiations in a positive way so that we can realise the aims and objectives of the Committee, the Government and the Opposition. I thank the Minister, and wish him every success in getting to Heathrow in time for his plane.

Question put and agreed to.

Adjourned accordingly at twenty-eight minutes to Five o'clock.